ECOSCIENCE INTERNATIONAL BERHAD ("ECOSCIENCE" OR THE "COMPANY")

ACCEPTANCE OF LETTER OF AWARD FOR THE ENGINEERING, PROCUREMENT, CONSTRUCTION AND COMMISSIONING OF CIVIL AND STRUCTURAL WORKS OF 420 TONNES/DAY CRUDE PALM OIL ("CPO") PRETREATMENT PLANT AND 400 TONNES/DAY PLANT, MACHINERY AND EQUIPMENT ("PME") PLANT COMPLETE WITH AUXILLARY BUILDINGS ON LOT 30153, PORT DICKSON REFINERY, AT DAERAH PORT DICKSON, PEKAN PORT DICKSON, NEGERI SEMBILAN FROM OILTEK SDN BHD ("OSB")

1. INTRODUCTION

The Board of Directors of Ecoscience ("**Board**") is pleased to announce that the Company's wholly-owned subsidiary, Ecoscience Manufacturing & Engineering Sdn Bhd ("**EMESB**") had on 12 June 2024 accepted a Letter of Award ("**LA**") issued by OSB to undertake the engineering, procurement, construction and commissioning of civil and structural works of 420 tonnes/day CPO pretreatment plant and 400 tonnes/day PME plant complete with auxillary buildings on Lot 30153, Port Dickson Refinery, at Daerah Port Dickson, Pekan Port Dickson, Negeri Sembilan ("**Works**") ("**Project**").

2. SALIENT TERMS OF THE LA

(i) The contract amount is RM61,800,000.00.

(ii) The contract completion date for the Works shall be the date on the 534th day from the LA's date ("**Contract Completion Date**").

(iii) The performance bond shall be in a sum equivalent to 10% of the contract amount as at Works commencement date and shall be unconditional on-demand bank guarantee, and valid until the warranty bond posted. The performance bond shall be submitted prior to the release of the down payment.

(iv) In the event EMESB fails to complete the Works by the Contract Completion Date, EMESB shall without prejudice to any other rights of OSB under the Project or at law, pay to OSB as fixed, agreed and liquidated damages at the rate of RM44,143.00 per day on Works commencement date (or part thereof) for every day of delay elapses between the Contract Completion Date plus approval of extension of time from OSB and the Contract Completion Date. The total aggregate liquidated damages, exclusive of other liquidated damages provisions, shall not exceed 10% of the contract amount on the Works commencement date.

(v) The defects liability period refers to the period after the completion date of the Works as follows:

(a) 460 days for equipment registered or required to be registered with the Department of Occupational Safety and Health; and

(b) 365 days for other materials, tanks, buildings and any other part of the Works that do not fall within (a) above.

3. RISK FACTORS

There are no foreseeable significant risks other than the usual operational risks associated with the LA that are in the ordinary course of business of Company and its subsidiaries ("**Group**"), which the Group would take appropriate measures to minimise.

4. FINANCIAL EFFECTS

Barring any unforeseen circumstances, the LA is expected to contribute positively towards the earnings and net assets of the Group during the duration of the Project assuming no material delay in the timing as stated in Section 2 above.

The LA will not have any effect on the share capital and shareholdings structure of the Company.

5. APPROVALS REQUIRED

The LA, being part of the ordinary course of business of the Group, is not subject to the approval of shareholders of the Company or any relevant authorities.

6. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

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

7. STATEMENT BY THE BOARD

The Board, after having considered all 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 12 June 2024.