

## **ANNOUNCEMENT TO BURSA MALAYSIA SECURITIES BERHAD**

Company Name : Privasia Technology Berhad  
Type : General Announcement  
Subject : Privatel Sdn. Bhd- Banking Facilities obtained from CIMB Bank Berhad

### **1. INTRODUCTION**

Pursuant to Paragraph 9.03 of the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad ("AMLR"), the Board of Directors of Privasia Technology Berhad ("PRIVA" or "the Company") wishes to announce that Privatel Sdn. Bhd. (Company No. 529834-A) ("Privatel"), a subsidiary of PRIVA, had on 21 December 2016 accepted the Banking Facilities ("the Facilities") offered by CIMB Bank Berhad ("the Bank"), of up to RM6,500,000.00 (Ringgit Malaysia Six Million Five Hundred Thousand).

### **2. INFORMATION OF THE FACILITIES**

#### **2.1 The Facilities will be used for the following purposes:**

- For working capital requirement.
- For financing of invoices in relation to the certain projects awarded to Privatel.

#### **2.2 The securities to be provided by PRIVA and Privatel to the Bank are as follows:**

- a) Corporate Guarantee in favour of the Bank by Privasia Technology Berhad (Company No. 825092-U).
- b) Memorandum of Charge over Fixed Deposit(s) (creating a charge) in favour of the Bank in respect of first/third party fixed deposit(s) ("FD(s)") of not less than RM1,000,000.00 together with all interest accruing from time to time in respect of the FD(s).
- c) Deed of Assignment of Benefits of Contract Proceeds from all contract(s) financed by the Bank.
- d) Power of Attorney in connection with the contract proceeds from all contract(s) financed by the Bank in favour of the Bank.
- e) Charge over Privatel's Designated Escrow Account (DEA), Fixed Deposit and Sinking Fund Account maintained with the Bank.
- f) Power of Attorney to empower the Bank to appoint a contractor to commence/continue with the contract(s) financed by the Bank and to effect any subsequent transfer and do all acts to ensure completion of the contract(s) in the event of default.
- g) Memorandum of Charge over Fixed Deposit(s) (creating a charge) by Privatel in respect of Sinking Fund in the form of Fixed Deposit(s) which to be built up via 5% deduction from each contract proceeds received up to RM500,000.00 together with all interest accruing from time to time in respect of the FD(s).

### **3. FINANCIAL EFFECTS**

#### **3.1 Issued and Paid-Up Share Capital and Shareholdings of Substantial Shareholders**

The Facilities are not expected to have any effect on the issued and paid-up share capital of PRIVA nor the shareholdings of PRIVA's substantial shareholders.

#### **3.2 Earnings**

The Facilities is expected to contribute positively to the earnings of PRIVA in future financial years once the Facilities are fully utilized.

### **3.3 Debt to Equity Ratio**

The Facilities are not expected to have any material effect on the net assets of PRIVA Group for the financial year ending 31 December 2016. The debt to equity ratio of PRIVA Group based on the Audited Financial Statements for the year ended 31 December 2015 was 0.04. After the acceptance and full utilization of the Facilities, the debt to equity ratio of PRIVA Group is expected to increase.

### **4. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS**

Pn. Sulaiha Binti Sawadi is a common director in Privatel and Privanet Sdn. Bhd. (Company No. 498908-A) ["Privanet"]. Privanet is a wholly-owned subsidiary company of PRIVA that in turn holds 75% of the total issued and paid up capital in Privatel.

Save for the above, none of the Directors and/or substantial shareholders of the Company and persons connected to directors or substantial shareholders have any interest, direct or indirect, in the Facilities.

### **5. DIRECTORS' STATEMENT**

The Board of Directors of PRIVA, having considered all aspects of the acceptance of the Facilities, is of the opinion that the acceptance of the Facilities is in the best interest of the Company and the Group.

This announcement is dated 21 December 2016.