

AGMO HOLDINGS BERHAD ("AGMO" OR THE "COMPANY")

VARIATION AND EXTENSION OF TIMEFRAME FOR THE UTILISATION OF PROCEEDS RAISED FROM INITIAL PUBLIC OFFERING ("IPO")

1. INTRODUCTION

The Board of Directors ("**Board**") of AGMO wishes to announce that the Board has resolved to vary and extend the timeframe for the utilisation of proceeds raised from the IPO as disclosed in the Company's prospectus dated 1 August 2022 ("**IPO Prospectus**") that was issued in conjunction with the Company's listing of and quotation of its entire share capital on the ACE Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**") on 18 August 2022 ("**Listing**"). The Company had raised total gross proceeds of RM22.10 million from the IPO ("**IPO Proceeds**").

2. DETAILS OF THE VARIATION AND EXTENSION OF TIMEFRAME FOR THE UTILISATION OF PROCEEDS

As at 31 July 2025, being the latest practicable date prior to the date of this announcement ("**LPD**"), the Company and its subsidiaries ("**Group**") have utilised approximately RM18.56 million of the IPO Proceeds, while the remaining unutilised balance amounts to RM3.54 million ("**Unutilised IPO Proceeds**"). After due deliberation, the Board has resolved to vary and extend the timeframe for the utilisation of the Unutilised IPO Proceeds ("**Variation and EOT**") as set out below:

Details of utilisation	Proposed Utilisation ⁽¹⁾	Actual Utilised	Unutilised IPO Proceeds	Variation	Revised Utilisation of the IPO Proceeds After the Variation	Original timeframe for utilisation from 18 August 2022	Revised timeframe for utilisation from 15 August 2025
	RM'000	RM'000	RM'000	RM'000	RM'000		
Investment in a dedicated R&D team	3,449	(3,449)	-	-	-	Within 24 months	Not applicable
Investment in a dedicated sales, marketing and business development team	2,456	(2,456)	-	-	-	Within 36 months	Not applicable
Investment in a dedicated technical support and maintenance services division	3,564	(1,911)	1,653	(1,653) ⁽²⁾	-	Within 36 months	Not applicable
Establishment of a training and development centre	2,541	(1,234)	1,307	-	1,307	Within 36 months	Within 24 months ⁽³⁾
Regional expansion to Singapore	686	(107)	579	-	579	Within 36 months	Within 18 months ⁽⁴⁾
Working capital and related capital expenditure:							
(a) Expansion of our mobile and web application development and digital platform-based services	5,917	(5,917)	-	989 ⁽²⁾	989	Within 30 months	Within 24 months ⁽²⁾
(b) Setting up of new office	305	(305)	-	664 ⁽²⁾	664	Within 12 months	Within 12 months ⁽²⁾
Estimated listing expenses	3,182	(3,182)	-	-	-	Immediate	Not applicable
Total	22,100	(18,561)	3,539	-	3,539		

Notes:

- (1) Based on the allocation of IPO Proceeds as stated in the IPO Prospectus dated 1 August 2022.
- (2) RM3.56 million of the IPO Proceeds was originally earmarked for investment in a dedicated technical support and maintenance services division. This allocation was intended to relieve the Group's software development team from customer support responsibilities, allowing them to focus fully on project delivery and improve services responsiveness to our clients. However, the actual requirement for such dedicated support services has been lower than initially anticipated. The Board has resolved that the Unutilised IPO Proceeds amounting to RM1.65 million will be reallocated towards working capital and related capital expenditure, to be utilised in the following manner:

	RM'000
Expansion of the Group's software development capabilities in Artificial Intelligence ("AI") ^(a)	989
Rental of office space ^(b)	664
Total	1,653

- (a) RM5.92 million was originally earmarked for expansion of the Group's application development and digital platform-based services team, to be utilised within 30 months from the date of Listing. This amount has been fully utilised within the allocated timeframe.

The Group has reallocated approximately RM0.99 million for hiring new personnel in AI-focused roles to further expand the Group's capabilities in AI. The demand for the Group's software development services and digital solutions continues to increase, particularly with projects that increasingly incorporate AI features. To ensure timely and efficient project delivery, it is critical for the Group to strengthen and scale its internal software development capabilities. The reallocated Unutilised IPO Proceeds is expected to be utilised within 24 months from the date of this announcement.

- (b) RM0.31 million was originally earmarked for setting up of new office within 12 months from the date of Listing to accommodate the increase in the size of the team. This amount has been fully utilised within the allocated timeframe.

The Board has resolved to reallocate approximately RM0.66 million towards the rental of office space to optimise the Group's cash flows, as the needs of the dedicated technical support and maintenance division are now sufficiently addressed through operational optimisations. The reallocated Unutilised IPO Proceeds is expected to be utilised within 12 months from the date of this announcement.

- (3) RM2.54 million of the IPO Proceeds was originally earmarked for establishment of a training and development centre, with a timeframe for utilisation of 36 months from the date of Listing.

In October 2023, the Group launched an experience centre, Agmo Space, at Multimedia University, Cyberjaya, which also serves as a venue to conduct training courses. In addition, the Group conducts training sessions through collaborations with schools and partner venues, which are typically equipped with the necessary hardware. As such, the Group's capital expenditure was lower than initially anticipated.

In view of this, the Board has resolved to extend the timeframe for utilisation of the Unutilised IPO Proceeds of RM1.31 million for an additional 24 months from the date of this announcement, to be utilised in the following manner:

	RM'000
Payroll expenses	1,307

- (4) RM0.69 million of the IPO Proceeds was originally earmarked for regional expansion to Singapore, with a timeframe for utilisation of 36 months from the date of Listing.

Following the IPO, resources were focused on the other IPO plans that were ready for immediate execution, while the expansion to Singapore was deferred to ensure that efforts could be properly focused and executed.

With the appointment of a Head of Business Development for Singapore in May 2025, the Group is now in a stronger position to initiate its regional expansion efforts.

In view of this, the Board has resolved to extend the utilisation of the Unutilised IPO Proceeds of RM0.58 million for an additional 18 months from the date of this announcement to allow for the implementation of planned activities.

3. RATIONALE

The Board is of the view that the Variation and EOT will enable the Group to optimise the utilisation of the IPO Proceeds, in line with the Group's evolving operational needs, strategic priorities and market opportunities as detailed in Section 2 of this announcement.

4. FINANCIAL EFFECTS

The Variation and EOT will not have any effect on the issued share capital and substantial shareholders' shareholdings of the Company, and 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 Group for the financial year ending 31 March 2026.

5. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND PERSONS CONNECTED WITH THEM

None of the Directors, major shareholders, chief executive and/or persons connected with them have any interests, direct or indirect, in the Variation and EOT.

6. STATEMENT BY THE BOARD

The Board is of the opinion that the Variation and EOT is in the best interests of the Company.

7. APPROVALS REQUIRED

The Variation and EOT is not subject to any regulatory authorities' or shareholders' approval as the total variation as a percentage of the total IPO Proceeds is 7.48%, which is below 25% in accordance with Rule 8.24 of the ACE Market Listing Requirements issued by Bursa Securities. Nevertheless, the Board shall continue to be vigilant and prudent in managing the IPO Proceeds and disclose the status of utilisation in the Group's quarterly results and annual reports until the IPO Proceeds are fully utilised.

This announcement is dated 15 August 2025.