

OCEAN VANTAGE HOLDINGS BERHAD (“OVH” OR “THE COMPANY”)

APPOINTMENT AS DOMESTIC SUB-CONTRACTOR FOR THE PROVISION OF ENGINEERING, PROCUREMENT, CONSTRUCTION AND COMMISSIONING (“EPCC”) FOR THE DEVELOPMENT OF A 9.99 MEGAWATT (A.C.) (“MWAC”) LARGE SCALE SOLAR FARM IN DAERAH MANJUNG, PERAK (“PROJECT”) (“APPOINTMENT”)

1. INTRODUCTION

The Board of Directors of OVH (“**Board**”) wishes to announce that its wholly-owned subsidiary, Ocean Vantage Engineering Sdn. Bhd. (“**OVE**”), had on 4 November 2020 accepted the letter of award (“**LOA**”) from Andeli Solar Sdn. Bhd. (“**Andeli Solar**”) appointing OVE as domestic sub-contractor for EPCC works for the Project for a contract sum of RM29,555,062.30 only.

2. INFORMATION ON ANDELI SOLAR

Andeli Solar was incorporated under the Companies Act 2016 on 16 November 2017 and having its registered office at Unit A-6-2A, Wisma Yoon Cheng, No.726, Batu 4½, Jalan Ipoh, Kuala Lumpur, Wilayah Persekutuan. Andeli Solar’s principal activities are installation of non-electric solar energy collectors.

3. DETAILS OF THE APPOINTMENT AND PROJECT

- a) Andeli Solar is the main contractor for the Project appointed by Coral Power Sdn. Bhd. (“**Coral Power**”), a 70%-owned subsidiary of Minetech Resources Berhad. OVE is engaged by Andeli Solar as the domestic sub-contractor to undertake the off-shore and on-shore works, which include EPCC and maintenance for the solar photovoltaic system under the Project. The project site is located at PT 18535, Persiaran Segari, Mukim Pengkalan Baharu, Daerah Manjung, Negeri Perak Darul Ridzuan.
- b) The fixed contract sum of RM29,555,062.30 (“**Contract sum**”) shall be claimable by and payable to OVE based on the work done. The Contract Sum excludes any variation sum which is reimbursable to OVE in the event of changes to the scope of work as instructed by Coral Power.
- c) The date of commencement of the EPCC works under the Project subject to receipt of personal guarantee by OVE shall be 7 days from the acceptance of LOA or such other date in accordance to the work programme as mutually agreed between Andeli Solar and OVE.
- d) The work programme duration for the Project is expected to be 120 days from the commencement date.
- e) The defect liabilities period for the Project shall be 24 months upon the issuance of Certificate of Practical Completion from Coral Power.

- f) OVE intends to fund the Appointment of the Project via internally generated funds and/or borrowings.

4. FINANCIAL EFFECTS

- a) The Project will not have any effect on the issued share capital and the shareholding of the substantial shareholders of OVH.
- b) The Project is not expected to have any material effects on the earnings and net assets of OVH and its subsidiaries (“**OVH Group**”) for the financial year ending 31 December 2020. However, the Project is expected to contribute positively to the future earnings and net assets of OVH Group over the duration of the Project.
- c) The Project is not expected to have any and/or will not have any material effect on the gearing of OVH Group.

5. RISK FACTORS

The Appointment is in the ordinary course of business of OVH Group. As such, OVH Group will not be exposed to risks that OVH Group is not already exposed to. Nevertheless, the Group will take the necessary steps to mitigate the risks as and when they occur.

6. APPROVAL REQUIRED

The Appointment is not subject to OVH shareholders’ approval and/or any regulatory authorities.

7. DIRECTORS’ AND MAJOR SHAREHOLDERS’ AND/OR PERSONS CONNECTED WITH A DIRECTOR OR MAJOR SHARHOLDER’S INTERESTS

None of the Directors and/or major shareholders of OVH or persons connected to them has any interests, direct or indirect, in the Appointment and/or the Project.

8. STATEMENT BY THE BOARD OF DIRECTORS

The Board, after having considered all aspects of the Appointment and the Project, is of the opinion that the Appointment is in the best interest of the Company.

This announcement is dated 4 November 2020.