



KINERGY ADVANCEMENT BERHAD

Formerly known as Kejuruteraan Asastera Berhad

Powering A Sustainable Tomorrow



KAB Fortifies Renewable Energy Presence with 9.6MW Mini-Hydropower Plant Investment in Kedah

- The plant has a 9.6MW total capacity and an 8MW net export capability, reflecting KAB's dedication to ASEAN's sustainable energy landscape.
- This move not only boosts KAB's mini-hydropower total installed capacity to **20.6MW** but also solidifies its long-term income prospects through power purchase agreements, aligning with its ESG and Sustainability objectives.

KUALA LUMPUR, 28 February 2024 – In a landmark move to enhance its renewable energy footprint, **Kinergy Advancement Berhad** (“KAB” or “Group”), a pioneer in Sustainable Energy Solutions in Malaysia, is pleased to announce today our **proposed acquisition of a 9.6MW mini-hydropower plant** in Kedah, marking another strategic move forward in our renewable energy (“RE”) portfolio in the ASEAN region.

This acquisition through **KAB Energy Holdings Sdn Bhd** (“KABEH”), its wholly-owned subsidiary, involves acquiring **100% stake of Tunjang Tenaga Sdn Bhd** (“Tunjang Tenaga”), which owns an **80% stake in SDF Hydro Sdn Bhd** (“SDF”).

A filing with Bursa Malaysia today shows that the SPA was entered into by **KABEH and Vizione Energy Sdn Bhd** (“VESB”), a wholly-owned subsidiary **Vizione Holdings Berhad** (“Vizione”).

SDF is entrusted with operating a mini-hydropower plant at **Pedu Dam, Kedah**, underlining KAB's commitment to environmental sustainability in the ASEAN region. The other 20% is owned by **Menteri Besar Incorporated** (“**MBI**”) **Kedah**, a Kedah state investment arm.

The Pedu Dam plant boasts a total approved installed capacity of **9.6MW**, with a net export capacity of **8.0MW** approved by the **Tenaga Nasional Berhad** (“**TNB**”) substation.

This project has a **21-year concession period** starting from the Feed-in Tariff commencement date scheduled on April 30, 2027.



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Dato' Lai Keng Onn ("Dato' Lai"), Executive Deputy Chairman cum Group Managing Director of KAB, shared his enthusiasm for the project, stating, "Building upon our recent acquisition of the maiden 11MW mini-hydropower plant in North Sumatera, Indonesia, in August 2023, this investment represents a crucial move toward realising our vision of leading sustainable energy development in the region. By harnessing the untapped potential of Pedu Dam, we anticipate making substantial advancements in renewable energy generation, furthering Malaysia's environmental sustainability objectives."

He added that hydropower plants stand out as a key contributor to renewable energy production and generation due to their capacity to deliver stable energy outputs. Establishing itself as dependable sources of energy and solution, **hydropower facilities ensure consistent production and generation of renewable energy.**

Dato' Lai also emphasised the minimal Environment, Social, and Governance ("ESG") concerns associated with this hydropower plant, highlighting that Pedu Dam's completion in 1969 and has since served as a cornerstone for the agricultural growth of 96,558 hectares of land in Kedah and Perlis. The strategic location in the district of Padang Terap recognises the dam's importance in water management and its potential in renewable energy generation.

"The addition of this new mini-hydropower plant into our renewable energy portfolio strengthens our position as a holistic One-Stop Energy & Engineering Solutions Provider, further expanding our footprint in sustainable energy across ASEAN. Completing these renewable projects in North Sumatera and Kedah, the Group's mini-hydropower total installed capacity will be elevated to **20.6MW**. This reflects a beneficial increase in KAB's long-term recurring income, facilitated by established power purchase agreements in Malaysia and Indonesia," Dato' Lai added.



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ABOUT KINERGY ADVANCEMENT BERHAD

Established in 1997, Kinergy Advancement Berhad (“KAB” or the “Group”) (Formerly known as Kejuruteraan Asastera Berhad) is an energy company principally involved in providing Sustainable Energy Solutions (“SES”) as well as engineering solutions.

On 7 June 2023, KAB officially unveiled its new name and logo signifying its commitment to expanding its SES business regionally. Its SES segment encompasses the provision of Energy Efficient Solutions, Clean Energy Generation, and Renewable Energy Generation. KAB presently owns a suite of sustainable energy assets under its SES segment, namely Co-generation, Waste Heat Recovery, Solar, Biogas and Hydroelectric Power.

Its SES segment contribution to the financial performance is rising in tandem to KAB commitments in expanding its SES portfolio. The Group currently has 24 SES projects and has an expanding geographical presence in Southeast Asia, namely in Thailand and Indonesia.

KAB is a constituent of FTSE Bursa Malaysia EMAS Index and secured 3 stars ESG Ratings on FTSE Russell Assessment for two consecutive years in 2021 and 2022. The Group has also defined new targets of Scope One and Two emissions reduction of 42.0% by 2030 and 90.0% by 2050, from a 2021 base year. KAB has also launched its ASCENT ESG Campaign with the objectives of accelerating ESG and Sustainability transformation while providing support for effective ESG influence.

KAB’s engineering segment covers all aspects of electrical, mechanical and associated engineering services for both commercial and residential buildings. KAB is registered under the Construction Industry Development Board (CIDB) with a Grade 7 and Suruhanjaya Tenaga with a Class A certification. Another potential segment is telecommunications infrastructure.

For more information, please log on to <https://kinergyadvancement.com>.

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Growing consensus & Integrating material ESG factors in our corporate practices to serve greater purposes

DIGITISATION • EFFICIENCY • ENGAGEMENT