



PRESS RELEASE

For Immediate Release

20 April 2022

KAB sets up a joint venture to expand into the telecommunication infrastructure sector

- *KAB to collaborate with local strategic partner, MRH Empire Sdn Bhd, to move into the local telecommunication infrastructure business.*

KUALA LUMPUR, 20 April 2022 – Kejuruteraan Asastera Berhad (“KAB”), an electrical and mechanical engineering services provider in Malaysia, through its direct subsidiary, KAB Telco Sdn Bhd (“KABTEL”), is forming a joint venture (JV) with MRH Empire Sdn Bhd (“MRH”) to venture into telecommunication infrastructure sector, it said in a bourse filing on 20 April 2022.

Under the agreement, the JV company, 60 percent owned by KAB’s wholly-owned subsidiary KABTEL and 40 percent by MRH, will exclusively pursue existing and new telecommunication projects in Malaysia.

Presently, this JV is KAB’s first partnership locally to build and operate telecommunication towers. That said, KAB is working closely with its partner to leverage its expertise in the telecommunication industry which includes supplying telco towers, building fibre optic capabilities and developing In Building Coverage (IBC) & Small Cell.

KAB’s partner, MRH, has obtained approvals to survey and develop up to 1,342 sites throughout East and West Malaysia for the development of telecommunication towers. The approval to survey and develop will provide MRH with the rights to build, own and operate telecommunication facilities at all the premises of one of the government ministries of Malaysia.

MRH has also entered into a Memorandum of Understanding with a local established telecommunication operator for joint business participation and cooperation over digital connectivity and infrastructure development for the 1,342 sites.

Dato’ Lai Keng Onn, Managing Director of KAB, commented “We are honoured to have MRH as our strategic partner to expand our reach into the telecommunication industry locally. This foray is the beginning of a new and exciting chapter for us. Based on the



milestones set by the Malaysian government in terms of connectivity, we believe that we are on a path of exponential growth. We expect the development of all the sites to be ready by 2025 and upon the completion of all sites, the expected Gross Development Value (GDV) will be worth more than RM500 million.”

In recent months, KAB has announced various renewable energy tie-ups building further business inroads into Thailand and Indonesia. KAB managing director, Dato’ Lai Keng Onn, reiterates that the company’s venture into the telecommunication industry will grow KAB's stable recurring income apart from its current existing businesses.

About Kejuruteraan Asastera Berhad

Kejuruteraan Asastera Berhad (“KAB” or the “Group”), established in 1997 is a Malaysia-based electrical and mechanical engineering company. The Group’s core business covers all aspect of electrical, mechanical and associated engineering services for both commercial and residential buildings.

Today, KAB has a comprehensive project portfolio that continues to grow with the support of its team of competent, dedicated and qualified people, constantly gaining new knowledge and experience, and is always keen to apply new technologies.

KAB is registered under the Construction Industry Development Board (CIDB) with a Grade 7 and Suruhanjaya Tenaga with a Class A certification. KAB’s market capitalisation stands at RM746 million as at 18 April 2022.

For more information, please visit: <https://asastera.com>.

For media queries, please contact:

Name: Ms Nicole Lee or Ms Reiko Lai

Email: kabinvestor@asastera.com
