

Company Name: RAMSSOL GROUP BERHAD [“RAMSSOL” OR THE “COMPANY”]
Description: BUSINESS PARTNER AGREEMENT BETWEEN RAMS SOLUTIONS SDN. BHD., A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY, WITH HONO ASIA PTE. LTD.

1.0 INTRODUCTION

RAMS Solutions Sdn. Bhd. (“**RAMS**”), a wholly-owned subsidiary of the Company, had on 1 August 2024 entered into a Business Partner Agreement (“**Agreement**”) with Hono Asia Pte. Ltd. (“**HONO**”) to appoint RAMS as the authorised business partner for the sales and marketing activities in relation to the payroll compliances and other Human Resource (“**HR**”) related statutory compliance services, New Age IT enabled HR Solutions like Employee Engagement, Collaboration as well as HR Management System (“**Services**”) using its proprietary SAAS platform, programs, and applications (“**Software**”) of HONO in the South East Asia not exclusive to Malaysia, Singapore, Thailand, Indonesia, Vietnam, Philippines (“**Territory**”) on a non-exclusive basis for the term of three (3) years beginning from 1 August 2024 unless terminated by either party (“**Term**”) (“**Appointment**”), subject to the terms and conditions as stipulated in the Agreement.

The Board of Directors of RAMSSOL (“**Board**”) is pleased to announce that RAMS had on 7 October 2024 entered into an Addendum Agreement (“**Addendum Agreement**”) to the Agreement whereby RAMS and HONO mutually agreed to amend the Agreement in accordance with terms and conditions as set out in the Addendum Agreement.

RAMS and HONO shall, hereinafter be collectively referred to as the “**Parties**” or individually the “**Party**” as the case may be.

2.0 INFORMATION ON THE PARTIES

2.1 Information on RAMS

RAMS was incorporated on 10 August 2010 under the Companies Act, 1965 as a private limited company and became a wholly-owned subsidiary of RAMSSOL on 17 May 2021. RAMS is principally engaged in the business of software development and advisory services, people consulting management and implementing end-to-end solutions of enterprise resource planning – human capital management solutions.

As at 4 October 2024, being the latest practicable date prior to this announcement (“**LPD**”), the total issued share capital of RAMS is RM500,001 comprising 500,001 ordinary shares.

As at the LPD, the directors of RAMS are Datuk Seri Tan Chee Seng and Mr. Liew Yu Hoe.

2.2 Information on HONO

HONO, was incorporated on 4 April 2019 in Singapore and wholly-owned by SequelOne Solutions Private Limited.

HONO is a growth-stage B2B SaaS provider specializing in Generative AI Human Capital Management (HCM) and payroll solutions, with a strong presence across the Asia Pacific region and the Middle East by serving over one million individual users and more than three hundred enterprises clients.

As at LPD, the total issued share capital of HONO is SGD170,000.00 and the directors of HONO are Mr. Mukul Jain, Mr. Randeep Singh Pawar, Mr. Amit Khanna, Mr. Virender Aggarwal and Mr. Chunkath Georgie Antony.

3.0 DETAILS OF THE AGREEMENT AND THE ADDENDUM AGREEMENT

3.1 Salient Terms of the Agreement

Pursuant to the Appointment, HONO granted RAMS a non-exclusive right to market, demonstrate, promote and undertake the sale of the Software and Services to prospective client(s) in the Territory during the Term.

The salient terms of the Agreement are, amongst others, set out below:

3.1.1 Obligations of RAMS

RAMS will deploy its efforts and resources to acquire the necessary information and technical proficiency with regards to HONO's offerings, Services and Software to do the following with regard to the necessary sales and marketing activities, including but not limited to:

- a) marketing & promotion activities related to Services, driving pipeline of client lead matching target profile of clients as enumerated by the Company from time to time;
- b) represent as HONO's partner and authorised to promote HONO's Services and Software;
- c) pursue the client lead(s) to convert it into a client for HONO by execution of the definitive documents;
- d) assisting/advising HONO during sales cycle if/when needed; and
- e) regularly update HONO on its sales head or an identified representative on the status of various client lead through a defined and agreed review process.

3.1.2 Partner's Fees

The partner fees for RAMS would be based on revenue sharing criteria of 35% for subscription for a period of three (3) years from the execution date of the definitive documents or actual contract term under the definitive documents with the client, whichever is earlier.

3.1.3 Term and Termination

The Agreement shall commence from 1 August 2024 and shall continue for three (3) years unless terminated. Either party may terminate the Agreement at any time during the Term by giving thirty (30) days advance written notice to the other party.

3.2 Salient Terms of the Addendum Agreement

In the Addendum Agreement, both parties have mutually decided that:-

- (a) RAMS will position HONO Artificial Intelligence ("**HONO AI**") – HR Platform + HR Generative AI Strategic, and HR Chat Generative Pre-trained Transformer ("**HR Chat GPT**") Partnership in South East Asia; and
- (b) The target commercial value would be USD 4,000,000 per annum (equivalent to approximately RM16,932,000 per annum) and a total USD 15,000,000 (equivalent to approximately RM63,495,000) for three (3) years based on Bank Negara Malaysia's exchange rate as at LPD.

The Addendum Agreement shall be effective from 7 October 2024.

Save as aforesaid, all the terms and conditions of the Agreement remain in force, binding and unchanged.

4.0 RATIONALE AND PROSPECTS OF THE AGREEMENT AND ADDENDUM AGREEMENT

The Agreement and Addendum Agreement are in line with the Company's strategy and continuous effort to expand its software development technology business and expected to provide additional revenue stream and enhance the earnings base of the Company and its subsidiaries ("**Group**"), which in turn is expected to improve the Group's financial performance and the shareholders' value.

5.0 RISK FACTORS

Save for the normal operational risk associated with the Agreement and Addendum Agreement, which the Group would take appropriate measures to mitigate, RAMSSOL does not expect any material risk arising from the Agreement and Addendum Agreement.

6.0 EFFECTS OF THE AGREEMENT AND ADDENDUM AGREEMENT

The Agreement and Addendum Agreement are not expected to have any material effect on the earnings per ordinary share of RAMSSOL ("**Share(s)**"), net assets per Share, gearing of the Group as well as the share capital and substantial shareholders' shareholdings of RAMSSOL for the financial year ending 31 December 2024 but is expected to contribute positively to the earnings of the Group during the Term.

7.0 INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED TO THEM

None of the directors, major shareholders, chief executive and/or persons connected to them has any interest, either directly or indirectly in the Agreement and Addendum Agreement.

8.0 STATEMENT BY THE BOARD

The Board is of the opinion that the Agreement and Addendum Agreement are in the best interest of the Group after considering, amongst others, the rationale and prospects as set out in Section 4 of this announcement and the potential financial contribution to the earnings of the Group.

9.0 APPROVALS REQUIRED

The Agreement and Addendum Agreement are not subject to the approval of any regulatory authority or the shareholders of RAMSSOL.

10.0 DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Agreement and Addendum Agreement is available for inspection at the registered office of the Company located at Level 13, Menara 1 Sentrum, 201, Jalan Tun Sambanthan, Brickfields, 50470 Kuala Lumpur during normal business hours on Mondays to Fridays (except Saturdays, Sundays and Public Holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 7 October 2024.