



FOR IMMEDIATE RELEASE

Press contact:

Darren Chong | dchong@jirehconsult.com | 012-713 8575

Debbie Koh | dkoh@jirehconsult.com | 012-206 1961

BM Greentech Advances Clean Energy Portfolio, Proposes RM110 million Acquisition of Plus Xnergy

- *BM Greentech is a subsidiary of QL Resources Berhad, which is widening its sustainability-linked business*
- *BM Greentech will undertake a special issue of new shares to maintain QL's majority ownership*

Shah Alam, 18 June 2024 - BM Greentech Berhad ("BM Greentech") today announced the signing of a Term Sheet to acquire a 100% equity interest in Plus Xnergy Holding Sdn Bhd ("Plus Xnergy") in a strategic move that strengthens BM Greentech's position in the clean energy sector.

Plus Xnergy is one of the leaders in clean energy solutions for commercial, industrial, residential and large-scale solar (LSS) projects including solar farms, and has a strong presence in Malaysia with nationwide footprint. Founded in 2013, Plus Xnergy has built a strong reputation with over 400 MWp of installed solar PV capacity which generated 2,000 GWh clean energy as of March 2024. Their focus on energy generation, efficiency, storage, and electric vehicle charging complements BM Greentech's existing bioenergy, water treatment, and solar energy solutions.

By integrating Plus Xnergy's innovative solutions and wide customer base, BM Greentech strengthens its position as a comprehensive clean energy solutions leader, offering a wider range of services. This strategic acquisition merges the expertise and resources of both companies, positioning BM Greentech for significant business growth and propelling it towards its vision of being the region's preferred partner for clean energy and water solutions.

The total purchase consideration of RM110 million will be settled through the issuance of 81,481,482 new BM Greentech shares at an issue price of RM1.35 per share based on the 3-month volume weighted average market price of BM Greentech shares up to and including the last trading day immediately prior to the date of the signing of the Term Sheet. The completion of the acquisition is subject to the execution of definitive agreements and receipt of necessary shareholder approvals. A conditional share sale agreement (SSA) finalising the terms will be signed within 30 days of the Term Sheet.

BM Greentech will concurrently undertake a special issuance of new shares at the same price as the issue price of RM1.35 to its parent company, QL Green Resources Sdn Bhd, a subsidiary of QL Resources Berhad ("QL") to maintain QL's majority ownership after the acquisition. The proceeds raised from this special proposed special issuance will be used for BM Greentech's business



expansion into the clean energy sector. BM Greentech will inject additional equity funding of up to RM50 million to power Plus Xnergy's business growth and expansion.

BM Greentech is confident that this acquisition will create further value for its shareholders. The combined entity will be well-positioned to capitalise on the growing demand for clean energy solutions in Malaysia and the region, benefitting from BM Greentech and QL's geographic reach.

The proposed acquisition aligns with QL's increasing focus on cultivating clean energy as a growth area as it continues to capitalise on opportunities to sustainably enhance performance of its businesses.

Founders Oh Zhi Kang and Ko Chuan Zhen will remain as directors of Plus Xnergy for a minimum of five years. Upon completion of the SSA, Ko will be admitted as a director of BM Greentech with Oh as his alternate, subject to approvals. The selling shareholders comprising Ko, Oh, Leong Beng Yew, Oh Siang Hwa, Poh Tyng Huei, Smiling Planet Sdn Bhd and Tenaga Wan Foong Sdn Bhd have given a guarantee of RM44 million in accumulated profit over a period of four years.

The proposed acquisition bolsters BM Greentech's commitment to supporting Malaysia's net zero ambition outlined in the 12th Malaysia Plan. Scaling up of solar systems installations has been identified as one of the pathways in the National Energy Transition Roadmap (NETR) for national energy mix. The shift towards solar energy has been boosted by government initiatives such as Net Energy Metering (NEM), LSS, Corporate Green Power Programme (CGPP) and Third-Party Access (TPA), creating substantial growth opportunities for Plus Xnergy, BM Greentech and QL.

###