HAILY GROUP BERHAD (Registration No. 202001006412 (1362732-T))

GENERAL ANNOUNCEMENT
- <u>LETTER OF AWARD FROM CONNOISSEUR PROPERTIES SDN. BHD.</u>

1. INTRODUCTION

The Board of Directors of Haily Group Berhad ("HAILY" or the "Company") ("Board") is pleased to announce that the Company's wholly-owned subsidiary, Haily Construction Sdn. Bhd. ("Haily Construction" or the "Contractor") had on 29 September 2025 accepted 2 Letters of Award ("LA") issued by Connoisseur Properties Sdn. Bhd. (Registration No. 200001019163 (521770-M)) of Unit 23A-07, Pangsapuri Tenteram, Jalan Tenteram, 80300 Johor Bahru, Johor (the "Employer") for the construction and completion of: -

(i) A 45-storey service apartment block ("Main Building Works") comprising of: -
 a) 34-storey service apartment (748 units);
 b) 1-storey service plant at sub-basement level;
 c) 1-storey carpark at Level 1;
 d) 7-storey carpark at Level 3 to Level 9; and
 e) 1-storey public facilities at Level 10 with related other facilities

(ii) 5 units of shops at Level 1, 2 units of shops at Level 10 and 1-storey carpark at Level 2 ("Shops Unit Works"),

(collectively the "Project") on Lot PTB 24972 (Lot asal Lot 3274, Lot 3275, Lot 7711, Lot 7712 and Lot 7713), Jalan Bukit Meldrum, Mukim Bandar Johor Bahru, Daerah Johor Bahru, Johor for total contract sum of RM197,550,000.00 (Ringgit Malaysia: One Hundred Ninety Seven Million Five Hundred and Fifty Thousand Only) ("Contract Sum").

2. DURATION OF THE CONTRACT, LIQUIDATED DAMAGES AND SALIENT TERMS

(i) The Contract Sum is fixed price lump sum.

(ii) The contract period for the Project shall be forty (40) months from the date of commencement ("Commencement Date") and date of completion ("Completion Date") are as follows: -:

Commencement Date	: 1 October 2025
Completion Date	: 31 January 2029

(iii) Liquidated damages shall be as follows if works are not completed by the Completion Date or any extended Completion Date:

Main Building Works	-	RM80,000.00 per day of delay
Shops Unit Works	-	RM1,000.00 per day of delay

(iv) The defects liability period under the contract is thirty (30) months commencing from the day stated in the Certificate of Practical Completion for the works issued by the architect or twenty four (24) months from the day stated in the Certificate of Completion and Compliance , whichever is earlier.

(v) The Company is required to provide corporate guarantee amounting to RM9,877,500.00 issued in favour of the Employer as Performance Bond under the contract which shall remain in force and effective until three (3) months after the Completion Date.

3. Financial Effects

The LA will not have any effect on the issued share capital and substantial shareholders' shareholdings of the Company as there is no issuance of new ordinary shares in the Company.

The Board expects the LA to contribute positively to the HAILY group's earnings and net assets over the duration of the Project, assuming no material delay in the timing as stated in Sections 2(ii) above.

4. Risk Factors

There are no foreseeable significant risks other than the usual operational risks associated with the LA, which are in the ordinary course of business of HAILY group.

5. Interests of Directors, Major Shareholder and/or Persons Connected with them

None of the Directors, major shareholder of HAILY and/or persons connected with them have any interest, direct or indirect, in the LA.

6. Directors' Statement

The Board having considered the rationale, prospects and all other aspects of the LA, is of the opinion that the acceptance of the LA is in the best interest of the Company.

This announcement is dated 29 September 2025.