



PRESS RELEASE

KAB eyeing higher revenue from sustainable energy segment

- Completes acquisition of Sarawak Cable Berhad's mini hydro power plant in Indonesia; starts 20-year concession to supply electricity to Indonesia state-owned utility company
- New hydro power plant to double Sustainable Energy Solutions segment revenue in FY2022

KUALA LUMPUR, 29 July 2022 – Engineering and energy solutions provider **Kejuruteraan Asastera Berhad** (“KAB”, the “Group”, “敬业”) is eyeing higher revenue contributions from its sustainable energy solutions (“SES”) segment, after successfully completing the acquisition of its first mini hydro power plant in North Sumatera, Indonesia.

The concession for the Kombih III mini hydro power plant is expected to generate at least RM270 million revenue for the Group over the concession period of 20 years.

KAB announced today that its wholly owned subsidiary KAB Energy Holdings Sdn Bhd had entered into a Share Sale Agreement with Sarawak Cable Berhad to acquire the entire issued share capital of the latter's subsidiary PT Inpola Mitra Elektrindo (“PT IME”) for RM10,000 purchase consideration. PT IME will be released from all liabilities and encumbrances upon full settlement of the purchase consideration and outstanding debt of up to RM75 million.

PT IME had designed, constructed, developed and now owns and operates the Kombih III mini hydro power plant in North Sumatera, Indonesia, which commenced commercial operations in October 2021 with 11 megawatt installed capacity. Simultaneously, PT IME also began supplying electricity to Indonesia's state-owned utility company PT Perusahaan Listrik Negara for the 20-year concession period.

Prior to acquiring the mini hydro power plant, KAB's SES segment derived its revenue from various renewable and clean energy projects in Malaysia and Thailand, comprising solar photovoltaic systems, co-generation facility and waste-to-heat recovery systems.

The Group's SES segment made up RM6.8 million or 3.9% of KAB's total revenue for the financial year ended 31 December 2021 (FY2021). The segment's contribution increased to 7.6% or RM4.0 million for first quarter ended 31 March 2022 alone, and is anticipated to rise further.



“With the hydro power plant in place, KAB’s revenue from the SES segment is set to double in this financial year ending 31 December 2022 compared to FY2021. Furthermore, the segment now has a current orderbook of RM480.6 million.

We are gradually strengthening our SES segment to build a formidable recurring income stream for the Group to complement our project-based engineering division, and lead our transformation into an energy solutions player in the long term.

This is in tandem with our mission of providing a cleaner and greener alternative to promote more efficient energy usage in the Southeast Asia region.”

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

ASEAN is targeting a 23% share of renewables in total primary energy supply and a 35% share in installed power capacity by 2025, with Indonesia, Thailand, and Vietnam expected to see some of the largest renewable capacity expansions in Southeast Asia in 2022.

Comparatively, ASEAN had a 13.9% renewable share of primary energy and a 28.7% share of power capacity in 2019.

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ABOUT KEJURUTERAAN ASASTERA BERHAD

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:

Mr. Tay Tze Yi	tayty@aquilas.com.my	T: 03-2711 1391 / 016-3380 555
Ms. Julia Pong	julia@aquilas.com.my	T: 03-2711 1391 / 012-3909 258