

JOINT PRESS STATEMENT / SIARAN AKHBAR

(FOR IMMEDIATE RELEASE)

**PIMPINAN EHSAN TO TRANSFORM INTO PURE
RENEWABLE ENERGY GROUP IN MALAYSIA**

- Enters into Heads of Agreement to acquire solar companies

Kuala Lumpur, 19 February 2021 – Main Market-listed Pimpinan Ehsan Berhad (“PEB” or the “Company”) has entered into a Heads of Agreement (“HOA”) with renewable energy company, reNIKOLA Sdn Bhd (“reNIKOLA”), as well as Boumhidi Abdelali (“Boumhidi Adel”) and YAM Tengku Zaiton Ibni Sultan Abu Bakar (collectively, the “Vendors”) for the proposed acquisition of the entire equity interests in the following companies:-

- reNIKOLA (Arau) Sdn Bhd,
- reNIKOLA (Gebeng) Sdn Bhd,
- reNIKOLA (Pekan) Sdn Bhd,
- reNIKOLA Solar Sdn Bhd, and
- RE Gebeng BKH Sdn Bhd

(collectively known as “reNIKOLA group of companies”)

for a total purchase consideration that will be determined at a later date, and shall be satisfied via issuance of new PEB Shares at an issue price of RM1.07 per Share. Both PEB and the Vendors endeavor to enter into a definitive share sale agreement for the acquisition in due course.

reNIKOLA group of companies are principally involved in renewable energy generation and will have a combined portfolio of approximately 418 megawatt peak (“MWp”) capacity of solar assets upon completion, across 4 sites in Kedah, Pahang and Perlis.

Executive Chairman of PEB, Tan Sri Rozali bin Ismail, said, “We are excited to welcome the new era of PEB as we leap forward to a much greener tomorrow. The acquisition is a strategic move for our regularization plan as it enables the Company the access to the fast-growing renewable energy sector and its sizeable portfolio of solar assets. We believe this new business will fuel growth and contribute sustainable recurring earning streams to the Company.”

Director of reNIKOLA, Lim Beng Guan, added, “Our intention is to transform PEB into a leading pure-play renewable energy company in Malaysia, and possibly in the region. The plan is to first expand our solar portfolio and gradually expand our footprints in different verticals within the green energy sector. We aim to grow our renewable energy assets portfolio to be the largest in Malaysia. Having PEB with reNIKOLA combined will accelerate the transformation plan as we will have approximately 418MWp of solar assets upon completion, in our stable. For the longer term, we are exploring opportunities to expand regionally starting from our neighbouring countries to the wider Asia where there is strong demand for clean energy.”

Managing Director of reNIKOLA, Boumhidi Adel, then said, “The prospects of the domestic renewable energy industry are flourishing, and it has been growing remarkably in recent years driven by the national renewable energy policies. Looking at the current operating landscape, the solar industry is relatively fragmented. As the industry grows larger in size, we expect market consolidation to follow through and we intend to partake in that to scale up our operations. There will be more solar assets from the previous Large-Scale Solar programmes coming on-stream which translate into investment opportunities. Hence, this is an opportune time to better position PEB to capitalize on the robust growth potentials.”

“Globally, the world is swiftly moving towards renewable or clean energy and reduce reliance on fossil fuel. Despite the current pandemic, governments and businesses are pursuing decarbonization plans. In the US alone, the new Biden administration plans to invest USD2 trillion over 4 years to increase the use of clean energy. Closer to us, China has pledged to reach carbon neutrality by 2060, with 60 other small countries aiming to do so by 2050. As such, the market for renewable energy is huge with enormous demand.” Boumhidi Adel further commented.

Presently, PEB is a cash company without any core business. As at 30 September 2020, it has total cash of RM70.32 million. It is undertaking the acquisition to regularise its condition as a cash company, enabling the existing shareholders participate in the new business of renewable energy with positive prospects. The acquisition is subject to approvals from the Securities Commission, Bursa Malaysia Securities Berhad (“Bursa Securities”), Energy Commission, Tenaga Nasional Berhad and shareholders of PEB at an extraordinary general meeting to be convened.

On even day, PEB also announced that it has received notice of unconditional mandatory take-over offer (“MGO”) from Pitahaya (M) Sdn Bhd (“Pitahaya”) after Pitahaya together with the parties acting in concert with the company acquired a total of 45.29 million shares representing approximately 65.5% of the equity interest in PEB. Lim Beng Guan is deemed as the ultimate offeror.

Pitahaya is offering RM1.07 per ordinary share in PEB, to be satisfied entirely in cash, representing the highest price paid by Pitahaya for the purchase of the PEB shares. **Pitahaya intends to maintain the listing status of PEB on the Main Market of Bursa Securities.**

The offer document shall be posted out no later than 21 days from the date of the notice of MGO, while the offer will be open for acceptance for a period of at least 21 days from the posting date of the offer document.

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About Pimpinan Ehsan Berhad

Pimpinan Ehsan Berhad (“the Company” or “PEB”) was incorporated since 2016, with investment holding as its principal activity. PEB was listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) in May 2018 in place of TRIpIc Berhad following the implementation of an internal reorganization exercise. The Company is currently classified as a Cash Company after the disposal of its principal subsidiary, TRIpIc Berhad, in May 2018.

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