

Company Name :PASUKHAS GROUP BERHAD
 Stock Name :PASUKGB
 Type :General Announcement – Transaction (non-RPT)
 Subject :Pasukhas Group Berhad (“PGB” or “the Company”)
 - Proposed Acquisition of 60% Equity Interest in PT Berkah Bumi Luhur
 by Pasukhas Products Sdn. Bhd., a wholly-owned subsidiary of PGB.

1. Introduction

The Board of Directors of Pasukhas Group Berhad (“PGB” or “the Company”) wishes to announce that its wholly-owned subsidiary, Pasukhas Products Sdn. Bhd. (“PPSB”) had on 22 November 2017 entered into a Preliminary Share Sales Agreement (“PSSA”) with Masrani (KTP. 6305-0101-0868-0005), Agus Triono (KTP. 6371-0319-0969-0007), Akhmad Syaifullah (KTP. 6371-0127-0479-0011) and Khutut Jalu Prasojo (KTP. 3174-0903-0365-0014) (“the Vendors”) in relation to the acquisition of 150 ordinary shares, representing 60% of the issued and paid-up share capital of PT Berkah Bumi Luhur (“PT BBL”) for a total cash consideration of IDR3,300,000,000 (“Purchase Price”) or equivalent to approximately RM1,000,000, upon the terms and conditions stipulated in the PSSA (“Proposed Acquisition”).

2. Information of PT BBL and PPSB

a) Information of PT BBL

PT BBL is a private limited company incorporated under the law of Indonesia, having its business address at Jl. A Yani Km 99, No. 99 Suanto Tatakan Tapin, Kab. Tapin, South Kalimantan and its issued and paid-up share capital is IDR250,000,000.00 only divided into 250 ordinary shares.

The shareholding structure of PT BBL are as follows:

Name	No. of shares	Percentage
Masrani (KTP. 6305-0101-0868-0005)	15	6%
Agus Triono (KTP. 6371-0319-0969-0007)	15	6%
Akhmad Syaifullah (KTP. 6371-0127-0479-0011)	115	46%
Khutut Jalu Prasojo (KTP. 3171-0903-0365-0014)	105	42%
Total	250	100%

b) Information of PPSB

PPSB is a private limited company by shares incorporated under the law of Malaysia, having its business address at Wisma Modal Khas, Lot 5815-A Jalan Mawar, Taman Bukit Serdang Seksyen 9, 43300 Seri Kembangan, Selangor Darul Ehsan and its existing issued share capital is RM2.00 only divided into 2 ordinary shares.

3. **Basis of determining the Purchase Price**

The Purchase Price was agreed upon between PPSB and the Vendors on a willing buyer willing seller basis, calculated based on the unaudited Net Tangible Assets (“NTA”) of PT BBL as at 31 December 2016.

The Proposed Acquisition will be funded via internally generated funds.

PPSB will pay the deposit of IDR1,500,000,000.00 (Indonesian Rupiah One Billion and Five Hundred Million) or equivalent to approximately RM460,000 to the Vendors (“Deposit”), in which the Deposit shall be deducted from the portion of the Purchase Consideration PPSB is to pay in accordance to the percentage of Sale Shares to be purchased.

4. **Salient terms and conditions of the PSSA**

- i) Subject to the terms and conditions of the PSSA, the Vendors agreed to sell and PPSB agreed to purchase 150 ordinary shares, representing 60% of the issued and paid-up share capital of PT BBL at a total consideration of IDR3,300,000,000 or equivalent to approximately RM1,000,000 only.
- ii) The shares are acquired free from all claims, charges, liens, pledges, trust and other encumbrances.
- iii) The obligations of the Parties to execute the definitive Share Sale Agreement are conditional upon fulfilment of the following conditions by the respective Parties within forty (40) days from the date of PSSA:-
 - a) PPSB shall perform a financial and legal due diligence on PT BBL. The Vendors shall assist PPSB to procure the fulfilment of the performance of the financial and legal due diligence.
 - b) The Vendors shall ensure that PT BBL shall renew all licenses of PT BBL which shall include but not limited to all trading licenses.

5. **Rationale of the Proposed Acquisition**

PT BBL is presently carry out coal trading. The Proposed Acquisition will contribute positive revenue to the Group’s current business.

6. Prospects of the Proposed Acquisition

The Proposed Acquisition of PT BBL would provide the opportunity to expand the Group's business in coal trading.

7. Risk Factors of the Proposed Acquisition

Save for the risk associated with the business as coal dealer, the Group does not foresee any other significant risks in connection with the Proposed Acquisition.

8. Effects of the Proposed Acquisition

8.1 Share capital and substantial shareholders' shareholding

The Proposed Acquisition will not have any effect on the share capital of the Company as it does not involve the issuance of the Company's shares.

8.2 Earnings per share, net assets per share and gearing

The Proposed Acquisition will not have any material effect on the earnings per share, net assets per share and the gearing of PGB Group for the financial year ending 31 December 2017.

8.3 Substantial Shareholders' Shareholdings

The Proposed Acquisition will not have any effect on the shareholdings of the substantial shareholders of the Company.

9. Liabilities to be assumed by PGB

There are no liabilities including contingent liabilities to be assumed by PGB or PPSB arising from the Proposed Acquisition.

10. Approvals Required

The Proposed Acquisition is not subject to the approval of shareholders and the relevant government authorities.

11. **Highest Percentage ratio applicable pursuant to Rule 10.02(G) of Bursa Malaysia Securities Berhad ACE Market Listing Requirements.**

The highest percentage ratio applicable to the Proposed Acquisition pursuant to Rule 10.02(g) of Bursa Malaysia Securities Berhad's ACE Market Listing Requirements is 1.19%.

12. **Directors' and Major Shareholders' Interests**

None of the Directors and/or major shareholders of PGB or person connected to them has any interest, direct or indirect in the Proposed Acquisition.

13. **Statement by Directors**

The Board of Directors of the Company, after having considered all aspects in respect of the Acquisition, is of the opinion that the Proposed Acquisition is in the best interest of the Company.

14. **Estimated Time Frame for Completion**

Barring any unforeseen circumstances, the Board of Directors expects the Proposed Acquisition to be completed by 31 March 2018.

15. **Document for Inspection**

The documents in relation to the Proposed Acquisition is available for inspection at the registered office of PGB at 10th Floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur during normal office hours from Monday to Friday (except public holidays) for a duration of three (3) months from the date of this announcement.

This announcement is dated 22 November 2017.