

MATERIAL LITIGATION PRIVASIA TECHNOLOGY BERHAD ("PTB" or "the Company") - KUALA LUMPUR HIGH COURT, CIVIL SUIT NO. WA-22NCVC-481-08/2016

PRIVASIA TECHNOLOGY BERHAD

Type	Announcement
Subject	MATERIAL LITIGATION
Description	PRIVASIA TECHNOLOGY BERHAD ("PTB" or "the Company") - KUALA LUMPUR HIGH COURT, CIVIL SUIT NO. WA-22NCVC-481- 08/2016

The Board of Directors of Privasia Technology Berhad ["PTB"] wishes to announce that Privasat Sdn. Bhd. (formerly known as IPSAT Sdn. Bhd.) ["PSAT"], a wholly owned subsidiary of PTB has issued a winding up notice pursuant to Section 465(e) of the Companies Act, 2016 to DMD Fone Network Sdn. Bhd. (Company No. 911210-X) ["the Defendant"] on 3 October 2017.

Background information

The Defendant, is a subscriber of PSAT's high speed internet broadband services ["the services"]. Pursuant to the subscription of the services, PSAT has issued various invoices and reminders amounting to RM1,182,478.71 to the Defendant, which remains unpaid ["the outstanding sum"].

Particulars of the claim

PSAT has filed a writ of summons and statement of claim on 1 August 2016 to claim for the following from the Defendant:

- i) the outstanding sum;
- ii) interest at 5% per annum on the outstanding sum;
- iii) costs on solicitor client basis;
- iv) costs of the action; and
- v) other reliefs.

The Defendant did not file an amended Defence as directed by the Court and also failed to turn up for the case management on 21 November 2016 and accordingly a Judgment was entered against the Defendant for the outstanding sum, interest at 5% per annum on the outstanding sum from 1 August 2016 till date of full settlement and costs to be assessed.

On 23 May 2017, the Court, after hearing assessment on costs, awarded costs in the sum RM8,504.00 in favour of PSAT.

The Defendant has failed to make payment of the outstanding sum, interest at 5% per annum on the outstanding sum from 1 August 2016 till date of full settlement and costs of RM8,504.00 to PSAT to date.

Financial and Operational effects of the Material Litigation

The Material Litigation will not have any material effect on PTB's operations, earnings per share and net asset per share as the amount owing by the Defendant has been fully impaired in the previous financial year ended 31 December 2016.

Directors and Major Shareholders' Interest

None of the Directors and/or Major Shareholder's of PTB and/or persons connected to them have any interest, direct or indirect in the said litigation.

Further Announcement

PTB will make further announcements on the material development on this matter from time to time.

This announcement is dated 3 October 2017.