

Type **GENERAL ANNOUNCEMENT**
Subject **OTHERS**
Description **AGMO HOLDINGS BERHAD ("AGMO" OR THE "COMPANY")**
 - **JOINT VENTURE AGREEMENT ENTERED BETWEEN AGMO CAPITAL SDN. BHD., A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY AND SOLARVEST ENERGY SDN. BHD.**

1. Introduction

The Board of Directors of AGMO ("**the Board**") wishes to announce that Agmo Capital Sdn. Bhd. ("**ACSB**"), a wholly-owned subsidiary of the Company, had on 20 August 2024 entered into a Joint Venture Agreement ("**JVA**") with Solarvest Energy Sdn. Bhd. ("**SESB**") to collaborate in establishing a business focused on the production and development of digital solutions in the clean energy sector ("**Business**"). The JVA outlines their mutually agreed rights and obligations in relation to the conduct of the Business, affairs and operation of a company to be incorporated by the Parties ("**JV Company**"), upon the terms and conditions set out in the JVA.

(ACSB and SESB are collectively referred to as the "**Parties**" or "**Shareholders**", and individually as the "**Party**").

2. Information of the Parties

2.1 ACSB

ACSB was incorporated on 5 January 2017 as a private company limited by shares and having its registered address at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, W.P. Kuala Lumpur. The principal activity of ACSB is investment holding.

The Directors of ACSB are Tan Aik Keong and Low Kang Wen, who are also the directors and substantial shareholders of AGMO.

2.2 SESB

SESB was incorporated on 14 July 2016 as a private company limited by shares and having its registered address at D-09-02, Level 9, EXSIM Tower, Millerz Square @ Old Klang Road, Megan Legasi, No. 357, Jalan Kelang Lama, 58000 Kuala Lumpur, Wilayah Persekutuan. The principal activity of SESB is provision of Engineering, Procurement, Construction and Commissioning (EPCC) works for Solar Photovoltaic (PV) systems.

The Directors of SESB are Lim Chin Siu, Tan Chyi Boon and Chong Chun Shiong, who are also the directors of its ultimate holding company, Solarvest Holdings Berhad ("**SHB**"), a company listed on the Main Market of Bursa Malaysia Securities Berhad. Whilst, Lim Chin Siu and Tan Chyi Boon are also the substantial shareholders of SHB.

3. Salient Terms of the JVA

3.1 Business of the JV Company

- (a) The Business of the JV Company shall, unless and until SESB and ACSB otherwise agree, comprise the production and development of digital solutions in the clean energy sector, which includes software development, digital platform creation, data analytics and technology integration services.
- (b) The Business shall be carried out by utilising the resources provided by SESB in the clean energy industry and ACSB's technological expertise in the development of digital solutions and platforms.
- (c) SESB and ACSB agree that the digital solutions to be developed by the JV Company will include the Renewable Energy Certificate Platform, the Home Solar Project Management System, and the Electric Vehicle ("**EV**") Platform.

3.2 SESB's Obligations:

- (a) develop and establish robust sales channels to market the JV Company's offerings effectively;
- (b) drive the adoption of the JV Company's digital solutions within the clean energy industry;
- (c) provide resources to ACSB and/or the JV Company for the development of digital solutions related to the Business;
- (d) ensure that the digital solutions developed by the JV Company are seamlessly integrated into the operational workflows of the clean energy and EV charging infrastructure;
- (e) provide guidance to ACSB and/or the JV Company on all relevant policy and regulatory compliance matters in relation to the clean energy business; and
- (f) provide relevant specialised knowledge and expertise relating to the clean energy sector to assist ACSB and/or the JV Company in the development of digital solutions.

3.3 ACSB's Obligations:

- (a) license to the JV Company the existing proprietary technologies related to the EV Platform that ACSB has already developed for its own use ("**Licensed IP**") on an exclusive basis, based on terms and conditions as specified in the JVA;
- (b) lead the research and development activities to create innovative digital solutions for the clean energy sector;

- (c) provide the technical direction for the JV Company, ensuring that the digital solutions developed are cutting-edge, scalable, aligned with market needs, and compliant with existing laws and regulations;
- (d) not engage in any activities or collaborations that directly compete with the digital solutions developed under the JV Company without prior written consent from SESB. This shall not apply to ACSB's existing products, solutions, and business operations as of the date of the JVA, and any activities between ACSB and a third party on a work-for-hire basis;
- (e) implement comprehensive training programs for the staff of the JV Company and SESB in relation to the digital solutions developed for the JV Company; and
- (f) be responsible for technology updates, support, maintenance, and performance standards of the digital solutions, based on terms and conditions as specified in the JVA.

3.4 Equity Participation in JV Company

Within thirty (30) days from the incorporation of the JV Company, the Parties shall subscribe 1,000,000 new ordinary shares in the JV Company free from encumbrances for a total cash subscription price of RM1,000,000.00 in the following proportions:

Shareholders	No. of new ordinary shares subscribed	Subscription Price (RM)	Percentage of shareholding after subscription (%)
SESB	700,000	700,000.00	70.0
ACSB	300,000	300,000.00	30.0
Total	1,000,000	1,000,000.00	100.0

3.5 Board of Directors of JV Company

The Board of Directors of the JV Company shall comprise up to three (3) Directors of whom:

- (a) SESB shall be entitled to appoint up to two (2) Directors; and
- (b) ACSB shall be entitled to appoint up to one (1) Director.

4. Rationale for the collaboration

The collaboration is consistent with AGMO's plans to expand its offerings to clients through seeking strategic alliances and partners for synergistic benefits.

5. Financial Effects of the collaboration

The collaboration is not expected to have any material effect on the earnings per share, net assets per share, gearing, share capital and substantial shareholders' shareholdings of the Company for the financial year ending 31 March 2025.

Barring any unforeseen circumstances, the collaboration is expected to contribute positively to AGMO's consolidated earnings per share and net assets per share in the future.

6. Risk Factors

AGMO does not foresee any exceptional risk other than the normal operational risks associated with collaborations with strategic partners. The Board believes that the experience and expertise of its management team will enable the Company to mitigate these risks effectively.

7. Interests of the Directors, Major Shareholders, Chief Executive and Persons connected with them

None of the Directors and/or major shareholders of the Company and/or persons connected to them have any interest, direct or indirect, in the JVA.

8. Statement by Directors

The Board, having reviewed and considered the terms and conditions of the JVA, is of the opinion that the JVA is in the best interests of the Company.

9. Approvals Required

The collaboration does not require the approval of the shareholders of the Company and any relevant government authorities.

10. Expected Time Frame for Completion

Barring any unforeseen circumstances, the shares' issuance and subscription exercise for the JV Company is expected to be completed within thirty (30) days from the date of this Announcement.

11. Document Available for Inspection

The JVA is available for inspection at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, W.P. Kuala Lumpur between 9.00 a.m. and 5.00 p.m. from Mondays to Fridays (except on public holidays) for a period of 3 months from the date of this announcement.

This announcement is dated 20 August 2024.