

Company Name : **ASIA BIOENERGY TECHNOLOGIES BERHAD (“ABT” or “the Company”)**

Description : **- ACQUISITION OF SHARES IN FOCUS DYNAMICS GROUP BERHAD**

## **1. INTRODUCTION**

The Board of Directors of Asia Bioenergy Technologies Berhad (“ABT” or “the Company”) wishes to announce that its wholly-owned subsidiary, Asiabio Capital Sdn. Bhd. (“ACSB”) that is principally involved in the trading of marketable securities has from 10 March 2017 to 11 April 2017 acquired in aggregate 3.38% or 26,241,900 ordinary shares of Focus Dynamics Group Berhad (“FOCUS”) for an aggregated sum of RM2.57 million (“FOCUS Consideration”) in cash from the open market. hereinafter referred to as the “Investment in FOCUS”).

Pursuant to the Investment in FOCUS, ACSB has increased its shareholding stake in FOCUS from 15.91% or 123,600,000 ordinary shares of FOCUS to 19.28% or 149,841,900 ordinary shares of FOCUS.

## **2. INFORMATION ON THE INVESTMENT IN FOCUS**

### **2.1 Information of FOCUS**

FOCUS is a public listed company listed on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”), which is involved in the manufacture of energy efficiency devices for industrial machinery. It also offers project management, maintenance support, engineering, system audit, and energy saving services. It has a food and beverage (“F&B”) division and has recently diversified into property investment and management.

Based on the latest audited accounts of FOCUS as at 31 December 2015, FOCUS Group’s net loss attributable to assets for the year ended and net assets are RM13.61 million and RM38.98 million respectively.

### **2.2 Basis of Arriving At the FOCUS Consideration**

The FOCUS Consideration was based on the prevailing market price at the point of purchase.

### **2.3 Funding for the Investment in FOCUS**

The Investment in FOCUS was funded entirely from the technology incubator funds of the Company.

### **2.4 Liabilities to be Assumed**

There are no liabilities, including contingent liabilities and guarantees to be assumed by ABT, arising from the Investment in FOCUS.

## **3. RATIONALE AND PROSPECTS**

The Investment in FOCUS is part of ABT Group’s decision to invest in quoted securities that have growth prospects through collaboration or cross-selling of products and services between the

Group's investee companies.

The Investment in FOCUS allows the Group to hold a strategic stake in FOCUS Group as ABT believes that the F&B operations of FOCUS have the potential for growth through the collaboration and cross-selling of products and services between ABT Group's investee companies.

The F&B business of FOCUS is expected to provide a stable source of income for FOCUS Group in the near term and with the diversification into property investment and management will improve further its long term outlook and ABT's potential return of investment.

#### **4. RISK FACTORS**

Save for the normal market and global economic risk, the Board of Directors of ABT is not aware of any other risk factors which may arise as a result of the Investment in FOCUS.

#### **5. FINANCIAL EFFECTS**

The Investment in FOCUS is not expected to have any material effect on the earnings per share, dividend policy, gearing, share capital, net assets per share and the substantial shareholders' shareholdings of the Company for the financial year ended 31 March 2017.

#### **6. APPROVAL REQUIRED**

The Investment in FOCUS is not subject to the approval of the shareholders of the Company or any regulatory authorities.

#### **7. DIRECTORS' AND/OR MAJOR SHAREHOLDERS' INTEREST**

None of the Directors and/or major shareholders and/or any person connected to the Directors and/or major shareholders of ABT has any interest, either direct or indirect in the Investment in FOCUS save for Leung Kok Keong, who represents ABT on the board of directors of FOCUS as an executive director.

#### **8. DIRECTORS' STATEMENT**

The Board of Directors of ABT having considered all aspects of the Investment in FOCUS is of the opinion that it is in the best interest of the ABT Group.

#### **9. PERCENTAGE RATIO**

The highest percentage ratio applicable to the Investment in FOCUS pursuant to Rule 10.02 of the Listing Requirements of Bursa Securities for the ACE Market is 6.42% based on the latest audited financial statements of ABT as at 31 March 2016 and FOCUS as at 31 December 2015.

This announcement is dated 12 April 2017.