



**PRESS RELEASE**  
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## **Kumpulan Perangsang Selangor finalises disposal of 30% stake in SPLASH**

- ***Disposal expected to be completed by end of 2018; Group's share of gross proceeds amounts to approximately RM765.0 million***
- ***Group to take prudent approach in balancing current needs and future growth***

**Shah Alam, Malaysia, 28 September 2018** – Diversified group **Kumpulan Perangsang Selangor Berhad** (KPS, the Group, Bursa: 5843; Bloomberg: KUPS:MK; Reuters: KPSB.KL) today announced that its indirect 30% associate company Syarikat Pengeluar Air Selangor Holdings Berhad (SPLASH Holdings) had entered into a share purchase agreement (SPA) with Pengurusan Air Selangor Sdn Bhd (Air Selangor) for the disposal of SPLASH Holdings' entire stake in Syarikat Pengeluar Air Sungai Selangor Sdn Bhd (SPLASH).

The total purchase price of RM2.55 billion to be paid by Air Selangor for the 100% stake of SPLASH will be distributed via upfront sum of RM1.9 billion, followed by nine annual instalments for the remaining amount of RM650.0 million.

Once completed, KPS stands to receive total gross proceeds of RM765.0 million for its stake in SPLASH Holdings. At the same time, upon the completion of the disposal exercise, the Group is estimated to recognise approximately RM331.6 million in one-off loss on disposal; which is expected to have a significant impact on the net assets and earnings of the Group for the financial year ending 31 December 2018.

**KPS Chief Executive Officer Ahmad Fariz Hassan said:**

“The conclusion of our involvement in SPLASH marks a further step towards refocusing of our endeavours in growing our core businesses into industry powerhouses and generate sustainable returns for shareholders.

In deliberating the utilisation of the proceeds, the Group will adopt a prudent approach on balancing current needs and future growth. In addition, we remain steadfast in implementing our value creation strategy in expanding our ongoing core businesses, achieving a lean balance sheet and ensuring the continued sustainability of the Group's overall performance.”

Barring any unforeseen circumstances, the disposal is expected to be completed by the end of 2018 and is subjected to the fulfilment of conditions precedents taking place prior to completion.

As SPLASH Holdings is an associate company of KPS, the acceptance of SPLASH takeover offer does not require approval from KPS shareholders.



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The acquisition of SPLASH by Air Selangor is undertaken as part of the consolidation and restructuring of the water industry in Selangor, Kuala Lumpur and Putrajaya by the state and federal governments. This exercise is done in effort to increase water reserve margins and reduce non-revenue water (NRW), as well as, being one step closer to achieve uninterrupted water supply within Klang Valley and nationwide.

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### **About Kumpulan Perangsang Selangor Berhad ([www.perangsangselangor.com](http://www.perangsangselangor.com))**

Incorporated in August 1975, Kumpulan Perangsang Selangor Berhad (“KPS” or the “Company”) is a public limited liability company listed on the Main Market of Bursa Malaysia Securities Berhad. The Company has a varied investment portfolio with assets involved in Manufacturing, Trading, Licensing, Infrastructure and Utility, Oil and Gas as well as Telecommunications. KPS is committed towards making significant contributions to human capital, intellectual, and sustainable developments, whilst strengthening its core businesses to optimise returns for its shareholders.

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**Issued for and on behalf of KUMPULAN PERANGSANG SELANGOR BERHAD by Aquilas Advisory (Malaysia) Sdn Bhd. For media enquiries, please contact:**

Pn. Suzila Khairuddin  
[suzila@kps.com.my](mailto:suzila@kps.com.my)  
T: +603 5524 8400

Ms. Julia Pong  
[julia@aquilas.com.my](mailto:julia@aquilas.com.my)  
T: +603- 27111391 / +6012-3909 258