

HIAP HUAT HOLDINGS BERHAD

Type	Announcement
Subject	Others
Description	HIAP HUAT HOLDINGS BERHAD (“HHH” OR “THE COMPANY”) COLLABORATION AGREEMENT BETWEEN KL BUNKERING (M) SDN. BHD., A 60% OWNED SUBSIDIARY AND QASTALANI SDN. BHD.

(The definitions used in this announcement shall have the same meanings as defined in the announcement dated 21 June 2024 unless stated otherwise.)

Reference is made to the Company’s announcement dated 21 June 2024, the Board wishes to announce the following additional information as requested by Bursa Malaysia Securities Berhad (“Bursa Securities”):-

1	<p>Section 3(a) – The type of services to be provided by KLB to Qastalani.</p> <p>The services to be provided by KLB to Qastalani include receiving, storing, transferring, blending, and re-circulating the products.</p>
2	<p>Section 3(b) – It is noted that the liquid bulk terminal will occupy West Port for a period of 46 + 12 years. To clarify whether the CA is subject to renewal, and if yes, to disclose the details of such renewal.</p> <p>The Collaboration Agreement (“CA”) commenced on 21 June 2024 for the initial contract period of 46 years (“Initial Term”). The CA allows for the possibility of extending the term beyond the initial 46 years through a mutual written agreement between the parties. However, the specific details of any such renewal would be subject to negotiation and agreement between KLB and Qastalani at that time.</p>
3	<p>Section 4 – To name the party who will bear the capital expenditure of approximately RM100 million. If it is KLB and/or HHH, to state the source(s) of funding and breakdown thereof.</p> <p>The estimated capital expenditure of approximately RM100 million will be borne by KLB. The sources of funding will be a combination of capital injection from shareholders, borrowings from commercial banks and internally generated fund from KLB. At this juncture, the detailed breakdown of these sources of funding cannot be ascertained.</p>
4	<p>It is stated in Section 1 that the storage tanks will be constructed within KLB’s <u>existing</u> liquid bulk terminal. However, it is also stated in Section 4 that there will be a <u>new</u> liquid bulk terminal. To clarify / reconcile.</p> <p>To reconcile the terms "existing" and "new" liquid bulk terminal, the announcement is referring to the same facility.</p>

This announcement is dated 25 June 2024.