

VESTLAND BERHAD (“VESTLAND” OR “THE COMPANY”)

- LETTER OF AWARD FROM TAFI DEVELOPMENT SDN BHD TO VESTLAND RESOURCES SDN BHD (“VRSB”), A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY

1. INTRODUCTION

The Board of Directors of the Company (“**the Board**”) is pleased to announce that its wholly-owned subsidiary, Vestland Resources Sdn Bhd (“**VRSB**”), had on 16 February 2023 accepted a Letter of Award dated 16 February 2023 awarded by Tafi Development Sdn Bhd [Registration No. 199401015536 (301216-V)] (“**TDSB**”) to undertake the design and submission of plan to the authorities, supply, delivery, construction and completion of building and mechanical and electrical work for twenty-seven (27) units of shop offices, three hundred and eighty-four (384) units of townhouses and one (1) unit of electrical substation located at Lot 457 (GRN 2770) Habu, Mukim Ringlet, Daerah Cameron Highland, Pahang Darul Makmur (“**Contract**”) for a contract sum of RM125,000,000.00 (“**Contract Sum**”).

2. INFORMATION OF TDSB

TDSB was incorporated in Malaysia as a private company limited by shares having its address at Plo 3, Kawasan Perindustrian Bukit Pasir, Mukim Sungai Raya, 84300 Bukit Pasir, Muar, Johor Darul Takzim.

The nature of the business of TDSB is principally involved in investment holding, property development and construction activities.

3. SALIENT TERMS OF THE CONTRACT

3.1 Scope of work

The works to be carried out under the Contract comprise the supply of labour/workers, materials, tools, equipment and machinery for the construction, completion and maintenance of the main building and associated works. The scope of works comprising of design and construction, completion and maintenance comprises of twenty-seven (27) units of shop offices, three hundred and eighty-four (384) units of townhouses and one (1) unit of electrical substation.

3.2 Contract Period

Completion of the construction works under the Contract shall be thirty (30) months from the commencement date, which will be notified by TDSB in writing at a later stage.

4. FINANCIAL EFFECTS

The Contract will have no effect on the issued share capital and substantial shareholdings of the Company as there is no issuance of new ordinary shares in the Company.

The Contract is expected to contribute positively towards the earnings and net assets of the Vestland Group for the duration of the Contract assuming no material delay in the timing as stated in Section 3.2 above.

5. RISK FACTORS

The Contract is in the ordinary course of business for VRSB. VRSB does not foresee any exceptional risks other than the normal operational risks associated with the Contract.

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6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

None of the Directors and/or major shareholders of the Company, or persons connected with them have any interest, direct or indirect, in the Contract.

7. STATEMENT BY THE BOARD OF DIRECTORS

The Board, after having considered all aspects of the Contract, is of the opinion that the Contract is in the best interest of the Company and its subsidiary.

This announcement is dated 16 February 2023.