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MECOM  
POWER & CONSTRUCTION  
**MECOM POWER AND  
CONSTRUCTION  
LIMITED**  
澳能建設控股有限公司  
*(Incorporated in the Cayman  
Islands with limited liability)*  
**(Stock code: 1183)**  
**(Warrant code: 2242)**

  
**Coastal Contracts Bhd.** **Yong Mui Global Pte. Ltd.**  
*(Incorporated in Malaysia)* *(Incorporated in Singapore)*  
**(KLSE: 5071)**

## JOINT VOLUNTARY ANNOUNCEMENT

### MEMORANDUM OF UNDERSTANDING IN RELATION TO STRATEGIC COOPERATION IN ELECTRIC VEHICLE BUSINESS IN SOUTHEAST ASIA

This is a joint voluntary announcement made by MECOM Power and Construction Limited (the “**MECOM**”, together with its subsidiaries, the “**MECOM Group**”) Coastal Contracts Bhd., a company listed on the Main Market of Bursa Malaysia Securities Berhad (the “**Coastal**”, together with its subsidiaries, the “**Coastal Group**”) and Yong Mui Global Pte. Ltd., a Singapore private company (the “**YMG**”, together with its subsidiaries, the “**YMG Group**”) (collectively referred to as the “**Parties**” and individually referred to as a “**Party**”) to provide the shareholders and potential investors of the MECOM and Coastal an update on the latest business development of the MECOM Group and the Coastal Group.

#### STRATEGIC COOPERATION BETWEEN MECOM AND COASTAL AND YMG

##### Strategic Cooperation

The board of directors of MECOM (the “**Board of MECOM**”), the board of Coastal and YMG Group are pleased to announce that on 16 February 2023, MECOM, Coastal and YMG entered into a memorandum of understanding (the “**MOU**”), pursuant to which MECOM, Coastal and YMG proposed to be business partners with each other in relation to the development of the electric vehicle (the “**EV**”) charging system business in Singapore, Malaysia and Vietnam (the “**Designated Locations**”), each of the above locations referred as Designated Location for a term of 3 years (the “**Term**”) commencing from the date of the MOU (the “**Strategic Cooperation**”).

Subject to the terms of the definitive legally binding agreement(s) subsequently to be entered into between the MECOM Group, the Coastal Group and the YMG Group within 6 months after signing of this MOU, the Strategic Cooperation between MECOM, Coastal and YMG shall include but not limited to the following:

- (i) the design, production, installation and maintenance of EV charging systems;
- (ii) sales and marketing of EV charging systems; and
- (iii) operation and payment collection of EV charging system business developed between MECOM, Coastal and YMG,

(Collectively the “**EV Charging System Business**”).

In addition, subject to the terms of the definitive legally binding agreement(s) subsequently to be entered into between the MECOM Group, the Coastal Group and the YMG Group, MECOM, Coastal and YMG may designate one or more entity(ies), whether such entity(ies) is or are member(s) of MECOM Group or the Coastal Group or the YMG Group form one or more new company(ies), corporation(s), or partnership(s) or use other means to form or designate the entity(ies) for the purpose of development of the EV Charging System Business in Designated Locations.

Also, subject to the terms of the definitive legally binding agreement subsequently to be entered into between the MECOM Group, the Coastal Group and the YMG Group, the MECOM Group shall engage a member of the Coastal Group and a member of YMG Group as a distributor of a third-party brand EV charging system in the Designated Locations.

Furthermore, subject to the terms of the definitive legally binding agreement subsequently to be entered into between the MECOM Group, the Coastal Group and the YMG Group, the MECOM Group, the Coastal Group and the YMG Group may form a joint venture company incorporated in Singapore (the “**JV Company**”) with following key functions within six months after signing of this MOU:

- (a) JV Company to obtain charger system qualification by government authorities in the Designated Locations;
- (b) JV Company to set up initial trial charger system (50-100 sets) in the Designated Locations with proven mobile applications with payment collection model authorised in the Designated Locations;
- (c) to approve the plans for EV Charging System Business to be carried out by the JV Company; and
- (d) JV Company may engage a subsidiary of the China Electric Equipment Group Co. Ltd. and a manufacturer to supply hardware to the JV Company for the manufacturing of the EV chargers as such subsidiary is able to provide project financing for the EV chargers.

## **REASONS AND BENEFITS IN ENTERING INTO THE MOU AND THE STRATEGIC COOPERATION**

The MECOM Group is principally engaged in the provision of construction services, including (i) construction and fitting out works; (ii) high voltage power substation construction and its system installation works; (iii) electrical and mechanical engineering services works; and (iv) provision of facilities management services, and provision of EV charging services including (a) sale of EV charging systems and (b) subscription fee income. The MECOM Group also diversified its existing businesses by entering into the steel structures business which involves the sales, trading and processing of metal materials.

The Coastal Group is an investment holding and the Coastal Group is a global integrated marine oil & gas services and solutions provider.

The YMG Group is a leading consortium specialising in providing financing, engineering, procurement and construction (EPC) and professional consultancy services in green energy and homeland security solutions.

As set out in the interim report of MECOM for the six months ended 30 June 2022 and announcements of MECOM dated 28 September 2022, 10 October 2022, 9 December 2022, 28 December 2022 and 2 February 2023, MECOM Group has been actively developing the EV business, and the breadth of the EV business of the MECOM Group extends from provision of EV charging systems in residential, commercial buildings and/or shopping centres in Macau and provision of battery charging and swapping services at convenience service stations in Guangzhou to engaging in the exclusive distributorship of electric motorbikes and electric delivery vehicles supplied by the business partners of the MECOM Group. MECOM Group is targeting to widen the footprint of the its EV business to the EV market in Southeast Asia.

In view of (i) the potential huge demand and growth of the EVs in the Southeast Asia; and (ii) the encouragement of foreign investment with financial incentives on imported EVs and incentives or planning on incentives to encourage domestic adoption of EVs by the government of Singapore and Malaysia, the respective board of directors of MECOM, Coastal and YMG believe that the market of the EVs in the Southeast Asia is on a rising trend, of which the industry knowledge and sales and marketing channel and expertise from the MECOM Group, the Coastal Group and the YMG Group will create synergies between the groups and allow them to capture this growing business segment, which the respective board of directors of MECOM, Coastal and YMG believe that the Strategic Cooperation will bring long term value to the MECOM Group, the Coastal Group and the YMG Group.

The respective board of directors of MECOM, Coastal and YMG believe that the Strategic Cooperation contemplated under the MOU facilitates the further broadening of business scope towards the EV market in Southeast Asia which is beneficial to shareholders of the MECOM Group and the Coastal Group, and the YMG Group as a whole.

## GENERAL

In the event the Strategic Cooperation materialises, the transaction contemplated under the definitive agreements in relation thereto may constitute notifiable transaction(s) for MECOM under Chapter 14 of the Rule Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and MECOM will comply with the relevant requirements of the Listing Rules as and when necessary.

As for Coastal, in the event the Strategic Cooperation materialises, the transaction contemplated under the definitive agreements in relation thereto may constitute notifiable transaction(s) for Coastal under Chapter 9 or Chapter 10 of the Main Market Listing Requirements (“**MMLR**”) Governing the Listing of Securities on the Bursa Malaysia Securities Berhad and Coastal Group will comply with the relevant requirements of the MMLR as and when necessary.

**As the MOU is non-legal binding save for certain provisions, including but not limited to, termination, confidentiality, costs and governing law and dispute resolution, the Strategic Cooperation may or may not materialises, shareholders and potential investors of MECOM and Coastal are advised to exercise caution when dealing in the shares of MECOM and Coastal.**

By Order of the board of directors of  
**MECOM Power and Construction Limited**  
**Kuok Lam Sek**  
*Chairman*

By Order of the board of directors of  
**Coastal Contracts Bhd.**  
**Ng Chin Heng**  
*Executive Chairman*

Hong Kong, 16 February 2023

*As at the date of this joint announcement, the executive directors of MECOM are Mr. Kuok Lam Sek and Mr. Sou Kun Tou, and the independent non-executive directors of MECOM are Ms. Chan Po Yi, Patsy, Mr. Cheung Kiu Cho, Vincent and Mr. Lio Weng Tong.*

*As at the date of this joint announcement, the board of directors of Coastal comprises Mr. Ng Chin Heng as executive chairman, Mr. Ng Chin Shin, Mr. Ng Chin Keuan as executive directors, Mr. Jacob O Pang Su Yin, Mr. Loh Thian Sang @ Lo Thian Siang, Mr. Tuan Hj. Ir Intizam Bin Ayub as independent non-executive director.*