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PROPOSED ACQUISITION OF SHARES IN GLOCOMP SYSTEMS (M) SDN BHD

Keppel Corporation Limited ("**Company**" or "**KCL**") wishes to announce that M1 Limited ("**M1**"), through its newly incorporated indirect wholly-owned subsidiary, AsiaPac Technology (M) Sdn Bhd ("**Purchaser**"), is acquiring an initial 26% stake in Glocomp Systems (M) Sdn Bhd ("**Glocomp**") for an aggregate consideration of RM 26,260,000 ("**Initial Tranche**") through a combination of subscription of new ordinary shares to be issued by Glocomp and purchase of ordinary shares from Liew Yoon Kit, Giam Teck Eng, Chan Yue Mun and Chan Tze Ming ("**Vendors**" and such acquisition, the "**Proposed Transaction**").

Completion of the Initial Tranche is subject to, among others, the Vendors transferring all of their shareholding in Global Computing Solutions Sdn Bhd ("**GCS**") and GCIS Sdn Bhd ("**GCIS**") to Glocomp, such that GCS and GCIS become wholly-owned subsidiaries of Glocomp.

Glocomp, GCS and GCIS (collectively, the "**Glocomp Group**") are information and communications technology (ICT) solution providers based in Malaysia with a comprehensive portfolio of solutions in the areas of cybersecurity, enterprise systems and multi-cloud infrastructure.

Pursuant to the terms of the Proposed Transaction, the parties have also entered into certain put option and call option arrangements, for the Purchaser to purchase additional ordinary shares from the Vendors, which will increase the Purchaser's stake in Glocomp to an aggregate of up to 70% of the total issued share capital of Glocomp over two further tranches ("**Further Tranches**"). The aggregate purchase price payable by the Purchaser for the Further Tranches will be calculated based on mutually agreed formulae, and which will not exceed RM 84,735,000.

Assuming completion of the Initial Tranche and the Further Tranches, the maximum aggregate purchase price payable by the Purchaser for 70% of the total issued share capital of Glocomp will not exceed RM 110,995,000 ("**Aggregate Consideration**"), which will be paid in cash. This will be funded by the Purchaser through internal resources.

The Aggregate Consideration was arrived at on a willing-buyer, willing-seller basis, taking into account various factors such as Glocomp Group's financial performance, customer base and business prospects, as well as the synergistic benefits of the Proposed Transaction for the M1 group. The audited net asset value and book value of Glocomp, GCS and GCIS are approximately RM 62.0 million, RM 3.6 million and RM 7.6 million respectively as at 31 December 2020.

A shareholders' agreement will also be entered into among the parties at completion of the Initial Tranche to, *inter alia*, regulate their respective rights and obligations in relation to Glocomp.

None of the directors and controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Transaction, other than through their shareholding interests, if any, in the Company.

The aforementioned transactions are not expected to have any material impact on the earnings per share or net tangible asset per share of the Company for the financial year ending 31 December 2021.

1 December 2021