BM MOBILITY LTD.

(Formerly known as Ziwo Holdings Ltd.)
(Incorporated in the Republic of Singapore)
(Company Registration No. 200800853Z)
("**Company**")

PROPOSED ACQUISITION OF
99.9992% SHAREHOLDING INTEREST IN
WANTED MARKETING COMMUNICATIONS SDN. BHD.

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1. INTRODUCTION

The board of directors (the "**Board**" or "**Directors**") of the Company (together with its subsidiaries, the "**Group**"), refers to the announcement dated 11 January 2018 (the "**11 January Announcement**") in relation to the binding term sheet (the "**Term Sheet**")" entered into between BM Mobility Sdn. Bhd. (the "**Purchaser**"), a wholly owned subsidiary of Estar Investments Pte. Ltd., which is in turn a 65% subsidiary of the Company, with Mr. Ng Heok Seong ("**Mr. Ng**") and Mr. Abdul Halim Bin Abdul Aziz ("**Mr. Abdul**") (collectively, the "**Sellers**"). The Purchaser and the Sellers shall be collectively referred to as the "**Parties**", or each a "**Party**".

Further to the 11 January Announcement and the Term Sheet, the Board wishes to update the shareholders of the Company that the Parties have entered into a definitive share purchase agreement dated 29 January 2018 (the "**Agreement**"), pursuant to which the Sellers have agreed to sell, and the Purchaser has agreed to purchase such number of ordinary shares in Wanted Marketing Communications Sdn. Bhd. (the "**Target**") representing 99.9992% of the total issued and paid-up share capital of the Target, subject to the conditions precedent of the Agreement (the "**Proposed Acquisition**").

2. INFORMATION ON THE SELLERS AND THE TARGET

The information relating to the Sellers and the Target set out in this Paragraph 2 of this announcement was provided by the Sellers. In respect of such information, the Company has not independently verified the accuracy and correctness of the same and the Company's responsibility is limited to proper reflection and reproduction herein the context that the information is being disclosed in this announcement.

2.1 The Sellers

Subsequent to the 11 January Announcement, the Purchaser has been informed by the Sellers that the entire issued and paid up share capital of the Target is held by Mr. Ng, Mr. Abdul and a Malaysian individual ("**Existing Shareholder**") as to 99.984%, 0.0152% and 0.0008% respectively. This therefore supersedes the information relating to the existing shareholding structure of the Target as disclosed in the 11 January Announcement. For the avoidance of doubt, the information relating to the paid up share capital of the Target as disclosed in the 11 January Announcement remains correct and unchanged. Please refer to Paragraph 4.2 of this announcement for further details in this regard.

Accordingly, pursuant to the Agreement, the Sellers will sell and the Purchaser will purchase, the entire ordinary shares in the Target held by the Sellers ("**Target Shares**") representing 99.9992% of the total issued and paid up share capital in the Target, free from all encumbrances and together with all rights, benefits and entitlements attaching thereto as at the completion of the Proposed Acquisition ("**Completion**") and thereafter, on terms and conditions set out under the Agreement. Upon Completion, the Target will be owned by the Purchaser and the Existing Shareholder as to 99.9992% and 0.0008% respectively.

None of the Sellers and the Existing Shareholder owns any shares in the Company and is not related to any directors or substantial shareholders of the Company, and their respective associates.

2.2 **The Target**

The Target, a Malaysia-incorporated private company, is an authorised sales agent for electric bike manufacturer, Treelektrik. Sdn. Bhd. It holds approximately 75.0% of the total shareholding interest in UniRide Ecotour Sdn. Bhd. ("**UNiRIDE**"). The remaining shareholding interest of approximately 25% in UNiRIDE is held by the Malaysia-incorporated CMS Consortium Ecotour Sdn. Bhd. ("**CMS**").

UNiRIDE is principally engaged in the business of car sharing programme for universities in Malaysia, which focuses on introducing energy efficient vehicles to provide hassle free transportation to achieve better accessibility for universities students and staff within the vicinity of the campus. UNiRIDE has, through CMS, secured the rights to provide car sharing programme to 4 universities in Malaysia, namely University Technologi Mara (UiTM), University of Malaya (UM), Universiti Utara Malaysia (UUM) and Universiti Technologi Malaysia (UTM).

Please note that the information provided under this Paragraph 2.2 has been disclosed in the 11 January Announcement and is included in this announcement for Shareholders' easy reference. In this regard, no additional or amended information has been included herein.

3. RATIONALE AND BENEFITS OF THE PROPOSED ACQUISITION

The Company has on 2 January 2018 obtained its shareholders' approval in an extraordinary general meeting to diversity its core business into the new business of green energy, specifically on activities that promote personal mobility and reduce carbon emissions ("**New Business**"). Please refer to the Company's circular dated 11 December 2017 for further details on the New Business.

In line with the Company's intention to diversity into the New Business, the Company has been actively exploring various investment opportunities and alliances which will broaden the Group's revenue stream and facilitate sustained profitability through selective investments into new business segments and forming strategic alliances with suitable local partners.

The Proposed Acquisition is therefore consistent with the Company's strategy and supports the Group's effort to pursue new business opportunities in the green energy industry with a view to widen its revenue streams and deliver positive value to shareholders. The Proposed Acquisition further serves as a strategic platform for the Group to scale up vehicle rental business by introducing electric scooters and reaching out to more universities in Malaysia.

Please note that the information provided under this Paragraph 3 has been disclosed in the 11 January Announcement and is included in this announcement for Shareholders' easy reference. In this regard, no additional or amended information has been included herein.

4. PRINCIPAL TERMS OF THE PROPOSED ACQUISITION

4.1 Proposed Acquisition

The Sellers shall sell, and the Purchaser shall acquire, an aggregate of 99.9992% shareholding interest in the Target, free from all encumbrances and together with all rights, benefits and entitlements attaching to the Target Shares as at the Completion and thereafter.

4.2 Consideration

(a) Consideration Amount

The aggregate cash consideration payable by the Purchaser to the Sellers for the Target Shares is MYR850,000 (the "**Consideration**").

The Consideration was arrived at following arm's length negotiations on a willing buyer willing seller basis, taking into account, *inter alia,* the prospects of the business in the Target and its subsidiaries ("**Target Group**") and the synergistic value that the Group expects to enjoy from the acquisition of the Target, such as the dealership for electric bike manufacturer, Treelektrik. Sdn. Bhd. and the strategic business opportunities in the car sharing programme which the Group may partake through UNiRIDE.

Based on the latest available financial information of the Target, the paid up share capital of the Target is RM625,000 and the net tangible asset is approximately RM400,000. Taking into account, *inter alia,* the rationale and benefits of the Proposed Acquisition, and the arm's length negotiations with the Sellers, the Board believes that the premium paid for the Proposed Acquisition is reasonable and is in the interest of the Company.

(b) Deposit

5.0% of the Consideration will be payable to the Sellers as deposit ("**Deposit**") upon execution of the Agreement. The Deposit shall be refunded without any deduction within three (3) business days from the Long-Stop Date (as defined below) in the event that Completion does not take place on or before the Long-Stop Date.

The remaining Consideration (less the Deposit) shall be paid to the Sellers on Completion, subject to the terms and conditions of the Agreement.

4.3 Conditions Precedent to Completion

The Completion shall be conditional upon the fulfilment (or waiver by the Purchaser) of, inter alia, the following conditions precedent ("**Conditions Precedent**"):

(a) approval from the board of directors of the Purchaser, for the execution of this Agreement and the performance of their respective obligations contemplated under the Agreement having been obtained and not subject to any amendments or revocation;

(b) the Purchaser having completed and being satisfied with its due diligence investigations into the financial, legal, tax and business of the Target Group, including without limitation:

(i) the Target Group has legal and beneficial ownership of the relevant shareholding in each of its subsidiaries;

(ii) the Target Group has the requisite regulatory licenses, permits or consents to conduct its business in each jurisdiction in which it operates in;

(iii) the Sellers have the legal and beneficial ownership of the Target Shares, which are not subject to any encumbrances; and

(iv) there shall be no rights, options, interest or any instrument in respect of the share capital of the Target outstanding which may be exercisable into shares or securities of the Target, whether subject to conditions or otherwise;

(c) the irrevocable and unconditional waiver by the Sellers and/or any third party (as may be so entitled), of any restriction or right of pre-emption on the transfer or disposal of the Target Shares, if any such restriction or right shall be applicable;

(d) no proceedings, applications, petitions or summons having been started or threatened, nor any steps taken thereto by any person with a view to the bankruptcy, insolvency or winding-up of any Seller or the Target or for the appointment of a receiver, trustee or similar officer over any of them or their respective undertakings, properties or assets;

(e) the representations and warranties provided by the Sellers and the Target as set out in this Agreement being true and accurate as at the date hereof and on and as of the Completion Date, with the same force and effect as though made on and as of the Completion Date;

(f) no material adverse change (as determined by the Purchaser in its reasonable discretion) in the prospects, operations, conditions (financial or otherwise) of the Target Group having occurred between the date of this Agreement and the Completion Date, both dates inclusive;

(g) no relevant authority taking, instituting, implementing or threatening to take, institute or implement any action, proceeding, suit, investigation, inquiry or reference, or having made, proposed or enacted any statute, regulation, decision, ruling, statement or order or taken any steps, and there not continuing to be in effect or outstanding any statute, regulation, decision, ruling, statement or order which would or might:

(i) make the transactions contemplated in this Agreement and all other transactions in connection therewith and incidental thereto, void, illegal and/or unenforceable or otherwise restrict, restrain, prohibit or otherwise frustrate or be adverse to the same; and/or

(ii) render the Purchaser unable to purchase all or any of the Target Shares in the manner set out in this Agreement;

(h) for the period between the date of this Agreement and the Completion Date, the Target not having allotted or issued, or agreed to allot or issue, any share, instrument convertible into shares or loan capital, or rights to subscribe or purchase any share,

instrument convertible into shares or loan capital, and there being no change to the existing share capital;

(i) The Sellers and the Target having performed and complied with all their respective undertakings, covenants and agreements set out in this Agreement on or prior to the Completion date; and

(j) the approval by the Target for entry of the name of the Purchaser on the register of members of the Target as a shareholder of the Target.

4.4 **Completion**

Subject to all the Conditions Precedent having been fulfilled to the satisfaction of or otherwise waived by the Purchaser, Completion shall take place within five (5) business days from the date on which the last Condition Precedent is satisfied, fulfilled or waived (as the case may be), or on at such place or on such date (no later than the Long-Stop Date) as may be agreed in writing between the Purchaser and the Sellers.

4.5 **Long-Stop Date**

The long-stop date of the Agreement is 28 February 2018 ("**Long-Stop Date**"), or any other date as the Parties may agree in writing.

The Parties shall use their respective best endeavours to ensure the satisfaction of the Conditions Precedent. Should the right to waive any unsatisfied Condition(s) Precedent be not exercised by the Purchaser on or before the Long-Stop Date, the Agreement shall terminate and cease to have any effect on the Long-Stop Date (except for the surviving clauses under the Agreement) and the Parties shall be released and discharged from their respective obligations under this Agreement with no claim against the other for costs, damages, compensation or otherwise save in respect of existing breaches (if any).

4.6 **Representations and Warranties**

The Sellers further represent, warrant and undertake, on a joint and several basis, matters which are customary for transaction of such nature, in favour of the Purchaser.

5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition, other than though their respective directorships and shareholdings in the Company.

6. CAUTIONARY STATEMENT

Completion of the Proposed Acquisition is subject to fulfilment of the Conditions Precedent which includes without limitation the results of legal, financial and other due diligence to be conducted by the Company being satisfactory to the Company. Shareholders and potential investors are advised to exercise caution when dealing in the Company's shares, as there is no certainty as at the date of this announcement whether the terms and conditions of the Proposed Acquisition may be varied by agreement of the Parties in writing from those set out in

the Agreement and this announcement, or the Proposed Acquisition will proceed to Completion at all.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Acquisition, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

BY ORDER OF THE BOARD

Wilson Chua
General Manager for Finance and Administration
29 January 2018