

TEX CYCLE TECHNOLOGY (M) BERHAD

POWER PURCHASE AGREEMENT ("PPA") BETWEEN EFS MYSOLAR (THAILAND) CO., LTD, A JOINT VENTURE OF THE COMPANY AND BOTHONG RUBBER FUND COOPERATIVE LTD

1. POWER PURCHASE AGREEMENT

The Board of Directors of Tex Cycle Technology (M) Berhad ("TCTB" or "the Company") wishes to announce that EFS MySolar (Thailand) Co., Ltd ("EFS"), a joint venture of the Company had on 8 July 2022 signed a Solar Power Purchase Agreement ("PPA") with Bothong Rubber Fund Cooperative Ltd (the stamped PPA was received by the Company on 20 July 2022).

Pursuant to the PPA, EFS will design, construct, install, own, operate and maintain a solar photovoltaic energy generating system ("Solar PV System") with the capacity of 999.24 kilowatts of electricity at the premises of Bothong Rubber Fund Cooperative Ltd.

The PPA will be for a period of Twenty (20) years from the commercial operation date in accordance with the agreed terms and conditions as stipulated in the PPA.

2. INFORMATION ON BOTHONG RUBBER FUND COOPERATIVE LTD

Bothong Rubber Fund Cooperative Ltd is a private limited company incorporated in Thailand with its head office located at 341 Moo 1, Tambol Bothong, Amphor Bothong, Chonburi 20270. The authorized director of Bothong Rubber Fund Cooperative Ltd is Mr. Pracha Sapphipattana.

3. FINANCIAL EFFECTS OF THE PPA

3.1 Share capital and shareholdings of substantial shareholders

The Agreement will not have any effect on the issued share capital of TCTB nor on TCTB's substantial shareholders' shareholdings in the Company as it does not involve the issuance of TCTB shares.

3.2 Net Assets, Net Assets per share and gearing

The Agreement is not expected to have any material effect on the net assets, net assets per share and gearing of the Group for the financial year ending 31 December 2022.

3.3 Earnings and Earnings Per Share

The Agreement is not expected to have any material effect on the Group's earnings and earnings per share for the financial year ending 31 December 2022 but is expected to contribute positively to the Group's future earnings and the Company's earnings per share.

4. DIRECTORS AND SUBSTANTIAL SHAREHOLDERS' INTEREST

None of the Directors or major shareholders of TCTB and persons connected with them has any direct or indirect interests, in the PPA.

5. STATEMENT BY DIRECTORS

The Board of TCTB is of the opinion that the PPA is in the best interest of the Group.

6. APPROVAL REQUIRED

The PPA does not require the approval of shareholders of the Company and any relevant government authorities.

This announcement is dated 20 July 2022.