



**PRESS RELEASE**

## **KAB proposes acquisition of first biogas power plant for RM15 million**

- *Group to acquire 100% stake in Future Biomass Gasification Sdn. Bhd. with 2.4 megawatt biogas power plant in Kedah; with existing Renewable Energy Power Purchase Agreement signed with Tenaga Nasional Berhad to supply energy to the national grid until 2034*

**KUALA LUMPUR, 9 November 2022** – Engineering and energy solutions provider **Kejuruteraan Asastera Berhad** (“KAB”, the “Group”, “敬业”) is growing its Sustainable Energy Solutions (“SES”) segment with its first biogas power plant, through the proposed acquisition of the entire equity of Future Biomass Gasification Sdn. Bhd. (FBG) for RM15.0 million.

FBG, a wholly owned subsidiary of Future NRG Sdn Bhd (FNSB), owns a biogas power plant in Kedah with an installed capacity of 2.4 megawatt.

KAB will benefit from long term recurring income via FBG’s existing Renewable Energy Power Purchase Agreement (REPPA) with Tenaga Nasional Berhad (TNB). The REPPA is effective for a period of 16 years from March 2018 until March 2034, which enables FBG to supply power to the national grid.

“The addition of our first biogas power plant via the proposed acquisition of FBG, will broaden our portfolio of SES assets which currently comprises co-generation and waste-heat-recovery plants, as well as solar photovoltaic systems.

The biogas industry has great untapped potential in Malaysia, given the vast availability of palm oil effluent as fuel, and we aim to help Malaysia and other countries in the region achieve their renewable energy goals. The plant would also contribute to building a stable stream of long-term income for the Group.”

**Dato’ Lai Keng Onn (“拿督黎敬安”)**  
**Managing Director of Kejuruteraan Asastera Berhad**

FBG’s biogas power plant captures the release of greenhouse gases from palm oil effluents, and converts the gas into electricity using highly efficient biogas engine generators. The electricity is supplied to nearby town and villages under the Feed-In Tariff programme.

KAB Energy Holdings Sdn Bhd, the Group’s wholly owned subsidiary, is expected to complete the acquisition of the entire equity of FBG from FNSB in the first quarter of 2023. The purchase consideration of RM15.0 million will be funded by a combination of bank borrowings and internally generated funds.

KAB’s fast growing SES segment currently encompasses solar power, co-generation 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 a firm specialising in electrical and mechanical engineering and energy solutions company.

KAB’s engineering expertise encompasses all aspects of electrical, mechanical, and associated engineering services, for both commercial and residential buildings. KAB was awarded a Grade 7 rating by the Construction Industry Development Board (CIDB) and a Class A certification by the Energy Commission (ST).

Its Sustainable Energy Solutions (SES) segment includes the provision of energy efficient solutions, clean energy generation, and renewable energy generation.

Other potential segments include telecommunications infrastructure and robotics solutions. For further information, please visit KAB’s website at <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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