



PRESS RELEASE

KAB acquires first biogas power plant in Kedah for RM15 million

- *Acquisition expected to complete in second quarter of 2023*
- *KAB to recognise revenue from existing Renewable Energy Power Purchase Agreement with Tenaga Nasional Berhad effective until 2034*

KUALA LUMPUR, 16 January 2023 – Engineering and energy solutions provider **Kejuruteraan Asastera Berhad** (“KAB”, the “Group”, “敬业”) announced that its wholly owned subsidiary **KAB Energy Holdings Sdn. Bhd.** (“KABEH”) signed a Sale and Purchase of Shares Agreement with **Future NRG Sdn. Bhd.** to acquire the entire equity of the latter’s subsidiary **Future Biomass Gasification Sdn. Bhd.** (“FBG”) and its biogas power plant asset for a total consideration of RM15 million.

The latest agreement follows from an earlier signing of the term sheet on the proposed acquisition of the entire equity of FBG announced on 9 November 2022 and the completion of due diligence processes.

FBG owns a biogas power plant in Kuala Ketil, Kedah, with an installed capacity of 2.4 megawatts. The plant captures greenhouse gases released from palm oil effluents and converts the gas into electricity using highly efficient biogas engine generators. The electricity generated by the biogas power plant is supplied to the national grid, and subsequently to nearby towns and villages under a Feed-In Tariff programme.

By acquiring FBG, KAB will also recognise revenue from FBG’s existing Renewable Energy Power Purchase Agreement (“REPPA”) with Tenaga Nasional Berhad. The REPPA commenced in 2018 and is effective for 16 years until 2034.

The acquisition of FBG is targeted for completion in the second quarter of 2023, and will be funded by a combination of bank borrowings and internally generated funds.

Upon completion of acquisition, KAB’s Sustainable Energy Solutions (“SES”) segment will own its first biogas power plant. KAB’s SES portfolio currently has solar photovoltaic systems, cogeneration, and waste-heat-recovery assets in Malaysia and Thailand.



ABOUT KEJURUTERAAN ASASTERA BERHAD (KAB)

Established in 1997, Kejuruteraan Asastera Berhad (“KAB” or the “Group”) is an electrical and mechanical engineering and energy solutions company.

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. Its Sustainable Energy Solutions (SES) segment encompasses the provision of Energy Efficient Solutions, Clean Energy Generation, and Renewable Energy Generation.

Other potential segments include telecommunication infrastructure and robotic solutions. KAB is a constituent of FTSE Bursa Malaysia EMAS Index and secured 3-Star ESG Rating by FTSE Russell in December 2021.

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

Issued for and on behalf of Kejuruteraan Asastera Berhad by Aquilas Advisory (Malaysia) Sdn Bhd. For media enquiries, please contact:

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