

LETTER OF INTENT AWARDED BY LAND MARKER SDN. BHD. FOR THE ELECTRICAL SERVICES INSTALLATION WORKS FOR “PROPOSED DEVELOPMENT OF TWO BLOCKS OF FORTY-FOUR STOREYS OF LUXURY CONDOMINIUM WITH ASSOCIATED FACILITIES, LOCATED AT LOT 13755, 13748, 13757 DAN 37688, JALAN KIARA, MUKIM BATU, KUALA LUMPUR AND TENTATIVELY NAMED “THE BON KIARA” (HEREINAFTER REFERRED TO AS “THE LUXURY CONDO PROJECT”)

---

## 1. INTRODUCTION

The Board of Directors of KAB (“**Board**”) wishes to announce that KAB had on 11 August 2022 accepted a Letter of Intent (“**LOI**”) awarded by Land Marker Sdn. Bhd. [Registration No. 200501018795 (700910-P)] (“**LMSB**” or “**the Employer**”) of business address at 301D, Tower D, Uptown 5, 5 Jalan SS21/39, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan for the purpose of supplying, delivering, installation, testing and commissioning of Electrical Services Installation Work and Lightning Protection Earthing to the Luxury Condo Project developed by LMSB (**hereinafter referred to as “the Nominated Sub-contract Works”**) for a fixed price sum of RM16,700,000/- (*Ringgit Malaysia: Sixteen Million Seven Hundred Thousand*) subject to the stipulations of the Sub-contract Documents, the Conditions of Nominated Sub-Contract, the Tender Drawings, Specifications, Contract Bills and other terms and conditions as hereinafter appearing (together hereinafter referred to as “**the Nominated Sub-contract**”).

## 2. INFORMATION OF THE EMPLOYER

LMSB is a private limited company incorporated in Malaysia with its registered address located at 9-1, 9<sup>th</sup> Floor, Wisma Penang Garden, 42, Jalan Sultan Ahmad Shah, 10050 Georgetown, Pulau Pinang. It is a wholly-owned subsidiary of Bon Estate Holdings Sdn. Bhd. The principal activity of LMSB is property development.

The Directors of LMSB are:-

- (a) Goh Soo Sing
- (b) Chan Jin-Wy

## 3. TERMS OF THE LOI

The terms of the LOI are set out as follows:-

- 3.1 The Nominated Sub-contract Sum shall be a fixed price sum of RM16,700,000/- (*Ringgit Malaysia: Sixteen Million Seven Hundred Thousand*) only inclusive of all applicable taxes and duties and other terms and conditions stipulated in the Sub-contract tender documents. The rates and/or prices after rationalisation thereafter shall be treated as Firm Price which is not subjected to adjustment in respect of fluctuations in cost of wages and/or emoluments and expenses of any kind payable and/or from fluctuations in cost of materials and labours.
- 3.2 KAB is accountable and responsible to the Main Contractor who will be appointed under LMSB’s Main Contract Award and KAB will be required to execute in due course a formal Nominated Sub-contract using PAM 2006 Sub-contract Agreement with the Main Contractor. However, until the formal Sub-contract Agreement is executed, KAB has irrevocably agreed to be bound by the terms and to perform the duties and obligations as stipulated in the Nominated Sub-contract Documents.
- 3.3 The Commencement Date of the Nominated Sub-contract shall be not later than two (2) weeks from the date of Letter of Award to be issued by the Main Contractor or based on site requirements, whichever is earlier. The Completion date of stage/milestone completion (if any) of the Nominated Sub-contract Works shall be in accordance with the requirements of the Main Contractor as per the approved Master Works Programme.

3.4 Upon the formal Letter of Award to be issued by the Main Contractor, KAB shall immediately mobilise tools/equipment, preparation of site preliminary works, submission of insurances, work programme and any other works deemed necessary for approval by LMSB.

**4. RATIONALE AND BENEFITS OF THE LOI**

To secure KAB's position as the Nominated Sub-Contractor in the Luxury Condo Project in an effort to enhance KAB's order book and growth of the Mechanical and Engineering division.

**5. FINANCIAL EFFECTS OF THE LOI**

The LOI for the said Project is expected to contribute positively to the future earnings of KAB for the duration of the contract.

**6. APPROVALS/CONSENT REQUIRED**

The LOI is not subject to the approval of the shareholders of KAB.

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

None of the directors and/or major shareholders of KAB and/or persons connected to them has any interest, direct or indirect, in the LOI.

**8. DIRECTORS' STATEMENT**

After having considered all aspects of the LOI, the Board is of the opinion that the LOI is in the best interest of the Company.

**9. DOCUMENTS AVAILABLE FOR INSPECTION**

The copies of the LOI will be made available for inspection at the Company's registered office Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan during normal business hours from Monday to Friday (except public holidays) for a period of three (3) months from the date of this announcement.

In adherence to the standard operating procedures imposed by the regulatory authority(ies), all inspection of documents at registered office of the Company could only be conducted by prior appointment only. For appointment(s) request, please contact +603-2084 9000 or email: [info@sshbs.com.my](mailto:info@sshbs.com.my).

The announcement is dated 11 August 2022.