

APPENDIX II (Acquisition II)

Pursuant to the terms of the Sale and Purchase of Shares Agreement dated 2 November 2016 for Acquisition II ("**SurfsTek SPA**"), Surfstek had provided a guarantee that the audited PAT of SurfsTek R&D for the financial years ended 30 April 2017 ("**FYE 2017**") and 30 April 2018 ("**FYE 2018**") in aggregate total shall not be less than RM5,400,000.00 ("**Surfstek Guaranteed Profit**") comprising the following:

| | |
|-----------------------------------|-----------------------|
| For the FYE 2017 | RM2,700,000.00 |
| For the FYE 2018 | RM2,700,000.00 |
| Surfstek Guaranteed Profit | RM5,400,000.00 |

The Board of Directors of TDEX wishes to announce that Surfstek did not meet the Surfstek Guaranteed Profit. Details of the shortfall in the Surfstek Guaranteed Profit is set out below:

| | |
|---------------------------------------|-------------------------|
| | <u>Amount (RM)</u> |
| The Audited PAT for the FYE 2017 | 2,898,123.00 |
| The Audited PAT for the FYE 2018 | 2,375,294.00 |
| Aggregate Audited PAT | 5,273,417.00 |
| Surfstek Guaranteed Profit | 5,400,000.00 |
| Profit Shortfall | 126,583.00 |

Pursuant to the Surfstek SPA, Surfstek shall be liable to and shall pay to TDEX the Profit Shortfall within 7 days of receipt of the notification on the Profit Shortfall from TDEX ("**Surfstek Notice**").

TDEX has on 5 November 2018 served the Surfstek Notice and Surfstek has agreed to pay TDEX the Profit Shortfall within 7 days of receipt of the Surfstek Notice.