



Asiatic Group

ASIATIC GROUP (HOLDINGS) LIMITED

(Company Registration Number: 200209290R)
(Incorporated in the Republic of Singapore)

NEWS RELEASE

MEMORANDUM OF UNDERSTANDING FOR COOPERATION AND JOINT DEVELOPMENT OF RENEWABLE ENERGY TYPE PROJECTS IN THE ASIA PACIFIC REGION



Seated from left to right: Mr Tay Kah Chye, Non Executive Chairman of Asiatic Group with Mr Tang Yang Yang, General Manager and Director of CGNPC

SINGAPORE, 18 November 2014, Asiatic Group (Holdings) Limited (the “**Company**” and together with its subsidiaries, the “**Asiatic Group**”) is pleased to announce that it has entered into a non-binding memorandum of understanding (“**MOU**”) with CGNPC Solar-Biofuel Power (Singapore) Pte Ltd (“**CGNPC**”) for possible pursuit and joint development of renewable energy type projects throughout the Asia Pacific region (the “**Proposed Development**”) at the 6th Singapore-Guangdong Collaboration Council (SGCC) meeting held at the Shangri-La Hotel this morning. The SGCC event was graced by our Transport Minister, Mr Lui Tuck Yew and SGCC Guangdong Secretary-General, Mr Fu Lang.

CGNPC, an independent third party to the Company, and is a wholly owned subsidiary of CGN Solar Energy Development Co., Ltd (“**CGNSEDC**”). In 2012, CGNPC had begun the construction of its 9.9 megawatt plant in Singapore which has the capability to generate electricity by drawing from a combination of waste biomass and solar energy. The plant uses a proprietary waste-to-energy process and a solar rooftop design to produce electricity with reduced carbon emissions.

The purpose of the MOU is to establish a formal and flexible framework between both parties to collaborate in the pursuit and development of business opportunities in the power supply and renewable energy sectors in the Asia Pacific region as well as to strengthen communication and enhance trust between the parties. The MOU is subject to certain conditions precedent, including but not limited to, the signing of definitive agreements upon identifying of opportunities or projects relating to the Proposed Development.

Mr Tan Boon Kheng, Chief Executive Officer of the Asiatic Group, commented, "*The MOU with CGNPC, would allow both parties who are leaders in their respective energy fields to jointly pursue and develop renewable energy type projects throughout the Asia Pacific region, which in my view would benefit the environment given the increasing environmental damage caused by global warming foreseeable in the coming years. Having this MOU would also put the Asiatic Group in a niche industry. In addition, as we continue to explore the renewable energy business, we hope that this would bring forth new business opportunities to enhance our shareholders' value in the long run*"

The MOU is not expected to have a material financial impact on the Asiatic Group's earnings per share and net tangible assets per share for the current financial year ending 31 March 2015. None of the Directors or controlling shareholders of the Company have any interest, direct or indirect, in the MOU other than through their shareholdings in the Company.

The Company shall make such further announcements on the MOU as and when appropriate, including the signing of any definitive agreements. In view of the non-binding nature of the MOU, the Company wishes to highlight that there is no certainty or assurance that the Proposed Development will be proceeded with or led to definitive projects. As such, shareholders and potential investors are advised to consult their professional advisors if they have any doubt about the actions they should take. Shareholders and potential investors are advised to exercise caution when dealing with the shares of the Company in relation to this announcement.

About Asiatic Group (Holdings) Limited

Asiatic Group is a leading engineering and project management specialist, which has in the last 10 years evolved into one of the region's up-coming independent power producers with a good track record in project development, EPC (engineering procurement and construction) and operation & maintenance of power plants. It has recently completed the construction and successful commissioning of the biomass power plant in Teluk Intan, Perak, Malaysia.

Today, Asiatic Group operates in the niche areas of:

- Energy, where it operates as an EPC (engineering, procurement and construction) and O&M (Operation and Maintenance) contractor, provides Planning and Development services and participates as an Equity Investor in niche power related project in the region; and
- Fire Protection, where it provides total fire protection solutions.

Asiatic Group has operations in Singapore, Malaysia, Vietnam and Cambodia. Asiatic Group was listed on the Catalist Board of Singapore Exchange Securities Trading Limited (formerly known as SESDAQ) in April 2003.

This 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 relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Mark Liew, Managing Director, Corporate Finance, at 20 Cecil Street, #21-02 Equity Plaza, Singapore 049705, telephone (65) 6229 8088.