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Press contact:

**Darren Chong** | [dchong@jirehconsult.com](mailto:dchong@jirehconsult.com) | 012-713 8575

**Debbie Koh** | [dkoh@jirehconsult.com](mailto:dkoh@jirehconsult.com) | 012-206 1961

### **BM Greentech Merges Plus Xnergy's Business Upon Share Acquisition Agreement Completion**

- *Plus Xnergy founders Ko Chuan Zhen and Oh Zhi Kang to join BM Greentech's executive leadership*
- *The acquisition enlarges BM Greentech's solutions portfolio; amplifies existing talent pool and capability to capitalise on the growing demand for clean energy solutions in Malaysia and the region*

**Shah Alam, 11 July 2024** – BM Greentech Berhad (“BM Greentech”) and Plus Xnergy Holdings Sdn Bhd (“Plus Xnergy”) today formalised the conditional share acquisition agreement (“SAA”) to fulfil the Term Sheet requirements in BM Greentech’s RM110 million acquisition of the latter.

Concurrent to this, Plus Xnergy co-founders Ko Chuan Zhen and Oh Zhi Kang are named onto the executive leadership of BM Greentech, securing their positions within the Main Market-listed entity. Ko will continue to helm Plus Xnergy as Group CEO, and has also been nominated as an Executive Director of BM Greentech, subject to shareholders’ approval, with Oh as his alternate.

Both companies are combining their track record, expertise and resources. Plus Xnergy will benefit from BM Greentech’s bioenergy and water treatment solutions portfolio to provide more holistic solutions for customers and businesses. Additionally, BM Greentech has committed RM50 million capital injection to power Plus Xnergy’s business growth and expansion.

The integration of Plus Xnergy’s innovative solutions, and existing wide customer base also strengthens BM Greentech’s position as a comprehensive climate change solutions leader.

BM Greentech Group Managing Director Chia Lik Khai said, “Plus Xnergy’s clean energy ecosystem comprising generation, storage, energy efficiency, electric vehicle (EV) charging solutions and smart energy systems adds breadth and depth that strengthens our value chain. Our combined capability positions us well to capitalise on large-scale solar (LSS) projects and the growing demand for clean energy solutions to support the ESG journey of businesses and a just transition. This acquisition propels us towards our vision of being the preferred climate change solutions partner. Having Ko and Oh onboard adds invaluable industry experience that benefits our strategic decision making.”

Founded in 2013, Plus Xnergy provides clean energy solutions for commercial, industrial, residential and LSS projects including solar farms in Kedah, Perlis, Perak, and Selangor. It has built a strong presence in Malaysia with nationwide footprint of over 400 MWp of installed solar PV capacity, which generated 2,000 GWh in clean energy as of March 2024.



Plus Xnergy Group CEO Ko Chuan Zhen said, “Having started in the Renewable Energy industry when it was at the infancy phase 12 years ago, we have witnessed its increasing market demand, which has propelled our capability expansion and leadership position. We are excited with the opportunity to further accelerate our growth as it aligns with our mission to spur the clean energy transition and to lead the clean energy infrastructure landscape. The financial strength and extended regional reach of BM Greentech provide us a launchpad to capitalise on the numerous clean energy initiatives. Our collective resources will enable us to better contribute to the creation of shared value through innovative and cost-effective energy solutions, and in the larger picture, the overall sustainability aspirations of Malaysia. We look forward to journeying with our customers and being able to execute on larger projects.”

Plus Xnergy’s 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 guaranteed at least RM44 million in accumulated profit over the next four years to BM Greentech.

BM Greentech will be issuing 81,481,482 new shares at RM1.35 per share to satisfy the proposed acquisition. To maintain the majority ownership at over 50% stake, BM Greentech will also undertake a special issuance of 90,518,518 new shares to QL Resources Berhad (“QL”) at the same price, raising approximately RM122 million to fund future expansion of BM Greentech’s and Plus Xnergy’s businesses.

Following the acquisition, BM Greentech plans to offer a bonus issue of 172,000,000 warrants on the basis of 1 warrant for every 4 existing BM Greentech shares with the entitlement date to be determined later.

BM Greentech, a leader in climate change solutions, with bioenergy, water (waste and raw) treatment, and solar energy segments is QL’s subsidiary. BM Greentech’s focus on innovation and advocating the usage of green technologies to create value for customers and reduce the environmental impact of businesses has resulted in an estimated annual carbon dioxide equivalent reduction of 4.3 million metric tonnes and an annual Biological Oxygen Demand reduction of almost 29,000 MT in the financial year ended 31 March 2024.

BM Greentech’s acquisition of Plus Xnergy aligns with QL’s strategy of cultivating clean energy as a growth area to sustainably enhance performance. Malaysia has immense potential for renewable energy, with over 95% of the estimated 290 GW technical potential, including a massive 269 GW from solar power alone, waiting to be tapped. The National Energy Transition Roadmap (NETR) has spotlighted solar PV installations as one of the pathways in Malaysia’s national energy mix. Government’s initiatives such as Net Energy Metering (NEM), LSS, Corporate Green Power Programme (CGPP) and Third-Party Access (TPA) provide the impetus in this shift, creating substantial growth opportunities for Plus Xnergy, BM Greentech and QL.

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