

**General Announcement**  
**Reference No CC-120516-35901**

<b>Company Name</b>	:	<b>PRIVASIA TECHNOLOGY BERHAD (ACE Market)</b>
<b>Stock Name</b>	:	PRIVA
<b>Date Announced</b>	:	16/05/2012

Type	:	Announcement
Subject	:	TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) RELATED PARTY TRANSACTIONS
Description	:	PRIVASIA TECHNOLOGY BERHAD ("PRIVA" or "the Company") - EXERCISE OF THE PUT OPTION GRANTED TO LU PAK LIM BY PRIVA PURSUANT TO THE SHARE SALE AGREEMENT DATED 1 DECEMBER 2009 IN RELATION TO THE ACQUISITION OF 70% OF THE EQUITY INTEREST IN IPSAT SDN BHD BY PRIVA ("PUT OPTION EXERCISE")
Announcement Details/Table Section :		
<p><b>1. INTRODUCTION</b></p> <p>On 1 December 2009, the Board of Directors of Priva ("Board") announced that Priva had entered into a share sale agreement with Low Phaik Chin and Lu Pak Lim ("Vendors") for the proposed acquisition of 70% of the equity interest in IPSAT Sdn Bhd ("IPSAT"), comprising 350,000 ordinary shares of RM1.00 each ("IPSAT Shares") from the Vendors and a further 350,000 new IPSAT Shares for a total cash consideration of RM1 million ("Share Sale Agreement") ("Acquisition").</p> <p>Pursuant to the put option notice served by Lu Pak Lim to the Board on 8 May 2012, the Board had, on 15 May 2012, agreed to acquire the remaining 300,000 IPSAT Shares held by Lu Pak Lim, representing 30% of the issued and paid-up capital of IPSAT, at the purchase consideration of RM1,113,178.80 ("Purchase Consideration"). Please refer to the above announcement dated 1 December 2009 for further details on the Acquisition, including but not limited to, the information on IPSAT, the salient terms and conditions of the Share Sale Agreement, the rationale of the Acquisition and the prospects of IPSAT.</p> <p><b>2. DETAILS OF THE PUT OPTION EXERCISE</b></p> <p><b>2.1 Basis and justification of arriving at the Purchase Consideration</b></p> <p>Pursuant to the Share Sale Agreement, the Purchase Consideration of RM1,113,178.80 was arrived on the basis of 30% of the profit after taxation ("PAT") of IPSAT for the financial year ended ("FYE") 31 December 2011 of RM927,649 multiplied by a price-to-earning multiple of four (4).</p> <p><b>2.2 Mode of settlement</b></p> <p>The Purchase Consideration of RM1, 113,178.80 shall be fully satisfied in cash.</p> <p><b>2.3 Liabilities to be assumed by Priva</b></p> <p>[Save for the liabilities in the audited accounts of IPSAT, there are no liabilities, including contingent liabilities and guarantees, to be assumed by Priva, arising from the Put Option Exercise.]</p> <p><b>2.4 Source of Funds</b></p>		

[The Put Option Exercise will be funded by internally generated funds of Priva.]

**3. RISK FACTORS IN RELATION TO THE PUT OPTION EXERCISE**

The Board is not aware of any anticipated risk factors arising from the Put Option Exercise which could materially or adversely affect the financial and operating conditions of Priva.

**4. APPROVALS/ CONSENTS REQUIRED**

The Put Option Exercise is not subject to the approval of shareholders of the Company and relevant authorities.

**5. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/ OR PERSONS CONNECTED TO THEM**

None of the Directors, major shareholders of Priva or its subsidiaries and/ or persons connected with them, have any interest, direct or indirect, in the Put Option Exercise.

**6. FINANCIAL EFFECTS OF THE PUT OPTION EXERCISE**

**6.1 Issued and paid-up share capital and substantial shareholders' shareholdings**

The Put Option Exercise will have no effect on the issued and paid-up share capital and the substantial shareholders' shareholdings of Priva.

**6.2 Earnings and earnings per share ("EPS")**

The Put Option Exercise will have no material effect on the earnings and EPS of Priva for the financial year ending 31 December 2012.

**6.3 Net assets ("NA") and gearing**

The Put Option Exercise will have no material effect on the NA and gearing of Priva for the financial year ending 31 December 2012.

**7. HIGHEST PERCENTAGE RATIO**

The highest percentage ratio for the Put Option Exercise is 5.41%, based on 30% of the PAT of IPSAT for the FYE 31 December 2011 of RM927,649, compared with the PAT of Priva for the FYE 31 December 2011 of RM5,146,066.

**This announcement is dated 16 May 2012.**