

TECHNODEX BHD. (“TDEX” OR “THE COMPANY”) – TERMINATION OF THE SHAREHOLDERS’ AGREEMENT ENTERED INTO BETWEEN GRAYSCALE TECHNOLOGIES SDN. BHD., A WHOLLY-OWNED SUBSIDIARY OF TDEX AND ACCUBITS TECHNOLOGIES PRIVATE LIMITED

1. INTRODUCTION

Reference is made to the Company’s announcements dated 2 June 2021 and 26 August 2021 (the "Announcements") regarding the Shareholders' Agreement between Grayscale Technologies Sdn. Bhd. ("Grayscale") and Accubits Technologies Private Limited ("Accubits") dated 1 June 2021 (the "Agreement").

In accordance with the Agreement, the Parties established a joint venture company named TechnoDex Accubits Sdn. Bhd. ("TechnoDex Accubits"), with a total of 200 issued ordinary shares: 102 shares (51%) held by Grayscale and 98 shares (49%) held by Accubits. Unless otherwise defined herein, all terms used in this announcement shall have the same meanings as defined in the Announcements.

The Board of Directors of TDEX (the "Board") wishes to announce that Grayscale has on 18 September 2024, entered into an agreement to terminate the Agreement (the "Termination Agreement"), as the collaboration between the Parties has not materialized.

Under the Termination Agreement, Grayscale will acquire the 98 ordinary shares in TechnoDex Accubits held by Accubits ("Sale Shares") for a total consideration of RM98.00 (the "Acquisition"). Upon completion of the Acquisition, TechnoDex Accubits will become a wholly-owned subsidiary of Grayscale.

2. INFORMATION ON GRAYSCALE, ACCUBITS AND TECHNODEX ACCUBITS

2.1. Information on Grayscale

Grayscale is a private limited company incorporated in Malaysia on 28 February 2001 with its registered address at Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor.

As at the date of this announcement, the issued share capital of Grayscale is RM14,275,000.00 comprising 14,075,000 ordinary shares. Grayscale is principally engaged in providing information technology products and related services, carrying out relevant research and development activities on information technology.

2.2. Information on Accubits

Accubits is a company incorporated in India with its registered office at KP 19/463, Punkulam, Vellayani P.O, Trivandrum KL 695522 India.

As at the date of this announcement, the issued share capital of Accubits is INR119,050.00/INR 119,050.00. Accubits is principally engaged in the business of developing products and providing services in the field of information technology and technology enabled applications in different fields both in India and overseas.

2.3. Information on Technodex Accubits

Technodex Accubits is a private limited company incorporated in Malaysia on 25 August 2021 with its registered address at Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor.

As at the date of this announcement, the issued share capital of Technodex Accubits is RM200.00 comprising 200 ordinary shares. Technodex Accubits is principally engaged in the business of developing and selling information technology products and related services to focus on fintech, artificial intelligence (AI), internet of things (IOT), big data intelligence and mobile & web application development.

3. SALIENT TERMS OF THE TERMINATION AGREEMENT

The salient terms of the Termination Agreement include, among others, the following:-

- (a) Effective from the date of the Termination Agreement, the Parties agree to forfeit all rights, whether legal, equitable, or otherwise under the Agreement. The Parties also acknowledge that they have no claims against each other or any other parties concerning TechnoDex Accubits. Furthermore, the Parties agree to indemnify each other against any loss, expense, liability, claim, or damage (including, but not limited to, costs and expenses incurred by TechnoDex Accubits in defending any legal proceedings) arising from or related to the termination, revocation, or rescission of the Agreement and/or the execution of the Termination Agreement. This includes indemnification for any actions taken by TechnoDex Accubits in connection with or reliance upon the Termination Agreement.
- (b) Grayscale will acquire the Sale Shares held by Accubits for a total purchase price of RM98.00. In exchange, Accubits will complete all required forms and documents necessary to transfer the Sale Shares to Grayscale and/or its nominee(s).

4. RATIONALE FOR THE TERMINATION AGREEMENT

The primary reason for terminating the Agreement is the failure to achieve the collaborative objectives originally envisioned by the Parties. Despite efforts to align their interests, the anticipated benefits and synergies from the partnership between Grayscale and Accubits have not materialized. The Termination Agreement allows both Parties to formally conclude their relationship and reallocate their resources to more productive ventures.

The Termination Agreement includes a nominal consideration of RM98.00 for the Acquisition, reflecting the mutual understanding of the Parties regarding the current value and circumstances of TechnoDex Accubits. This arrangement ensures a fair resolution while allowing both Parties to exit the Agreement without significant financial strain.

5. FINANCIAL EFFECTS

The Termination Agreement and Acquisition are not expected to have any material effect on the earnings, net assets, gearing, share capital and substantial shareholders' shareholdings of the Company for the financial year ending 30 June 2025 as they do not involve any issuance of new shares by TDEX.

6. RISK FACTORS

Barring any unforeseen circumstances, the Company does not expect any material risk arising from the Termination Agreement and Acquisition in Technodex Accubits.

7. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the directors and/or major shareholders of the Company and/or persons connected with them have any interest, whether directly or indirectly, in the Termination Agreement and Acquisition.

8. APPROVALS REQUIRED

The Termination Agreement and Acquisition are not subject to the approval of the shareholders of the Company and/or any regulatory authorities.

9. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances, the Termination Agreement is expected to be completed at the end of September 2024.

10. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the Termination Agreement is available for inspection at the registered office of the Company at Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan from Monday to Friday (except public holidays) for a period of three (3) months commencing from the date of this announcement.

This announcement is dated 18 September 2024.