

MATERIAL LITIGATION PURSUANT TO PARAGRAPH 9.04(F) OF THE BURSA MALAYSIA SECURITIES BERHAD MAIN MARKET LISTING REQUIREMENTS IN RESPECT OF WRIT OF SUMMONS AND STATEMENT OF CLAIM FROM SECURITIES COMMISSION MALAYSIA

1. BACKGROUND OF MATTER

The Board of Directors of Apex Equity Holdings Berhad ("**Company**" or "**APEX**") wishes to announce that the Company and its wholly owned subsidiary, Apex Securities Berhad (formerly known as JF Apex Securities Berhad) ("**Apex Securities**") and 11 others had received a letter dated 29 November 2022 from Messrs. Lim Chee Wee Partnership, the advocates & solicitors acting for Securities Commission Malaysia ("**SC**"), accompanied by a Writ of Summons dated 29 November 2022 and Statement of Claim dated 29 November 2022 ("**Suit**") issued by the Kuala Lumpur High Court ("**Court**") demanding a declaration that Apex Securities had contravened the Securities Laws as ACE Holdings Berhad ("**ACE**") had become a controller of Apex Securities, when ACE is not a fit and proper person to become a controller of Apex Securities.

In relation to the above, SC is seeking the following Reliefs: -

Declaratory order/reliefs

- a) A declaration that Apex Securities had contravened the Securities Laws as ACE has become a controller of Apex Securities, when ACE is not a fit and proper person to become a controller of Apex Securities.
- b) A declaration that ACE is a person who appears to have been knowingly involved in the contravention of the Securities Laws by Apex Securities.

Specific orders/reliefs

- c) An order that ACE, its directors, agents, servants, nominees or otherwise, including the companies within the ACE Group and its directors, agents, servants, nominees or otherwise, shall remedy the contraventions of the Securities Laws by taking the following steps: -
 - Removing or causing to be removed the relevant Directors and Senior Management from APEX and/or Apex Securities;
 - Refraining from appointing and/or causing to be appointed any directors on APEX and Apex Securities;
 - Refraining from making and/or causing to be made, decisions in respect of the business and/or administration of Apex Securities and/or to give effect such decisions and/or causing them to be given effect to;
 - Refraining from directly or indirectly being a controller of Apex Securities and/or any holder of a CMSL;

Further and/or in the alternative to the above:

- An injunction to restrain ACE, its directors, agents, servants, nominees or otherwise, including the companies within the ACE Group and its directors, agents, servants, nominees or otherwise, from appointing and/or causing to be appointed any directors and/or management personnel on APEX and Apex Securities;
- An injunction to restrain ACE, its directors, agents, servants, nominees or otherwise, including the companies within the ACE Group and its directors, agents, servants, nominees or otherwise, howsoever from making and/or causing to be made, decisions in respect of the business and/or administration of Apex Securities and/or to give effect such decisions and/or causing them to be given effect to;
- An injunction to restrain ACE and the companies within ACE Group from directly or indirectly being a controller of Apex Securities and/or any holder of a CMSL;

General orders/reliefs

- d) Costs;
- e) Such further orders and/or reliefs the Honorable Court may direct to remedy and/or to mitigate the effect of the contravention of securities law; and
- f) such further orders and/or reliefs the Honorable Court deems fit and necessary.

2. FINANCIAL AND OPERATIONAL IMPACT

As at the date of this announcement, there is no significant financial and operational impact arising from the Suit on the Company.

3. STEPS PROPOSED TO BE TAKEN IN RESPECT OF THE CLAIMS

The Writ of Summons is fixed for Case Management by way of e-Review on 12 December 2022. The Board of Directors is seeking legal advice on the matter and will strenuously defend this case.

The Company will announce further developments on the above matter as and when necessary.

This announcement is dated 1 December 2022.