

SUBJECT: OTHERS

SOLAR POWER PURCHASE AGREEMENT BETWEEN KAB GREE SOLAR SDN. BHD. [REGISTRATION NO. 202101021849 (1422149-H)], A DIRECT SUBSIDIARY OF THE COMPANY, WITH MYDIN MOHAMED HOLDINGS BERHAD [REGISTRATION NO. 199101011136 (221448-A)]

1. INTRODUCTION

Reference is made to the Company’s announcement dated 26 July 2021. Unless otherwise stated, defined terms used in this announcement shall have the same meanings as defined in the announcement dated 26 July 2021.

The Board of Directors of KAB wishes to announce that KAB Gree Solar Sdn. Bhd. [Registration No. 202101021849 (1422149-H)] (“**KABGS**” or “**SPS Owner**”), a direct subsidiary of the Company had on 12 April 2022 entered into Solar Power Purchase Agreement (“**the Agreement**”) dated 12 April 2022 with MYDIN Mohamed Holdings Berhad [Registration No. 199101011136 (221448-A)] (“**MYDIN**” or “**Customer**”) for the purpose of designing, constructing, installing, owning, operating and maintaining a solar photovoltaic energy generating system with a DC capacity of 2,041.65 kWp to be located on the piece of land held under Hakmilik Sementara No. H.S.(D) 8456, No. PT 666, Mukim Kota, Daerah Jajahan Kota Bharu, Kelantan Darul Naim (“**the said Premises**”), to generate and supply solar photovoltaic energy to the Customer for twenty-one (21) years period commencing from the Commercial Operation Date (“**COD**”).

2. INFORMATION ON THE SPS OWNER

KAB Gree Solar Sdn. Bhd. [Registration No. 202101021849 (1422149H)], was incorporated in Malaysia on 18 June 2021 and having its registered office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan.

The issued share capital of KABGS is RM1,000,000.00 comprising 1,000,000 ordinary shares. KABGS is principally engaged in developing, financing, constructing, operating and maintaining solar photovoltaic projects and projects involving green technology.

The Directors of KABGS are as follows:-

- (a) Dato’ Lai Keng Onn; and
- (b) Mr. Lai Chuan Shenq.

KABGS is a direct subsidiary of KAB.

3. INFORMATION ON THE CUSTOMER

MYDIN Mohamed Holdings Berhad [Registration No. 199101011136 (221448-A)], was incorporated in Malaysia on 23 July 1991 and having its registered office at 305 (Suite 1), Block E, Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan.

The issued share capital of MYDIN is RM496,200,000.00 comprising 10,600,002 ordinary shares. MYDIN is principally engaged in hypermarket, supermarket, emporium, franchising and wholesale business and shopping mall management.

The Directors and shareholders of MYDIN are as follows:-

KEJURUTERAAN ASASTERA BERHAD
[REGISTRATION NO. 199701005009 (120505-H)] (“KAB” OR THE “COMPANY”)

SUBJECT: OTHERS

SOLAR POWER PURCHASE AGREEMENT BETWEEN KAB GREE SOLAR SDN. BHD. [REGISTRATION NO. 202101021849 (1422149-H)], A DIRECT SUBSIDIARY OF THE COMPANY, WITH MYDIN MOHAMED HOLDINGS BERHAD [REGISTRATION NO. 199101011136 (221448-A)]

Directors and shareholders	No. of MYDIN shares	Issued and paid-up share capital of MYDIN (%)
Directors		
(i) Ahimmat Bin Mydin Mohamed	7,250,000	8.46
(ii) Ameer Ali Bin Mydin, Datuk Wira (DR) HJ	7,250,000	8.46
(iii) Dato’ Murad Ali Bin Mydin Mohamad	7,250,000	8.46
(iv) Salim Bin Mydin Momahed	7,250,000	8.46
(v) Datin Wira Dr. HJH Siti Hawa Binti Mohd Munji	40,800,000	47.61
Shareholders		
(i) Ahimmat Bin Mydin Mohamed	7,250,000	8.46
(ii) Ameer Ali Bin Mydin, Datuk Wira (DR) HJ	7,250,000	8.46
(iii) Dato’ Murad Ali Bin Mydin Mohamad	7,250,000	8.46
(iv) Salim Bin Mydin Momahed	7,250,000	8.46
(v) Datin Wira Dr. HJH Siti Hawa Binti Mohd Munji	40,800,000	47.61
(vi) Mydin Wholesale Cash and Carry Sdn. Bhd.	15,900,000	18.55

4. SALIENT TERMS OF THE AGREEMENTS

4.1 Premises Inspection and Modifications and Conditions Precedent

- (a) Upon execution of the Agreement, the SPS Owner shall conduct a due diligence and a physical inspection of the said Premises (“**Premises Inspection**”) as deemed necessary by the SPS Owner in its sole discretion to confirm the suitability of the said Premises for construction, installation, operation, and maintenance of Solar PV System.
- (b) If applicable, after the SPS Owner has inspected the said Premises, the SPS Owner shall be entitled to make a request to the Customer for the rectification or making good of defects, repairs, or maintenance on any part of the said Premises (including but not limited to the removal any shading and the repair of roof leakages) (“**Premises Rectifications**”) at the Customer’s own expenses for the purpose of the Agreement. Approval for the Premises Rectifications shall be subjected to the written approval of the building consultants and written consent from the Customer.
- (c) Upon the Parties’ agreement on the Premises Rectifications, the Customer and the SPS Owner shall jointly prepare and submit the applications for any approvals, authorisations, clearances, concessions, consents, decisions, decrees, exemptions, filings, licenses, notifications, permits, privileges, rulings, registrations, registrations and waivers required to be issued by or made with any Responsible Authority in connection with the

SUBJECT: OTHERS

**SOLAR POWER PURCHASE AGREEMENT BETWEEN KAB GREE SOLAR SDN. BHD.
[REGISTRATION NO. 202101021849 (1422149-H)], A DIRECT SUBSIDIARY OF THE COMPANY, WITH
MYDIN MOHAMED HOLDINGS BERHAD [REGISTRATION NO. 199101011136 (221448-A)]**

performance of the Works, including the construction, Operation or use of the Solar PV System (hereinafter referred to as “**Approvals**”) as required for the Premises Rectifications as well as for the construction, installation, operation, and maintenance of the Solar PV System. The Customer shall promptly notify the SPS Owner of the progress of the application of the Approvals (if required) in relation to the Premises Rectifications.

- (d) Upon the Customer having obtained the Approvals in relation to the Premises Rectifications, and the Parties mutually agree for the SPS Owner to carry out the Premises Rectifications upon such terms as mutually agreed, the Customer shall immediately ensure that the SPS Owner be given the right, license or permit to access the Premises and carry out the agreed Premises Rectifications.
- (e) The performance by the SPS Owner of the obligations to carry out and complete the construction, installation, operation and maintenance of Solar PV System under the Agreement shall be conditional upon (“**Conditions Precedent**”):-
 - (i) the SPS Owner having obtained all necessary Approvals at the SPS Owner own cost for the installation of the Solar PV System.
 - (ii) if Premises Rectifications are required by the SPS Owner, the Premises Rectifications having been completed subject to the Customer having obtained all necessary Approvals;
 - (iii) if applicable, the Customer having paid all costs and expenses incurred in relation to the Premises Rectifications upon demand by SPS Owner;
 - (iv) the Customer having procured the consent, license, approval, or lease as may be required from the owner of the Said Premises for all activities upon or occupations of the Said Premises in relation to the performance of obligations of SPS Owner under the Agreement;
 - (v) the Customer having executed the Supply Agreement – Renewable Energy (“**SARE**”) with Tenaga National Berhad (“**TNB**”) and the SPS Owner.

For the avoidance of doubt, the above Conditions Precedent may be waived (either fully or partially) upon mutual agreement between the SPS Owner and the Customer.

Notwithstanding any provision to the contrary, the SPS Owner shall be entitled to terminate the Agreement immediately by way of written notification to the Customer. Upon termination of the Agreement, the SPS Owner shall be entitled to claim from the Customer the actual costs of the Premises Inspection already conducted by the SPS Owner (“**Inspection Fee**”).

4.2 Term

This Agreement shall commence from the Execution Date and shall expire on the 21 years from the COD, or such other date as may be agreed between the Parties in writing, or as may be extended in accordance with the Agreement (“**Expiry Date**”).

SUBJECT: OTHERS

SOLAR POWER PURCHASE AGREEMENT BETWEEN KAB GREE SOLAR SDN. BHD.
[REGISTRATION NO. 202101021849 (1422149-H)], A DIRECT SUBSIDIARY OF THE COMPANY, WITH
MYDIN MOHAMED HOLDINGS BERHAD [REGISTRATION NO. 199101011136 (221448-A)]

4.3 Installation, Operation, Maintenance and Ownership of the Solar PV System

4.3.1 Installation Period

- (a) The SPS Owner shall, within 8 months from the date of obtaining all necessary Approvals for the installation and Operation of the Solar PV System (the “**Installation Period**”), complete the installation of the Solar PV System on the Said Premises and achieve the COD for the purposes of Operation, failing which, the Customer shall be entitled to impose Liquidated Ascertained Damages (“**LAD**”) on the SPS Owner for the delay to be calculated on daily basis until SPS Owner completes the installation and achieved the Commercial Operation of the Solar PV System.

4.3.2 Permit for the Installation

- (a) Unless otherwise agreed with the Customer, the SPS Owner shall obtain all Approvals necessary for the installation and Operation of the Solar PV System within two (2) months from the Execution Date (the “**Permitting Period**”), provided always that if there is any delay on the Customer’s part in providing the documents necessary for the application for the Approvals, the period of delay shall be excluded from the computation of the Permitting Period.
- (b) The SPS Owner shall not be responsible for any failure in obtaining the necessary Approvals, by not engaging in any activity, practice or conduct that would constitute an offence under the anti-bribery or anti-corruption laws and regulations of any relevant jurisdiction, including but not limited to the Malaysian Anti-Corruption Act 2009.

4.3.3 Operation and Maintenance

- (a) The SPS Owner shall be solely responsible for operation and maintenance of the Solar PV System and shall, at all times during the Term maintain the Solar PV System in good operating condition.
- (b) The SPS Owner shall have the right to make such repairs and/or maintenance as may be necessary at the Customer’s cost to restore the Solar PV System to good Operating condition in the event of any default, act or negligence of the Purchaser or its Personnel.

4.4 Sale and Purchase Obligation

4.4.1 Sale and Purchase of Net Energy Output

- (a) With effect from the Executive Date and continuing throughout the Term:

SUBJECT: OTHERS

SOLAR POWER PURCHASE AGREEMENT BETWEEN KAB GREE SOLAR SDN. BHD. [REGISTRATION NO. 202101021849 (1422149-H)], A DIRECT SUBSIDIARY OF THE COMPANY, WITH MYDIN MOHAMED HOLDINGS BERHAD [REGISTRATION NO. 199101011136 (221448-A)]

- (i) The Customer shall accept and purchase solely on a self-consumption (SELCO) basis all Net Energy Output (including Test Energy) which is generated by the Solar PV System;
- (ii) the Customer shall take and pay for all the Net Energy Output (including Test Energy) delivered or capable of being generated and delivered by the Solar PV System;
- (iii) The SPS Owner shall not be responsible for making arrangement for the use of any excess energy output which is generated by the Solar PV System but is not utilised by the Customer; and
- (iv) The Customer shall pay the SPS Owner for the Net Energy Output (including Test Energy).

5. FINANCIAL EFFECTS

5.1 Share capital and shareholdings of substantial shareholders

The Agreement will not have any effect on the issued share capital of KAB nor on KAB's substantial shareholders' shareholdings in the Company as it does not involve the issuance of KAB shares.

5.2 Net Assets, Net Assets per share and gearing

The Agreement is not expected to have any material effect on the net assets, net assets per share and gearing of the Group for the financial year ending 31 December 2022.

5.3 Earnings and Earnings Per Share

The Agreement is not expected to have any material effect on the Group's earnings and earnings per share for the financial year ending 31 December 2022 but is expected to contribute positively to the Group's future earnings and the Company's earnings per share.

6. APPROVAL REQUIRED

The Agreement is not subject to the approval of shareholders and any other relevant authorities.

7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the Directors and/or major shareholders of the Company and/or persons connected to them has any interest, direct or indirect, in the Agreement.

**KEJURUTERAAN ASASTERA BERHAD
[REGISTRATION NO. 199701005009 (120505-H)] (“KAB” OR THE “COMPANY”)**

SUBJECT: OTHERS

**SOLAR POWER PURCHASE AGREEMENT BETWEEN KAB GREE SOLAR SDN. BHD.
[REGISTRATION NO. 202101021849 (1422149-H)], A DIRECT SUBSIDIARY OF THE COMPANY, WITH
MYDIN MOHAMED HOLDINGS BERHAD [REGISTRATION NO. 199101011136 (221448-A)]**

8. STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors of the Company, having reviewed and considered the terms and conditions of the Agreements, is of the opinion that the Agreement is in the best interest of the Company and the terms and conditions of the Agreement are fair, reasonable and on terms that are not detrimental to the minority shareholders of the Company.

This announcement is dated 12 April 2022.