

ASIATIC GROUP (HOLDINGS) LIMITED

(Company Registration No: 200209290R)
(Incorporated in the Republic of Singapore)

DISPOSAL OF 30% INTEREST IN ASSOCIATE COMPANY, KEMAMAN BIOMASS POWER (M) SDN. BHD.

The Board of Directors ("**Board**") of Asiatic Group (Holdings) Limited ("**Company**", together with its subsidiaries, "**Group**") wishes to announce that the Group has through Colben Energy Holdings (Kemaman) Ltd ("**CEHKL**"), a wholly-owned indirect subsidiary of the Group, disposed of its entire stake in Kemaman Biomass Power (M) Sdn. Bhd. ("**Associate Company**") of 150,000 ordinary shares (the "**Sale Shares**"), which represents 30% of the issued and paid-up share capital for a cash consideration of RM1.00 (equivalent to approximately 33.20 Singapore cents based on the exchange rate of RM1:S\$0.3320 as at the date of this Announcement) (the "**Consideration**") to How Su Lee, an independent third party (the "**Purchaser**") (the "**Disposal**") on 4 March 2019.

The Consideration for the Sale Shares was determined between the Company and the Purchaser on a willing-buyer-willing-seller basis and taking into consideration the unaudited net liabilities of the Associate Company based on the 30% shareholding held by CEHKL, being S\$59,703.35 (based on the exchange rate of RM1:S\$0.3304 as at 30 September 2018) for the half-year ended 30 September 2018.

The rationale for the Disposal is to exit the proposed business to develop a biomass power plant in Kemaman, Terengganu, which has not come to fruition since the start of the Group's investment into the Associate Company in December 2010.

In consideration of the Disposal, the Group will be writing-off a net receivable from CEHKL amounting to S\$62,480. The said receivable was an advance for the initial start-up costs of the project in the Associate Company.

Following the completion of the Disposal, CEHKL has ceased to be a shareholder of the Associate Company.

The Disposal is not expected to have a material impact on the Company's earnings per share and net tangible assets per share for the financial year ending 31 March 2019.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Disposal other than through their respective shareholdings in the Company.

By Order of the Board

Tan Boon Kheng
Managing Director
4 March 2019

This announcement (the "Announcement") has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.

The Sponsor has not verified the contents of the Announcement. This Announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of the Announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Announcement.

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: sponsorship@ppcf.com.sg).