



PRESS RELEASE

SUPPORT FOR DISPOSAL OF TITISAN MODAL (M) SDN BHD TO PENGURUSAN AIR SELANGOR SDN BHD

SHAH ALAM, 9 Dec 2015: Kumpulan Perangsang Selangor Berhad's (Perangsang Selangor) proposed disposal of 44,550,000 ordinary shares of RM1.00 each in Titisan Modal (M) Sdn Bhd (TMSB) (Disposal Shares) representing 90.83% equity interest in TMSB to Pengurusan Air Selangor Sdn Bhd (Air Selangor), a wholly-owned subsidiary of Kumpulan Darul Ehsan Berhad (KDEB), received support from its minority shareholders.

The disposal consideration amounting to RM78.054 million is based on an offer made by KDEB as specified in its letter dated 20 June 2014. The disposal consideration of RM78.054 million represents a premium of 4.8% against the value of the Disposal Shares of RM74.45 million as ascribed by Moores Stephens Associates PLT.

Upon completion, the proposed disposal will address the impending debt repayment of fixed rate serial bonds (FRSB) (RM325 million due on 28 April 2016), Bai' Bithaman Ajil Islamic Debt Securities (BaIDS) issued by Viable Chip (M) Sdn Bhd (RM200 million due on 29 February 2016) and de-consolidate the borrowings of TMSB (RM848.3million including the FRSB) as on 30 June 2015.

The proposed disposal will also facilitate the proposed water restructuring plan between the Selangor State Government and the Federal Government to consolidate and restructure the water supply industry in Selangor, Kuala Lumpur and Putrajaya.

Furthermore the proposed disposal is not expected to result in Perangsang Selangor becoming a cash company under Paragraph 8.03 and Practice Note 16 of the listing requirements; and an affected listed issuer under Paragraph 8.03A of the listing requirements or triggering one of the prescribed criteria under Practice Note 17.

The proposed disposal will allow Perangsang Selangor to explore investment opportunities in sectors where it already has existing investments as well as in new business sectors or areas.

The proposed disposal is expected to be completed by end of December 2015.

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