

KINERGY ADVANCEMENT BERHAD
(FORMERLY KNOWN AS KEJURUTERAAN ASASTERA BERHAD)
[REGISTRATION NO. 199701005009 (420505-H)] (“KAB” OR THE “COMPANY”)

ACCEPTANCE OF LETTER OF AWARD BY KAB PERTAINING TO APPOINTMENT OF THE NOMINATED SUB-CONTRACTOR (NSC) FOR ELECTRICAL, TELEPHONE AND EXTRA LOW VOLTAGE (ELV) SERVICES FOR A TOTAL OF 2,080 UNITS SUITE APARTMENTS AT LOT 80646, JALAN LINGKARAN TENGAH II, MUKIM BATU, KUALA LUMPUR (REFERRED TO AS “M NOVA”)

1. INTRODUCTION

The Board of Directors of KAB wishes to announce that the Company had on 5 December 2023 accepted a Letter of Award (“**LOA**”) issued by Myvilla Development Sdn. Bhd. [Registration No. 200901000997 (843921-D)] (“**MDSB**”), a subsidiary of Mah Sing Group Berhad (“**Mah Sing**”), for the Appointment of the Nominated of Sub-Contractor (NSC) for Electrical, Telephone and Extra Low Voltage (ELV) Services for a total of 2,080 units Suite Apartments at Lot 80646, Jalan Lingkaran Tengah II, Mukim Batu, Kuala Lumpur (referred to as “**M Nova**”).

2. INFORMATION ON THE COMPANY

KAB was incorporated in Malaysia on 24 February 1997 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 KAB is RM148,847,253.28 comprising 1,945,115,881 ordinary shares. KAB is principally specialised in electrical engineering and sustainable energy solutions.

The Directors and shareholders of KAB are as follows:-

Directors and shareholders	No. of KAB shares (Direct Interest)	No. of KAB shares (Indirect Interest)	Issued and paid-up share capital of KAB (%)
<u>Directors</u>			
(i) Dato’ Lai Keng Onn	445,551,925	186,300,000	32.48
(ii) Choong Gaik Seng	3,318,800	-	0.17
(iii) Tong Suit Moi	-	-	-
(iv) Lu Chee Long	-	-	-
(v) Datin Chan Pey Kheng	12,735,709	-	0.66
(vi) Goh Kok Boon	1,354,050	-	0.07
(vii) Datuk Ong Peng Su	-	-	-
<u>Substantial Shareholders</u>			
(i) Dato’ Lai Keng Onn	445,551,925	186,300,000	32.48
(ii) Stocqtech Sdn. Bhd.	162,900,000	-	8.38
(iii) Kington Tong Kum Loong	178,402,066	31,485,003	10.79

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3. INFORMATION ON MDSB

MDSB was incorporated in Malaysia on 12 January 2009 and having its registered office at Penthouse Suite 1, Wisma Mah Sing, No. 163 Jalan Sungai Besi, 57100, Wilayah Persekutuan.

The issued share capital of MDSB is RM 2,500,002.00 comprising 2,500,002.00 ordinary shares. MDSB is principally engaged in the development of building projects for its own operation, i.e., for renting of space in these buildings.

The Directors and shareholder of MDSB are as follows:-

Directors and shareholders	No. of MDSB shares	Issued and paid-up share capital of MDSB (%)
<u>Directors</u>		
(i) Datuk Ho Hon Sang	-	-
(ii) Chong Chee Kuan	-	-
(iii) Yeoh Chee Beng	-	-
<u>Shareholder</u>		
(i) Mah Sing Group Berhad	2,500,002.00	100.00

4. TERMS OF THE LOA

4.1 The Sub-Contract Sum is agreed at RM31,040,000.00 (Ringgit Malaysia: Thirty-One Million Forty Thousand Only).

5. RATIONALE AND BENEFITS FOR KAB INTO LOA

KAB has secured the project as the Nominated Sub-Contractor for its outstanding electrical engineering services. This project is an addition contribution to the Group's order book and shall further reinforce its expertise as the electrical specialist. The Group remains committed to advancing its well-established competence in engineering solutions and integrating sustainable energy solutions, aligning with its diversification efforts and strategic goals.

6. RISK FACTORS OF THE LOA

KAB does not foresee any exceptional risks other than pandemic risks, execution risks and political risks associated with the LOA.

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VOLTAGE (ELV) SERVICES FOR A TOTAL OF 2,080 UNITS SUITE APARTMENTS AT LOT 80646,
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7. FINANCIAL EFFECTS

7.1 Share capital and shareholdings of substantial shareholders

The LOA 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.

7.2 Net Assets, Net Assets per share and gearing

The LOA 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 2023.

7.3 Earnings and Earnings Per Share

The LOA is not expected to have any material effect on the Group's earnings and earnings per share for the financial year ending 31 December 2023 but is expected to contribute positively to the Group's future earnings and the Company's earnings per share.

8. APPROVAL REQUIRED

The acceptance of the LOA is not subject to the approval of shareholders of KAB and/or any relevant regulatory authorities.

9. 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 LOA.

10. STATEMENT BY THE BOARD OF DIRECTORS

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

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11. DOCUMENT AVAILABLE FOR INSPECTION

The LOA 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@sshshb.com.my.

This announcement is dated 5 December 2023.