



SILVERLAKE AXIS LTD.
(Registered in Singapore)
(Company Registration No. 202133173M)

**THE PROPOSED ACQUISITION OF
THE ENTIRE ISSUED SHARE CAPITAL OF THE TARGET COMPANIES (AS DEFINED BELOW)
AS AN INTERESTED PERSON TRANSACTION**

1. INTRODUCTION

- 1.1 The board of directors (the “**Board**” or “**Directors**”) of Silverlake Axis Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the announcement dated 19 January 2024 in relation to the request to the Company from Mr. Goh Peng Ooi (“**Mr. Goh**”), the Executive Chairman and ultimate controlling shareholder of the Company, to indicate its possible interest to acquire Mr. Goh’s shareholding interests in various private entities owned by Mr. Goh (the “**Previous Announcement**”).
- 1.2 Pursuant to the Previous Announcement, the Company is pleased to announce that Silverlake Global Structured Services Pte. Ltd. (“**SGSS**” or the “**Purchaser**”), a wholly-owned subsidiary of the Company, has entered into a share purchase agreement (the “**SPA**”) on 21 May 2024 with Silverlake Cloud Mezzanine Sdn. Bhd. (“**SCM**”), Silverlake Identity and Security Technology Sdn. Bhd. (“**SIAST**”, together with SCM, the “**Sellers**”), Silverlake Mathematical iFintech Sdn. Bhd. (“**SMI**” or the “**Seller Entities’ Representative**”) and Zezz FundQ Pte. Ltd. (“**Zezz**”, together with SCM, SIAST and SMI, the “**Seller Entities**”) for the proposed acquisition of the entire issued and paid-up share capital of Silverlake Cloud Computing Sdn. Bhd. (“**SCC**”), Silverlake MasterSAM Sdn. Bhd. (“**SMSB**”) and Silverlake MasterSAM Pte. Ltd. (“**SMPL**”, together with SCC and SMSB, the “**Target Companies**”) for a total consideration of RM23,000,000 (equivalent to approximately S\$6,609,195)¹ (the “**Total Consideration**”), to be paid in the manner as described in paragraph 2.3(b) of this announcement (the “**Proposed Acquisition**”):
- 1.3 The Proposed Acquisition constitute (a) a “disclosable transaction” pursuant to Rule 1006 of the listing manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (the “**Listing Manual**”). Please refer to paragraph 3.1 (*Chapter 10 of the Listing Manual*) of this announcement for further details on the relative figures in respect of the Proposed Acquisition computed on the bases set out in Rule 1006 of the Listing Manual; and (b) an “interested person transaction” pursuant to Chapter 9 of the Listing Manual. Please refer to paragraph 3.2 (*Interested Person Transaction under Chapter 9 of the Listing Manual*) of this announcement for further details.
- 1.4 The Company has appointed SAC Capital Private Limited as the financial adviser (the “**Financial Adviser**”) in relation to the Proposed Acquisition to advise the independent non-executive Directors of the Company on the terms of the Proposed Acquisition from a financial perspective.

¹ For the purposes of this announcement, unless otherwise stated, the exchange rate of RM3.48 to S\$1.00 has been used.

2. THE PROPOSED ACQUISITION

2.1 Information on the Seller Entities

(a) Silverlake Cloud Mezzanine Sdn. Bhd.

SCM is a company incorporated in Malaysia in April 2021. It is a direct wholly-owned subsidiary of SMI and Ms. Goh Shiou Ling (“**Ms. GSL**”) is one of the directors of SCM.

SCM is an investment holding company which holds equity interests in its subsidiary and associate companies. The subsidiary and associate companies are primarily involved in the marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services, business process outsourcing, and provision of application services and information technology enabled services.

(b) Silverlake Identity And Security Technology Sdn. Bhd.

SIAST is a company incorporated in Malaysia in April 2021. It is a direct wholly-owned subsidiary of SMI and Ms. GSL is one of the directors of SIAST.

SIAST is an investment holding company which holds equity interests in its subsidiary companies. The subsidiary companies are primarily involved in the marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services.

(c) Silverlake Mathematical iFintech Sdn. Bhd.

SMI is a company incorporated in Malaysia in July 2018. It is a direct wholly-owned subsidiary of Zezz and Mr. Goh and Ms. GSL are two of the directors of SMI.

SMI is an investment holding company which holds equity interests in its subsidiary and associate companies. The subsidiary and associate companies are primarily involved in the marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services, business process outsourcing, and provision of application services and information technology enabled services.

(d) Zezz FundQ Pte. Ltd.

Zezz is a company incorporated in Singapore in November 2020. It is wholly-owned by Mr. Goh and Mr. Goh and Ms. GSL are two of the directors of Zezz.

Zezz is an investment holding company and as at the date of this announcement, holds the private entities of Mr. Goh (including SMI and the Sellers) and 74.07% of the Company.

2.2 Information on the Target Companies

(a) Silverlake Cloud Computing Sdn. Bhd.

SCC is a company incorporated in Malaysia in December 1995. It is a direct wholly-owned subsidiary of SCM and Mr. Goh and Ms. GSL are two of the directors of SCC.

SCC is a Managed Services Provider (MSP) and Managed Security Services Provider (MSSP) offering comprehensive information technology (IT) solutions to clients across various industries. Operating under the MSP/MSSP model, SCC provides end-to-end managed services covering a wide range of services such as setup and onboarding, SaaS, PaaS, IaaS, ITOps, DevSecOps, hosting on-premises, multi-cloud, hybrid-cloud solutions, data center,

network, security, client support and management services, governance, risk and compliance services, and business process operation (BPO) services, among others.

(b) Silverlake MasterSAM Sdn. Bhd.

SMSB is a company incorporated in Malaysia in June 1993. It is a direct wholly-owned subsidiary of SIAST and Mr. Goh and Ms. GSL are two of the directors of SMSB.

SMSB is a cybersecurity technology provider since 2004. It provides trusted Privileged Access Management (PAM) solutions to help organisations secure and manage privileged access throughout the entire lifecycle. As a comprehensive 360-degree PAM provider, SMSB delivers a full Privileged Access Management Suite, offering features such as complete 24/7 visibility and real-time monitoring, flexible deployment options, dynamic privilege escalation, elimination of password exposure, password management, access control, and workflow. Additionally, SMSB ensures in-depth granular access control over system objects, employs smart analytical mechanisms, enables Single Sign-On (SSO) with 2FA protection, and ensures compliance fulfilment.

(c) Silverlake MasterSAM Pte. Ltd.

SMPL is a company incorporated in Singapore in March 2015. It is a direct wholly-owned subsidiary of SIAST and Mr. Goh and Ms. GSL are two of the directors of SMPL.

SMPL is a cybersecurity technology provider providing the same services as SMSB. SMSB and SMPL are collectively known as the “**MasterSAM Entities**”.

Shareholders should note that information relating to the Seller Entities and the Target Companies in paragraphs 2.1 (*Information on the Seller Entities*) and 2.2 (*Information on the Target Companies*) of this announcement and elsewhere in this announcement was provided by the Seller Entities. The Company and the Directors have not independently verified the accuracy and correctness of such information herein.

2.3 **Salient Terms of the SPA**

(a) The Proposed Acquisition

On and subject to the terms of the SPA (including but not limited to the Conditions Precedent (as defined below) having been satisfied or waived in accordance with the terms of the SPA), the Sellers agree to sell, and the Purchaser, relying on, among others, the representations, warranties and undertakings contained in the SPA, agrees to purchase, the entire issued shares of each of the Target Companies (the “**Sale Shares**”).

The Sale Shares shall be sold by the Sellers free from Encumbrances² and together with all rights and advantages attaching to them as at closing of the SPA (the “**Closing**”) (including the right to receive all dividends or distributions declared, made or paid on or after Closing).

Subject to the terms of the SPA, the obligation of the Purchaser to purchase any Sale Share is conditional and interdependent on the purchase by the Purchaser of all the Sale Shares, and the Purchaser is not obliged to purchase any Sale Share unless it completes the purchase of all the Sale Shares.

² Means any claim, charge, mortgage, lien, option, equity, power of sale, hypothecation, retention of title, right of pre-emption, right of first refusal or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing.

The Purchaser is entitled to nominate any entity(ies) (provided that such entity(ies) is a direct or indirect wholly-owned subsidiary(ies) of the Purchaser) to be the purchaser(s) or the holder(s) of any of the Sale Shares.

(b) Consideration

(i) *Closing Consideration*

The following table sets out the relevant consideration for the purchase of all of the Sale Shares of the Target Companies, payable in cash by the Purchaser as at Closing:

Target Company	Consideration (RM)
Silverlake Cloud Computing Sdn. Bhd. (SCC)	14,000,000 (the “ SCC Closing Consideration ”)
MasterSAM Entities, comprising Silverlake MasterSAM Sdn. Bhd. (SMSB) and Silverlake MasterSAM Pte. Ltd. (SMPL)	3,000,000 (the “ MasterSAM Consideration ”)
Total	17,000,000 (the “ Closing Consideration ”)

(ii) *SCC Deferred Consideration*

Subject to SCC achieving the following:

- (1) an average annual NPAT³ of no less than RM2,200,000 for the three (3)-year period of financial years ending 30 June 2025 (“**FY2025**”), 30 June 2026 (“**FY2026**”) and 30 June 2027 (“**FY2027**”); and
- (2) a positive annual NPAT for each of FY2025, FY2026 and FY2027,

based on its audited financial statements for each of FY2025, FY2026 and FY2027, the Purchaser shall pay or procure the payment of RM6,000,000 (equivalent to approximately S\$1,724,138) (the “**SCC Deferred Consideration**”) to the bank account of SCM (with the details of such bank account to be notified in advance and in writing by the Seller Entities’ Representative to the Purchaser) within 60 days from the completion of the financial audit of SCC for FY2027 and will provide evidence of such payment advice to the Seller Entities’ Representative as conclusive proof of payment.

(iii) *Determination of Total Consideration*

The Total Consideration was determined on a willing-buyer willing-seller basis after arm’s length negotiations between the Seller Entities and the Company and taking into account factors such as the operating track record and the future potential of the Target Companies, the rationale and benefits of the Proposed Acquisition and the advice rendered to the Company by the Financial Adviser.

³ Means the net profit after tax that is (a) solely derived from and/or otherwise attributable to the existing business operations of SCC as at the date of the SPA and/or any business operations reasonably related or ancillary thereto; and/or (b) otherwise be expressly agreed to or instructed by the Purchaser, in writing, from time to time.

(iv) *Reduction of Total Consideration*

If any payment is made or payable by any Seller Entity to the Purchaser in respect of any claim for any breach of the SPA or pursuant to an indemnity under the SPA (or any agreement entered into under the SPA), subject to the written agreement by the Seller Entities' Representative and the Purchaser, the payment may be first made by way of adjustment of the consideration paid and/or payable by the Purchaser for the Sale Shares under the SPA.

(c) Source of Funds

The Proposed Acquisition will be funded by way of the internal cash resources of the Group.

(d) Conditions Precedent

The agreement to sell and purchase the Sale Shares is conditional upon the satisfaction or waiver (as the case may be) of the following conditions, or their satisfaction subject only to Closing:

- (i) the results of the financial, legal and business due diligence conducted by the Purchaser and its professional advisers on the Target Companies, and the contents of the disclosure letter relating to the Target Companies, being reasonably satisfactory to the Purchaser, provided always that the Purchaser shall not be in entitled to rely on this provision to terminate the SPA unless the aggregate value of the potential loss or damage from all relevant matters or issues arising in respect of the acquisition of the Target Companies is reasonably contemplated to amount to no less than five per cent. (5%) of the Closing Consideration payable by the Purchaser;
- (ii) the Seller Entities having obtained all corporate approvals necessary for or in respect of the entry into the SPA for the proposed sale of the Target Companies by the Seller Entities and all transactions contemplated by the SPA (and in connection herewith), and such approvals not having been revoked or amended;
- (iii) the Purchaser having obtained all corporate approvals necessary for or in respect of the entry into the SPA for the proposed acquisition of the Target Companies by the Purchaser and all transactions contemplated by the SPA (and in connection herewith), and such approvals not having been revoked or amended;
- (iv) the Seller Entities having provided a list of contracts entered into by the Target Companies where the terms of such contracts (1) contain any restrictions or prohibition on the change in control of the shareholdings and/or the boards of directors of any Target Company; or (2) include any right to terminate exercisable prior to or as a result of any matter contemplated by the SPA;
- (v) where the terms of any contract entered into by a Target Company contains any notification requirements on the change in control of the shareholdings and/or the boards of directors of any Target Company or as a result of any matter contemplated by the SPA, the Seller Entities having provided such notifications (in a form and on terms (if any) acceptable to the Purchaser in its reasonable discretion) to the counterparties thereto;
- (vi) the licences, authorisations, orders, grants, confirmations, permissions, registrations and other approvals necessary or desirable for or in respect of the proposed acquisition

of the Target Companies by the Purchaser having been obtained from appropriate governments, governmental, courts or other regulatory bodies on terms (if any) reasonably acceptable to the Parties and such licences, authorisations, orders, grants, confirmations, permissions, registrations and other approvals remaining in full force and effect;

- (vii) the consents, authorisations, confirmations, permissions, extensions and other approvals necessary or desirable for or in respect of the proposed acquisition of the Target Companies by the Purchaser having been obtained from United Overseas Bank (Malaysia) Bhd, acceptable to the Purchaser in its reasonable discretion and such consents, authorisations, confirmations, permissions, extensions and other approvals remaining in full force and effect;
- (viii) the entry into the agreements by the relevant Target Companies with certain resellers;
- (ix) the receipt of a written confirmation addressed to the Purchaser, in a form and on terms (if any) agreed by the Parties, from SCC stating that as at the date of Closing (the "**Closing Date**"), it has not utilised or drawn down on any of its banking facilities and that no amounts are outstanding under its banking facilities;
- (x) the settlement by the Sellers of all non-trade payables and non-trade receivables outstanding (including any shareholder loans and related party balances) in any of the Target Companies;
- (xi) the completion of the application(s) by the MasterSAM Entities to register the trademark of "MasterSAM" with the relevant authorities in Singapore and/or Malaysia;
- (xii) the provision of a statutory declaration from the Seller Entities confirming that each of the Target Companies owns good and transferable title to all of its owned business intellectual property (including any such business intellectual property created by its employees in the course of their employment or by consultants and/or sub-contractors pursuant to their engagement with such Target Company) in a form agreed by the Parties;
- (xiii) the Target Companies having set aside, or having access to, on reasonable commercial terms, such amount of readily available funds as may be necessary to enable them to meet the working capital requirement as set out in the SPA;
- (xiv) all of the Seller Entities' warranties being true and accurate and not misleading and there being no breach of any Seller Entities' warranties;
- (xv) the execution and performance of the SPA by each party to the SPA not being prohibited, restricted or otherwise adversely affected by any law, statute, order, directive or regulation promulgated by any legislative, executive or regulatory body or authority having jurisdiction over the matter; and
- (xvi) no person having (a) commenced, or threatened to commence, any proceedings or investigation for the purpose of prohibiting or otherwise challenging or interfering with the transactions contemplated by the SPA; (b) taken or threatened to take any action as a result of or in anticipation of the transactions contemplated by the SPA that would be materially inconsistent with any of the Seller Entities' warranties given under the SPA; and (c) enacted or proposed any legislation (including any subordinate legislation) which would prohibit, materially restrict or materially delay the implementation of the transactions contemplated by the SPA or the operations of the businesses of the Target Companies,

collectively, the “**Conditions Precedent**”.

(e) Cut-off Date

If the Conditions Precedent are not satisfied or waived on or before the date falling three (3) months after the date of the SPA or such other date as may be agreed in writing between the Purchaser and the Seller Entities’ Representative, save as expressly provided, the SPA (other than the surviving provisions) shall lapse and be deemed terminated and no party shall have any claim against any other party under it, save for any claim arising from antecedent breaches of the SPA.

(f) Restrictions

(i) The Seller Entities undertake with the Purchaser and the Target Companies that no member of the Sellers’ Group⁴ and no directors of any member of the Sellers’ Group will and will procure and ensure that no person, firm or company carrying on with the consent or privity of any member of the Sellers’ Group any business in succession to the member of the Sellers’ Group concerned will in any Relevant Capacity⁵:

- (1) engage or be concerned or interested in operating, performing and/or carrying on any business or activities (the “**Competing Business**”) that are equivalent or similar to the businesses currently carried out or proposed to be carried out by the Target Companies;
- (2) acquire or hold any interest in any company which is engaged in any Competing Business or which is directly or indirectly Controlled by any person engaged in any Competing Business,
- (3) solicit or endeavour to entice away from dealing with any Target Company any person who was at any time a customer or supplier of such Target Company; and/or
- (4) hire, employ or endeavour to entice away from being hired or employed by any Target Company, any Relevant Employee of such Target Company, provided that nothing in this paragraph shall prevent any Seller Entity from hiring any person whose employment with a Target Company was terminated by such Target Company,

save as otherwise agreed in writing between the Seller Entities’ Representative and the Purchaser, or with the prior written consent of the Purchaser.

(ii) The Seller Entities shall, and shall procure that each member of the Sellers’ Group shall, with effect from the Closing Date:

- (1) cease to use all intellectual property which is used, or is intended to be used, in connection with the businesses of the Target Companies;
- (2) without prejudice to the generality of the foregoing, cease to utilise or incorporate any of the words “Cloud Computing” and/or “MasterSAM” or any words similar

⁴ Means the Seller Entities and their affiliates from time to time, excluding the Purchaser and its related corporations from time to time but including, for the avoidance of doubt, the Target Companies (prior to Closing).

⁵ Means, with respect to any Seller Entity, for its own account or for that of any person (other than the Purchaser or the Target Companies) or in any other manner and whether through the medium of any company controlled by it (for which purpose there shall be aggregated with its shareholding or ability to exercise control the shares held or control exercised by any person connected with it) or as principal, partner, director, employee, consultant or agent.

thereto (the “**Restricted Words**”), as part of their company name or otherwise in connection with their business operations, including taking whatever action as may be necessary to remove the Restricted Words or any words or any other letters, words or expressions which might express or imply an association of any Target Company with any Seller Entity or any other member of the Sellers’ Group from:

- (A) the business, trading or corporate name of each member of the Sellers’ Group (including but not limited to the letterhead, headed note paper and other corporate materials of the Sellers’ Group);
- (B) the domain name, electronic mail address or website used by each member of the Sellers’ Group;
- (C) any signage or signboards on any commercial properties owned, leased or otherwise occupied by any member of the Sellers’ Group; or
- (D) any other branding devices used by each member of the Sellers’ Group (including but not limited to business names, trademarks, logos and marketing materials).

2.4 Rationale for the Proposed Acquisition

The Covid-19 pandemic has impacted not just individuals, but also organisations, including banks and financial institutions. As a result of people being required to physically isolate themselves from others, there was a need for more digital services and solutions. This made it critical for banks and financial institutions to advance their technology and systems quickly to meet this increased customer demand.

Emerging from the Covid-19 pandemic, banks and financial institutions in the region continued to invest in their digital transformation agenda, accelerating their push towards cloud, adoption of artificial intelligence, and machine learning, among other things. This surge in demand for new and innovative solutions coupled with the fragmented technology ecosystem providing these solutions have resulted in added complexity for these institutions’ IT operations.

As a result of this environment, the Group is seeing an increased demand from banks and financial institutions for Managed Services. While the concept of Managed Services is not new in the banking and financial services industry (BFSI), having been used by global banks for decades, its adoption in the region has been muted as a result of its perceived high cost and its governance-intensive requirements. However, technological advancements in the last decade and the effects of the Covid-19 pandemic have made, and will continue to make, Managed Services, in the Company’s view, an integral component of the digital transformation strategy of any bank in the region.

Silverlake Cloud Computing Sdn Bhd

Please refer to paragraph 2.2(a) of this announcement for information on the business of SCC.

The proposed acquisition of SCC will enable the Group to offer additional value to its current customer base in the form of end-to-end Managed Services, as well as to offer a more comprehensive and holistic banking platform incorporating its award-winning core banking solutions to potential customers. In addition to that, the Board is of the opinion that SCC will contribute positively to the Group’s performance as a whole.

The MasterSAM Entities being Silverlake MasterSAM Sdn Bhd / Silverlake MasterSAM Pte Ltd

Please refer to paragraphs 2.2(b) and 2.2(c) of this announcement for information on the businesses of the MasterSAM Entities.

Given the current environment of increased complexity, cyberattacks and regulatory oversight, cybersecurity is a critical consideration for banks and financial institutions when evaluating new solutions or services.

The proposed acquisition of the MasterSAM Entities will supplement SCC's Managed Services delivery with a proprietary security component, and will enable the Group to offer a cybersecurity solution as part of its comprehensive and holistic banking platform to its current and potential customers. In addition to that, the Board is of the opinion that the MasterSAM Entities will contribute positively to the Group's performance as a whole.

Overall, the Proposed Acquisition will promote business integration and enable the Group to further expand its business offerings to its customers, existing or potential. Given the potential synergy and efficiencies which will be created by the addition of the Target Companies, the Board believes that the Proposed Acquisition will enhance the long-term interests of the Company and Shareholders.

Based on the proposed method of financing and the pro forma financial effects of the Proposed Acquisition on the Earnings Per Share ("**EPS**") for the Group for the financial year ended 30 June 2023 ("**FY2023**"), the Proposed Acquisition is expected to be earnings accretive to Shareholders. Please refer to paragraph 4.4 (*EPS*) of this announcement for the pro forma financial effects of the Proposed Acquisition on the EPS.

The Proposed Acquisition will also help to reduce any potential and/or existing conflicts of interests between the Group and the Target Companies, and any transactions entered between the Group and the Target Companies will no longer be considered as interested person transactions. Accordingly, this will provide the Group with greater control and flexibility to mobilise and optimise its resources across its businesses so as to facilitate greater business collaborations.

2.5 Financial Information Relating to the Sale Shares

Based on the unaudited financial statements for the 9-months period ended 31 March 2024 of the Target Companies:

- (a) the net tangible asset value and book value of SCC was RM11,137,994 and RM11,707,813 as at 31 March 2024 respectively;
- (b) the net tangible asset value and book value of SMSB was RM4,240,335 and RM4,754,570 as at 31 March 2024 respectively; and
- (c) the net tangible asset value and book value of SMPL was S\$(127,373) and S\$(25,741) as at 31 March 2024 respectively.

The Sale Shares are not listed or traded on any securities exchange. Accordingly, the open market value of the Sale Shares is not available. The Total Consideration was largely based on the factors set out in paragraph 2.3(b) (*Consideration*) of this announcement which were considered by the Group during its internal assessment of the Proposed Acquisition, including the net tangible asset values and net book values of the Target Companies as at 31 March 2024. Accordingly, the Company did not find it meaningful to commission an external valuation in respect of the Sale Shares.

3. LISTING MANUAL REQUIREMENTS

3.1 Chapter 10 of the Listing Manual

(a) Relative Figures under Rule 1006

The relative figures in relation to the Proposed Acquisition computed on the relevant bases set out in Rule 1006 of the Listing Manual and based on the latest announced unaudited consolidated financial statements of the Group for the 9-months period ended 31 March 2024 are as follows:

Rule 1006		Relative Figures for Proposed Acquisition
(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets	Not applicable ⁽¹⁾
(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits	6.39% ⁽²⁾
(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued Shares excluding treasury shares	0.91% ⁽³⁾
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable ⁽⁴⁾
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable ⁽⁵⁾

Notes:

- (1) Not applicable as the Proposed Acquisition do not relate to a disposal of assets.
- (2) Computed based on the on the net profits before tax attributable to the Sale Shares and the Group of RM9,305,645 and RM145,633,272, respectively, for the 9-months period ended 31 March 2024.
- (3) Computed based on the Total Consideration of RM23,000,000 (equivalent to approximately S\$6,609,195) and the market capitalisation of the Company of S\$730,034,061, which is computed based on 2,514,757,359 shares of the Company (the "Shares") (excluding treasury shares) in issue and the weighted average price of S\$0.2903, as at 20 May 2024, being the last market day where Shares were traded preceding the execution date of the SPA.
- (4) Not applicable as the consideration in relation to the Proposed Acquisition do not involve the issuance of equity securities issued by the Company.
- (5) Not applicable as the Proposed Acquisition do not relate to a disposal of mineral, oil or gas assets by a mineral, oil and gas company.

(b) Compliance with Chapter 10 of the Listing Manual

As the relative figures computed under Rule 1006 of the Listing Manual for the Proposed Acquisition exceed 5%, but none of the relative figures computed under Rule 1006 of the Listing Manual for the Proposed Acquisition exceeds 20%, the Proposed Acquisition is classified as a disclosable transaction requiring immediate announcement pursuant to Rule 1010 of the Listing Manual and no approval of the Company's shareholders is required for the Proposed Acquisition.

3.2 Interested Person Transaction under Chapter 9 of the Listing Manual

- (a) Mr. Goh is the Executive Chairman and ultimate controlling shareholder of the Company (74.07% held through Zezz) and an "interested person" within the meaning of Chapter 9 of the Listing Manual.
- (b) Mr. Goh is also the ultimate controlling shareholder of the Seller Entities.
- (c) The entry into the SPA and the Proposed Acquisition to be undertaken by the Group, on completion, amount to interested person transactions, as defined under Chapter 9 of the Listing Manual.
- (d) Under Chapter 9 of the Listing Manual, where the Group proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, with the same interested person during the same financial year) is equal to or exceeds 5.0% of the Group's latest audited Net Tangible Assets ("NTA"), shareholders' approval is required in respect of the transaction.
- (e) Based on the audited financial statements of the Group for FY2023, the audited NTA of the Group was RM726.89 million, as at 30 June 2023. The Total Consideration is RM23,000,000 which is 3.16% of the audited NTA of the Group as at 30 June 2023.
- (f) Based on the latest announced unaudited consolidated financial statements of the Group for the 9-months period ended 31 March 2024, the current total for the financial year ending 30 June 2024 ("FY2024") of all transactions with Mr. Goh and his associates is RM72.09 million and the current total of all interested person transactions for the FY2024 is RM72.09 million. Out of the amount, RM69.08 million related to interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than S\$100,000) and RM3.01 million related to interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual).
- (g) Based on the above, the Total Consideration of RM23,000,000, when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, with the same interested person during the same financial year of RM3.01 million, amount to RM26.01 million, being 3.58% of the audited NTA of the Group as at 30 June 2023. Accordingly, as the values do not exceed the 5% threshold, no shareholders' approval pursuant to Rule 906(1) of the Listing Manual is required for the Proposed Acquisition.

4. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

4.1 Bases and Assumptions

The pro forma financial effects of the Proposed Acquisition set out below have been prepared based on the audited consolidated financial statements of the Group for FY2023 (being the most recently completed financial year for which financial statements are publicly available as at the date of this

announcement) and the audited consolidated financial statements of the Target Companies for FY2023.

The pro forma financial effects of the Proposed Acquisition are for illustrative purposes only and do not necessarily reflect the actual results and financial position of the Group following the completion of the Proposed Acquisition. The pro forma financial effects have been computed based on, among others, the following assumptions:

- (a) the financial effects on the Group's NTA per share are computed assuming the Proposed Acquisition was completed on 30 June 2023;
- (b) the financial effects on the Group's earnings and EPS are computed assuming the Proposed Acquisition was completed on 1 July 2022;
- (c) there is no reduction to the Total Consideration;
- (d) the expenses incurred in relation to the Proposed Acquisition are disregarded for the purposes of calculating the pro forma financial effects; and
- (e) the weighted average number of shares (excluding treasury shares) has taken into account the weighted average effect of changes in ordinary shares and treasury shares transaction during FY2023.

4.2 Share capital

	Before the Proposed Acquisition	After the Proposed Acquisition
Number of Shares (excluding treasury shares and subsidiary holdings)	2,511,841,621	2,511,841,621
Share capital (RM 'million)	1,845.20	1,845.20

4.3 NTA per Share

	Before the Proposed Acquisition	After the Proposed Acquisition
Consolidated NTA of the Group (RM 'million)	726.89	715.12
Number of Shares (excluding treasury shares and subsidiary holdings)	2,511,841,621	2,511,841,621
Consolidated NTA per Share (RM sen)	28.94	28.47

4.4 EPS

	Before the Proposed Acquisition	After the Proposed Acquisition
Consolidated profit to equity holders of the Company (RM 'million)	169.59	173.12
Weighted average number of Shares (excluding treasury shares and subsidiary holdings)	2,510,047,364	2,510,047,364
Consolidated EPS (RM sen)	6.76	6.90

5. AUDIT AND RISK COMMITTEE STATEMENT

The Audit and Risk Committee of the Company has reviewed the terms and conditions, background to, rationale for and benefits of the Proposed Acquisition and after discussions with the management of the Company, is of the opinion that the SPA have been entered into on normal commercial terms and consequently, the terms of the Proposed Acquisition are not prejudicial to the interests of the Company and its minority Shareholders.

6. INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As disclosed under paragraph 3.2 (*Interested Person Transaction under Chapter 9 of the Listing Manual*) of this announcement, Mr. Goh is the Executive Chairman and ultimate controlling shareholder of the Company and, accordingly, an "interested person" within the meaning of Chapter 9 of the Listing Manual with respect to the Proposed Acquisition. Further, Ms. GSL, an Executive Director and the Deputy Executive Chairman of the Company, is the daughter, and accordingly an associate, of Mr. Goh. Both Mr. Goh and Ms. GSL, together with Mr. Chee Chin Leong (an Executive Director of the Company) have collectively abstained from the Board's decision in relation to the Proposed Acquisition.

Save as disclosed in this announcement, none of the other Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition, other than through their respective directorships and shareholdings in the Company (if any).

7. SERVICE AGREEMENTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Acquisition.

8. DOCUMENTS FOR INSPECTION

A copy of the SPA is available for inspection during normal business hours at the registered office of the Company at 9 Raffles Place #26-01 Republic Plaza Singapore 048619, for a period of three (3) months from the date of this announcement.

9. 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 and 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.

10. FURTHER ANNOUNCEMENTS

The Company will make the appropriate announcements as and when there are material developments on the Proposed Acquisition.

11. CAUTIONARY STATEMENT

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors of the Company are advised to refrain from taking any action in respect of securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Completion of the Proposed Acquisition is subject to fulfilment of the conditions in the SPA and, as at the date of this announcement, there is no certainty or assurance that the Proposed Acquisition will proceed to completion. In the event of any doubt, shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisors.

By Order of the Board

Andrew Tan Teik Wei
Group Chief Executive Officer

21 May 2024