

## **BINASAT COMMUNICATIONS BERHAD ("BINASAT" OR "THE COMPANY")**

### **SUBCONTRACT AGREEMENT BETWEEN FABULOUS SUNVIEW SDN. BHD. AND BORDERLESS CONNECTION SDN. BHD FOR ENGINEERING WORKS, EQUIPMENT SUPPLY, CIVIL CONSTRUCTION, INSTALLATION WORKS, TESTING & COMMISSIONING WORKS OF THE LARGE SCALE SOLAR PHOTOVOLTAIC ("LSSPV") FACILITY IN SELANGOR**

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#### **1. INTRODUCTION**

The Board of Directors of Binasat ("**Board**") is pleased to announce that its 51%-owned subsidiary, Borderless Connection Sdn. Bhd. ("**BCSB**") had on 17 January 2023 entered into a Subcontract Agreement for engineering works, equipment supply, civil construction, installation works, testing and commissioning works with Fabulous Sunview Sdn. Bhd. ("**FSSB**") for the development of FSSB's LSSPV ("**Project**") in Selangor.

#### **2. INFORMATION ON FSSB**

FSSB is a private limited company incorporated in Malaysia on 1 March 2013. FSSB's principal business activities are engineering, procurement, construction and commissioning of solar photovoltaic and other renewable energy facilities, provision of solar photovoltaic construction and installation services, and associated services and products.

The current Directors of FSSB are Mr. Ong Hang Ping and Mr. Chow Kian Hung, and its' shareholders is Sunview Group Berhad.

#### **3. DETAILS OF THE PROJECT**

- 3.1 Pursuant to the Subcontract Agreement, BCSB is appointed as the contractor to undertake the Project for engineering works, equipment supply, civil construction, installation works, testing and commissioning works of the LSSPV facility.
- 3.2 The Project scheduled completion date shall be 30<sup>th</sup> September 2023. The scheduled commercial operation date is 31<sup>st</sup> December 2023, subject to the execution of a supplementary power purchase agreement.
- 3.3 The total contract price of the Project is RM18.36 million payable to BCSB in accordance with the payment schedule based on the completed progress of the Project.

#### **4. FINANCIAL EFFECTS**

The Subcontract Agreement will not have any effects on the issued and paid-up share capital and the shareholding of the substantial shareholders of Binasat as it does not involve the issuance of ordinary shares in Binasat.

However, the Subcontract Agreement is expected to have a positive contribution to the earning per share and net assets per share of Binasat and its subsidiaries ("**Binasat Group**").

#### **5. RISK FACTORS**

The Company does not foresee any exceptional risk other than the normal operational risks associated with the Subcontract Agreement and/or Project. Nevertheless, the Company will take the necessary steps to mitigate the risks as and when they occur.

#### **6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS**

None of the Directors and/or major shareholders of the company or persons connected with them has any interests, direct or indirect, in the Subcontract Agreement and/or Project.

#### **7. STATEMENT BY THE BOARD OF DIRECTORS**

The Board is of the opinion that the Project is within the ordinary course of business of Binasat Group and the execution of the Subcontract Agreement is in the best interest of Binasat Group.