



PRESS RELEASE

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KEJURUTERAAN ASASTERA ENTERS INTO SOLAR PV ENERGY BUSINESS WITH 80% SUBSCRIPTION IN MAYANG HIJAU

KUALA LUMPUR, 16 February 2021 – Kejuruteraan Asastera Berhad (“KAB” or the “Company”), an electrical and mechanical engineering services provider in Malaysia, through its wholly-owned subsidiary, KAB Smart Solar Energy Sdn Bhd (“KSSE”) has today entered into a Binding Term Sheet (“Term Sheet”) with Mayang Hijau Sdn Bhd (“MHSB”), Evergreen Thumbsup Sdn Bhd (“ETSB”) and Mr Heng Boon Liang (“HBL”).

In accordance with the Term Sheet, KSSE will subscribe 800,000 ordinary shares in MHSB, representing 80% of MHSB’s proposed enlarged paid up share capital, for a cash consideration of RM800,000. ETSB will in turn subscribe for 199,999 shares for RM199,999. HBL shall transfer his one ordinary share, equivalent to RM1 in MHSB in favour of ETSB. Upon the completion of the proposed subscription, MHSB will become an 80% owned indirect subsidiary of KAB, and the remaining 20% will be held by ETSB.

Meanwhile, MHSB has recently entered into a Solar Supply Agreement to finance, design, construct, own and operate a 1.58-megawatt peak solar photovoltaic (“PV”) energy generating system under the build-operate-transfer (BOT) concept, with the expected commercial operation date by the third quarter of 2021. Additionally, MHSB is in the final stage of negotiations to secure a cumulative capacity of 10-megawatt peak of contracts. Under these contracts, MHSB is predominantly responsible to operate and maintain the solar PV system for a concession period of twenty-five (25) years, and upon the expiry of the concession period, the ownership of the solar panels installed will be handed over to the customers.

“The proposed subscription into MHSB is part of our plans to further strengthen KAB’s position in the energy market. We are confident that this proposed subscription will enhance our recurring income stream from the Company’s existing core businesses and subsequently create more value for all our



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stakeholders. As a responsible corporation, besides financial returns, we also look beyond the environmental, social and governance (“ESG”) criteria and the sustainable development goals that deliver long-term positive impact to the society, environment and the performance of the business. With the ESG concern becoming the norm, we will continue to contribute to the society at large, and at the same time, grow our businesses to even greater heights,” said KAB managing director Dato’ Lai Keng Onn.

ABOUT KEJURUTERAAN ASASTERA BERHAD

Kejuruteraan Asastera Berhad (“KAB” or the “Company”), established in 1997 is a Malaysia-based electrical and mechanical engineering company. The Company’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 RM1.6 billion as at 16 February 2021.

For more information, please log on to <http://asastera.com>.

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