



MSM INTERNATIONAL LIMITED
(Incorporated in Singapore)
(Company Registration No.: 200918800R)

PROPOSED DISPOSAL OF ASSOCIATED COMPANY – COSMOS TECHNOLOGY INTERNATIONAL BERHAD – GRANT OF WAIVERS

1. INTRODUCTION

The board of directors (“**Board**” or “**Directors**”) of MSM International Limited (“**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 14 November 2024 (the “**Previous Announcement**”) in relation to the proposed disposal of 21% of its shareholding interests, which is equivalent to 53,864,322 ordinary shares, in the capital of its associated company, Cosmos Technology International Berhad (“**Cosmos**”) (“**Sale Shares**”), to the Purchasers for a cash consideration of RM21,244,088.60 (“**Consideration**”) (“**Proposed Disposal**”).

Unless otherwise defined, all capitalised terms used and not defined herein shall have the same meanings given to them in the Previous Announcement.

2. GRANT OF WAIVERS

As disclosed in the Previous Announcement, based on the relative figures computed on the basis set out in Rule 1006 of the Catalist Rules, the Proposed Disposal would constitute a “major transaction” under Chapter 10 of the Catalist Rules and is subject to the approval of the shareholders, unless the requirement for such shareholders’ approval is waived by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). Further, as the relative figure under Rule 1006(c) exceeds 75%, the Company is required to appoint a competent and independent valuer to value the assets to be disposed.

The Company had submitted an application to the SGX-ST to seek a waiver from the requirement under Rule 1014(2) of the Catalist Rules in relation to obtaining shareholders’ approval for the Proposed Disposal and Rule 1014(5) in relation to the appointment of an independent valuer for the Proposed Disposal (“**Waivers**”).

The Board wishes to announce that the Company has on 29 November 2024 received a letter from the SGX-ST that the SGX-ST has no objection to the Company’s application for the Waivers, subject to the following conditions (“**Waivers Conditions**”):

- (i) The Company announcing the Waivers granted, the reasons for seeking the Waivers, the conditions as required under Catalist Rule 106 and if the Waivers Conditions have been satisfied. If the Waivers Conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;
- (ii) The Company classifying the Proposed Disposal as a disclosable transaction and complying with the relevant requirements under Chapter 10; and

- (iii) The Board's confirmation that the Waivers will not be in contravention of any laws and regulations governing the Company and its constitution (or the equivalent in the Company's country of incorporation).

3. REASONS FOR SEEKING THE WAIVERS

The Company had sought the Waivers on the following grounds:

- (a) The investment in Cosmos is not a core asset of the Company, whereby the Company is a passive investor with no board seat and management control. The share of profit of associated company recorded by the Group in the past three financial years have been deteriorating from RM2.08 million for the financial year ended 31 March 2022 to RM0.6 million for the financial year ended 31 March 2024. Based on the unaudited financial results for the six-month period ended 30 September 2024, the share of loss of associated company is RM0.20 million. The Board is of the view that there will be no material change in the risk profile of the Group arising from the Proposed Disposal as the investment in Cosmos is not considered a core asset of the Group.
- (b) The Board believes that the Proposed Disposal is in the best interests of the Group and its shareholders, as it will enable the Group to realise the gain from the investment in Cosmos. Assuming that the Proposed Disposal was completed on 30 September 2024, the Proposed Disposal would result in a gain on disposal of approximately S\$10.18 million. Furthermore, the Proposed Disposal will generate cash inflow of RM21.24 million to the Group which will improve the Group's financial position and cashflow.
- (c) The Company has obtained a letter of undertaking from the controlling shareholder, Triumphant Hope Sdn Bhd, which holds 76,955,933 shares in the Company representing approximately 73.02% of the total number of shares in the Company to vote in favour of the Proposed Disposal at the general meeting of the Company, if so required to be held.
- (d) Cosmos is listed on the ACE Market of Bursa Malaysia where its market value is publicly available. The closing market price of Cosmos shares on 13 November 2024 is RM0.37. In addition, based on the unaudited financial statements of Cosmos as at 31 July 2024 as announced on Bursa Malaysia, its net tangible assets amounted to RM53.50 million with net assets per share of 20.86 Malaysia sen. The Consideration, which is equivalent to RM0.3944 per Cosmos shares, is higher than the closing market price of Cosmos shares as at the date preceding the date of the Previous Announcement and the net asset per share based on the latest unaudited financial statement of Cosmos.

4. BOARD'S CONFIRMATION

The Board confirms that the Waivers will not be in contravention of any laws and regulations governing the Company and its constitution.

With the Previous Announcement and following this announcement, the Company confirms that the Waiver Conditions have been satisfied.

As the SGX-ST has granted the Waivers, the Company will not be convening an extraordinary general meeting to seek shareholders' approval for the Proposed Disposal or for the appointment of an independent valuer.

BY ORDER OF THE BOARD

CHAN KEE SIENG

Executive Chairman

29 November 2024

This announcement has been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "Sponsor").

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President, 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.