

Company Name : PASUKHAS GROUP BERHAD
Stock Name : PASUKGB
Type : General Announcement – Transactions (Non-RPT)
Subject : Pasukhas Group Berhad ("PGB" or "the Company")
- Proposed Acquisition of 100% Equity Interest in PT. Bangun Daya Perkasa ("PT BDP") by Pasukhas Energy Sdn Bhd (formerly known as Bidara Majujaya Sdn Bhd) ("PESB"), a wholly-owned subsidiary of PGB

Contents:-

1. INTRODUCTION

Reference is made to the announcement dated 13 June 2017 in relation to the Approval Letter ("AL") entered into between PESB with PT BDP for the acquisition of 92.5% equity interest held by PT BDP in PT Tenaga Listrik Gorontalo ("PT TLG"), a subsidiary company of PT BDP. PT TLG is operating a 2 x 12.5MW coal fired power plant in Sulawesi Utara, Gorontalo City.

After reviewing the terms of the transaction and in order to comply with regulatory requirements, PESB has proposed to modify the transaction structure whereby PESB shall acquire the equity interest in PT TLG's holding company, PT BDP instead.

The shareholders of PT BDP, namely PT Persada Capital Investama and PT Saratoga Sentra Business (collectively, the "Vendors") has on 22 December 2017 accepted PESB's letter of offer ("Offer Letter") to acquire 100% equity interest in PT BDP ("Proposed Acquisition").

2. TERMS OF THE OFFER LETTER

The Offer Letter is intended to set out the broad parameters of the Proposed Acquisition. The Offer Letter is subject to the definitive agreement(s) containing the detailed terms and conditions of the Proposed Acquisition to be executed within a period of 3 months from the date of the Offer Letter ("Definitive Agreement").

The other terms of the Offer Letter includes the following:-

2.1 Pricing

The consideration for the Proposed Acquisition ("Purchase Consideration") shall be based on the following formula:-

[USD1,365,000 per MW capacity of the power plant owned by PT TLG]

Add (+) : [other assets of PT TLG and PT BDP (excluding related parties)]

Less (-) : [liabilities of PT TLG and PT BDP (excluding related parties)]

Less (-) : [tax liabilities of PT TLG and PT BDP]

Times (x) : 92.5%

In the event that approval of additional 2 X 50MW expansion of the power plant is procured within 18 months from the date of the Offer Letter, an additional consideration of USD6,937,500 shall be payable within 30 days upon the execution of the power purchase agreement for the additional capacity.

2.2 Payment Structure

The Purchase Consideration shall be payable in the following tranches:-

- (a) 15% of the Purchase Consideration less advances paid* upon the execution of the Definitive Agreement;
- (b) 75% of the Purchase Consideration upon the Definitive Agreement become unconditional;
and
- (c) Remaining balance of 10% of the Purchase Consideration within 3 months after the Definitive Agreement become unconditional.

Note:

* PEB has on 20 June 2017 paid USD100,000 under the terms of the Approval Letter.

3. OTHER MATTERS

A detailed announcement on the Proposed Acquisition will be made upon the execution of the Definitive Agreement in compliance with the ACE Market Listing Requirements of Bursa Securities.

A copy of the Offer Letter 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 the normal business hours from Mondays to Fridays (except public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 22 December 2017