

## **APEX EQUITY HOLDINGS BERHAD ("APEX" OR THE "COMPANY")**

### **PROPOSED PRIVATE PLACEMENT OF UP TO 10.0% OF THE TOTAL NUMBER OF ISSUED SHARES IN APEX**

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#### **1. INTRODUCTION**

On behalf of the Board of Directors of Apex ("**Board**"), M & A Securities Sdn Bhd ("**M&A Securities**") wishes to announce that the Company proposes to undertake a private placement of up to 10.0% of the total number of issued ordinary shares in Apex ("**Apex Shares**" or "**Shares**"), (excluding treasury shares, if any), at an issue price to be determined and fixed at a later date ("**Proposed Private Placement**").

The Proposed Private Placement will be undertaken in accordance with the general mandate pursuant to Sections 75 and 76 of the Companies Act 2016 ("**Act**") which was obtained from the shareholders of the Company at its 35<sup>th</sup> Annual General Meeting ("**AGM**") convened on 27 November 2025, whereby the Board had been authorised to allot and issue new Apex Shares not exceeding 10.0% of the total number of issued Shares ("**General Mandate**"). Pursuant to the General Mandate obtained from the Company's shareholders, the shareholders have agreed to waive the pre-emptive rights of the shareholders of Apex under Section 85 of the Act and Article 11 of the Articles of Association of the Company, to be offered new Shares ranking equally with existing issued Shares arising from any issuance of new Shares pursuant to the General Mandate.

Further details of the Proposed Private Placement are set out in the ensuing sections.

#### **2. DETAILS OF THE PROPOSED PRIVATE PLACEMENT**

As at 15 May 2026, being the latest practicable date preceding the date of this announcement ("**LPD**"), Apex has an issued share capital of RM221,940,351 comprising 213,563,324 Apex Shares. The Company does not retain any treasury shares and does not have any convertible securities as at LPD.

The Proposed Private Placement entails the issuance of up to 21,356,000 new Apex Shares ("**Placement Shares**"), representing not more than 10.0% of the total number of issued Apex Shares as at LPD. The actual number of Placement Shares to be issued will be determined at a later date, after obtaining the relevant approvals as stated in Section 6 below.

The aggregate actual number of Placement Shares to be issued shall not exceed 10.0% of the total number of Shares in issue at any point in time. Subject to the prevailing market conditions and depending on investors' interest at the point of implementation, the Proposed Private Placement may be implemented in a single or multiple tranche(s) within 6 months from the date of approval of Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the Proposed Private Placement or such other approved extended period. As such, there could potentially be several price fixing dates depending on the number of tranches and timing of implementation.

## **2.1 Basis of arriving at the issue price of the Placement Shares**

The issue price of each tranche of the Placement Shares, where applicable, shall be determined separately and fixed by the Board at a later date after obtaining the relevant approvals for the Proposed Private Placement.

The Board will take into consideration amongst others, the prevailing market conditions and the provisions of Paragraph 6.04(a) of the Main Market Listing Requirements of Bursa Securities ("**Listing Requirements**"), in determining the issue price of the Placement Shares at a discount of not more than 10.0% to the volume weighted average market price of Apex Shares for the five (5) market days ("**5D-VWAMP**") immediately preceding the price fixing date(s).

For illustrative purposes, assuming the Placement Shares are issued at an indicative issue price of RM0.659 per Placement Share ("**Indicative Issue Price**"), the issue price of the Placement Shares would represent a discount of approximately 9.85% or RM0.072 to the 5D-VWAMP of Apex Shares up to and including the LPD of RM0.731.

Based on the Indicative Issue Price, the Proposed Private Placement will raise gross proceeds of RM14.07 million. The mechanism to determine the issue price of each tranche of the Placement Shares shall be determined separately in accordance with market-based principles.

## **2.2 Placement arrangement**

The Placement Shares will be placed to independent third-party investor(s) ("**Placees**"), where the Placees shall be person(s) or party(ies) who/which qualify under Schedule 6 and Schedule 7 of the Capital Markets and Services Act 2007, who shall be identified at a later date.

In accordance with Paragraph 6.04(c) of the Listing Requirements, the Placement Shares will not be placed to the following parties:

- (i) the director, major shareholder, chief executive of Apex or a holding company of Apex ("**Interested Person**"), or a person connected with an Interested Person; and
- (ii) nominee corporations, unless the names of the ultimate beneficiaries are disclosed.

## **2.3 Ranking of the Placement Shares**

The Placement Shares shall, upon issuance and allotment, rank equally in all respects with the then existing issued Apex Shares, save and except that the holders of the Placement Shares shall not be entitled to any dividends, rights, allotments and/or other forms of distributions that may be declared, made or paid to the shareholders of the Company, for which the relevant entitlement date is prior to the date of allotment and issuance of the Placement Shares and the Placement Shares will be subject to all the provisions of the Constitution of the Company relating to transfer, transmission and otherwise.

## **2.4 Listing of and quotation for the Placement Shares**

Apex shall make an application to Bursa Securities for the listing of and quotation for the Placement Shares on the Main Market of Bursa Securities.

## 2.5 Utilisation of proceeds

For illustrative purposes, the placement proceeds to be raised from the Proposed Private Placement of RM14.07 million (based on the Indicative Issue Price) are expected to be utilised by Apex and its subsidiaries ("**Apex Group**" or the "**Group**") in the following manner:

<b>Details</b>	<b>Amount RM'000</b>	<b>Expected timeframe for utilisation from completion of the Proposed Private Placement</b>
(i) Money lending business	13,516	Within 12 months
(ii) Estimated expenses for the Proposed Private Placement	558	Immediate
<b>Total</b>	<b>14,074</b>	

### Notes:

- (i) The Group intends to utilise the proceeds raised from the Proposed Private Placement to expand its money lending business, which is conducted through its wholly owned subsidiary, Apex Equity Capital Sdn Bhd ("**Apex Equity**"). Apex Equity holds a valid money lending license issued by the Ministry of Housing and Local Government under the Moneylenders Act 1951.

Through Apex Equity, the Group provides tailored loan products, including personal loans and business loans (both secured and unsecured loans), to cater to a broad range of customers. As part of its credit risk management framework, the Group conducts credit evaluation on all prospective borrowers prior to the approval and disbursement of any loans. The assessment includes review of the prospective borrowers' financial standing, repayment capacity and creditworthiness.

Generally, the Group imposes an interest rate ranging from 6.8% to 12.0% per annum for secured loans, which enables the Group to offer competitive and attractive financing solutions to secure prospective customers. Nevertheless, the Group may revise its interest charges from time to time based on the prevailing market conditions and the guidelines of Moneylenders Act 1951 to ensure that that its financing solutions remain competitive while maintaining the profitability of its money lending business.

Based on the latest annual report of the Group for financial year ended ("**FYE**") 30 June 2025, the Group had disbursed total loans amounting to RM156.47 million, comprising RM156.37 million secured loans and RM0.10 million unsecured loans to its customers for general and personal financing as well as working capital purposes.

As at LPD, Apex Equity has yet to identify any prospective borrowers for its money lending business based on the proceeds allocated from the Proposed Private Placement. The Group intends to further expand its money lending loan portfolio, which in line with its strategy to strengthen its financing offerings and grow its money lending business. The enlarged loan portfolio is expected to enhance the Group's lending capacity, allowing it to serve a broader customers base across various market segments and to meet the increasing demand for money lending.

The expansion of the money lending business is expected to generate a stable stream of interest income for the Group, strengthen its market presence and competitiveness in the money lending business and contribute positively to its overall financial performance.

- (ii) The estimated expenses consist of fees payable to the relevant authorities, advisory fees, placement fees and other miscellaneous expenses to be incurred pursuant to the Proposed Private Placement. Any excess or deficit in the amount allocated for estimated expenses will be adjusted against the utilisation for the money lending business. The breakdown of the estimated expenses for the Proposed Private Placement is illustrated below:

<b>Details</b>	<b>RM'000</b>
Professional and advisory fees	130
Placement fees	380
Others (fees to relevant authorities and miscellaneous)	48
<b>Total</b>	<b>558</b>

The actual proceeds to be raised from the Proposed Private Placement are dependent on the issue price of the Placement Shares and the actual number of Placement Shares issued. Any excess or shortfall in the actual proceeds raised will be adjusted against the utilisation for the money lending business of the Group.

Pending the full utilisation of the proceeds raised from the Proposed Private Placement, the Company intends to place these proceeds (including accrued interest, if any) or the balance thereof in interest-bearing deposit accounts with licensed financial institutions or in short-term money market instruments. The interest derived from the deposits with financial institutions or any gains arising from the short-term money market instruments will be used as money lending business of the Group.

### **3. RATIONALE**

As stipulated in Section 2.5 of this announcement, the proceeds to be raised from the Proposed Private Placement of up to RM14.07 million which will be utilised for money lending business and estimated expenses incurred for the Proposed Private Placement.

After due consideration of the various options available, the Board is of the view that the Proposed Private Placement is the most appropriate avenue to raise funds and is expected to create value for the Group due to the following reasons:

- (i) The Proposed Private Placement will enable the Group to raise up to RM14.07 million (based on the Indicative Issue Price) to be channeled towards, amongst others, funding for money lending business of the Group;
- (ii) The Proposed Private Placement will serve as an additional source of funding for the Group without incurring interest expenses as compared to conventional means of debt financing, in addition to strengthening the capital structure of the Group by increasing the capital base of the Group; and
- (iii) The Proposed Private Placement will provide an opportunity for the introduction of new investors to participate in the equity of the Company, its future prospects and growth as well as broadening the shareholders base of the Company.

The Board is of the view that the Proposed Private Placement is the most expedient and appropriate avenue to raise funds as compared to other equity fundraising exercises such as rights issue which would typically entail longer implementation process.

The Company has not undertaken any fund-raising exercises in the past 12 months preceding to this announcement.

#### **4. PROSPECTS AND OUTLOOK**

##### **4.1. Overview of the Malaysian economy**

The Malaysian economy expanded by 5.4% in the first quarter of 2026 (4Q 2025: 6.2%), driven mainly by domestic demand. Household spending remained supported by positive labour market conditions, with the unemployment rate staying low, alongside targeted policy measures. Investment growth was underpinned by continued implementation of multi-year projects by both the private and public sectors, a high realisation rate of approved investments, and the ongoing rollout of national master plans. On the external front, export growth remained strong, driven mainly by continued expansion in electrical and electronics (E&E) exports. Meanwhile, gross import growth moderated amid slower growth in capital, intermediate and consumer goods imports.

On the supply side, growth in services sector moderated, reflecting a moderation in motor vehicle sales following the front-loading of purchases in the fourth-quarter ahead of the expiration of import duty waivers for electric vehicles. Meanwhile, manufacturing sector performance remained supported by stronger E&E performance, in line with continued demand for artificial intelligence and data centre-related components. Growth in the agriculture sector was lower amid normalisation in palm oil production following high output previously and ongoing replanting activities. The mining and quarrying sector contracted, mainly due to weaker oil and gas production. In addition, growth in the construction sector normalised from a double-digit growth amid a moderation in residential construction and civil engineering activities. On a quarter-on-quarter, seasonally-adjusted basis, the economy contracted by -0.01% (4Q 2025: 1.4%) given last quarter's very strong performance.

*(Source: Economic and Financial Developments in Malaysia in the First Quarter of 2026, Bank Negara Malaysia)*

The growth projection in 2026 is expected to be within the range of 4% to 5%, supported primarily by continued domestic demand and exports. Household spending will be driven by positive labour market conditions and policy support. Investment activity will be driven by the progress of multi-year projects in both the private and public sectors, continued high realisation of approved investments as well as the ongoing implementation of national master plans. The exports growth will be supported by the global expansion, particularly demand for E&E products, reflecting Malaysia's role in global value chains.

*(Source: Quarterly Bulletin for the First Quarter of 2026, Bank Negara Malaysia)*

## 4.2. Overview and Outlook of the Money Lending Market in Malaysia

The money lending market in Malaysia comprises licensed moneylenders, commercial banks, cooperative societies, pawnbrokers, and increasingly digital lending platforms that provide financing solutions to individuals and businesses. Within this broader ecosystem, licensed moneylenders primarily serve borrowers who may face difficulties obtaining financing from conventional financial institutions due to limited credit history, non-fixed income profiles, lower credit scores, insufficient collateral or urgent funding requirements.

The outlook for the money lending market in Malaysia remains positive, supported by continued economic activities, resilient domestic demand and ongoing financing requirements among consumers and businesses. Demand for financing is expected to remain supported by household consumption, working capital requirements among businesses, and financing needs among the micro, small and medium enterprises. Household and business financing activities in Malaysia remained sizeable and broadly stable. As of December 2025, total household debt reached approximately RM1.716 trillion, up approximately 5.6% year over year. In addition, household and business impaired loan ratios remained relatively low at approximately 1.0% and 2.8%, respectively, indicating that overall financing conditions and borrower repayment capabilities remained broadly stable.

Licensed moneylenders are expected to continue serving borrowers who require smaller financing quantum, shorter approval timelines and greater financing accessibility. According to Ministry of Housing and Local Government (KPKT), approximately 4,420 licensed moneylenders were operating in Malaysia as of 2024. Demand for alternative financing solutions is also expected to continue benefiting from the expansion of self-employment, gig-economy participation, and digital business activities in Malaysia. In addition, the increasing adoption of digital financing solutions and online platforms is expected to continue influencing the development of the money-lending market in Malaysia. Industry participants are increasingly leveraging digital application platforms, electronic know your customer (e-KYC) verification and automated credit assessment systems to improve operational efficiency, financing accessibility and customer experience.

The continued expansion of alternative financing solutions also reflects increasing consumer adoption of short-term financing products in Malaysia. According to Bank Negara Malaysia, total Buy Now Pay Later ("BNPL") transaction value increased to approximately RM11.9 billion in the second half of 2025, while outstanding BNPL debt reached RM4.9 billion as of December 2025, supported by approximately 7.5 million active BNPL accounts. Competition in the money lending market is expected to remain fragmented, with industry participants competing on financing accessibility, approval speed, customer service, repayment flexibility and operational efficiency. The growing presence of fintech operators, digital financing platforms and alternative financing providers is also expected to increase competitive intensity within Malaysia's broader alternative financing ecosystem.

Nevertheless, the money lending market remains exposed to certain operational and credit-related risks, including changes in economic conditions, borrower repayment capability, financing default risks and evolving regulatory requirements. Rising living costs, inflationary pressures and weaker economic conditions may affect the repayment capability of certain borrowers, particularly within lower-income and underserved segments.

Overall, the money lending market in Malaysia is expected to continue benefiting from sustained financing demand, increasing financing accessibility requirements and ongoing digitalisation within the broader financial services industry. Licensed moneylenders are expected to continue serving an important role in providing alternative financing solutions to consumers and businesses that conventional financial institutions may not adequately serve.

*(Source: Independent Market Research report dated 26 May 2026 on the Overview and Outlook of the Money Lending Market in Malaysia by Protégé Associates Sdn Bhd)*

### 4.3. Prospects of Apex Group

Looking ahead, despite lingering global uncertainties and evolving market conditions, Apex Group remains confident in its strategic direction and long-term growth prospects.

The Group will continue to diversify its income streams by strengthening contributions across its core businesses, broadening its product offerings, and investing in digital capabilities to enhance customer experience, operational efficiency, and scalability.

Apex remains focused on deepening domestic market penetration through a balanced strategy of selective physical expansion and enhanced digital service delivery, improving accessibility and service efficiency nationwide. In parallel, the Group continues to evaluate selective regional opportunities that align with its strategic objectives and risk appetite, with the aim of diversifying geographical exposure and capturing emerging opportunities.

The Group's money lending business, which has demonstrated encouraging momentum since its reactivation in the third quarter of 2022, is expected to remain an important complementary growth driver. Apex intends to strengthen its financing offerings and pursue disciplined customer acquisition while maintaining prudent underwriting standards, effective credit monitoring, and sound risk management practices to support sustainable earnings growth.

The Group remains committed to embedding strong ethical values and a culture of compliance across all areas of its operations. At the same time, Apex continues to drive cost discipline through ongoing operational optimisation and organisational streamlining to improve productivity and strengthen its cost-to-income ratio.

In support of long-term sustainability, Apex will continue investing in talent development, leadership capability building, and a high-performance culture to cultivate a dynamic and professional management team capable of delivering sustainable profitability while upholding the Group's corporate governance and social responsibilities.

*(Source: Management of Apex)*

## 5. EFFECTS OF THE PROPOSED PRIVATE PLACEMENT

### 5.1 Issued share capital

The pro forma effects of the Proposed Private Placement on the issued share capital of the Company are set out below:

	<b>No. of Apex Shares</b>	<b>RM'000</b>
Issued share capital as at LPD	213,563,324	221,940
Placement Shares to be issued pursuant to the Proposed Private Placement	<sup>(1)</sup> 21,356,000	<sup>(1)/(2)</sup> 13,516
<b>Enlarged issued share capital</b>	<b>234,919,324</b>	<b>235,456</b>

#### Notes:

- (1) Based on the issuance of 21,356,000 Placement Shares at the Indicative Issue Price.
- (2) After adjusting for the estimated expenses relating to the Proposed Private Placement of approximately RM0.56 million.

## 5.2 Net assets ("NA") and gearing

The pro forma effects of the Proposed Private Placement on the NA and gearing of the Group are set out below:

	<b>Audited as at 30 June 2025</b>	<b>After the Proposed Private Placement</b>
	<b>RM'000</b>	<b>RM'000</b>
Share capital	221,940	(1)/(2) 235,456
Reserves	169,187	169,187
<b>Total equity / NA</b>	<b>391,127</b>	<b>404,643</b>
No. of Shares	213,563,324	234,919,324
Total borrowings (RM'000)	39,958	39,958
NA per Share (RM) <sup>(3)</sup>	1.83	1.72
Gearing (times) <sup>(4)</sup>	0.10	0.10

### Notes:

- (1) Based on issuance of 21,356,000 Placement Shares at the Indicative Issue Price.
- (2) After adjusting for the estimated expenses relating to the Proposed Private Placement of approximately RM0.56 million.
- (3) Computed by taking the total NA of the Group divided by the number of Shares in issuance.
- (4) Computed by taking the total borrowings over the total equity of the Group.

## 5.3 Earnings and earnings per Share ("EPS")

The Proposed Private Placement is not expected to have any material effect on the earnings of the Group for the financial year ending 30 June 2026. However, there will be a corresponding dilution in the EPS of the Group as a result of the increase in the number of Shares issued pursuant to the Proposed Private Placement.

Nevertheless, the Proposed Private Placement is expected to contribute positively to the future earnings of the Group.

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#### 5.4 Substantial shareholder's shareholdings

The pro forma effects of the Proposed Private Placement on the shareholdings of the substantial shareholder of Apex are set out in the table below:

Substantial shareholder	As at LPD				After the Proposed Private Placement			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1) %	No. of Shares	(1) %	No. of Shares	(2) %	No. of Shares	(2) %
Fun Sheung Development Limited	31,966,914	14.97	-	-	31,966,914	13.61	-	-
Pang Chow Huat	27,636,500	12.94	-	-	27,636,500	11.76	-	-
Concrete Parade Sdn Bhd	12,079,700	5.66	-	-	12,079,700	5.66	-	-
Lim Beng Guan	-	-	<sup>(3)</sup> 17,579,700	8.23	-	-	<sup>(3)</sup> 17,579,700	7.48

#### Notes:

- (1) Based on the existing issued share capital of 213,563,324 Shares as at LPD.
- (2) Based on the enlarged issued share capital of 234,919,324 Shares after the Proposed Private Placement.
- (3) Deemed interest pursuant to Section 8 of the Act by virtue of his interest in Concrete Parade Sdn Bhd and Pitahaya (M) Sdn Bhd.

#### 5.5 Convertible Securities

As at LPD, the Company does not have any other existing convertible securities.

## **6. APPROVALS REQUIRED**

The Proposed Private Placement is subject to the approvals being obtained from the following:

- (i) Bursa Securities, for the listing of and quotation for the Placement Shares on the Main Market of Bursa Securities; and
- (ii) any other relevant persons or authorities, if required.

The Company had obtained its shareholders' approval for the General Mandate that authorises the Board to issue new Apex Shares from time to time upon such terms and conditions and for such purposes as the Board may in its absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed 10.0% of the total number of issued Apex Shares pursuant to Sections 75 and 76 of the Act. The said approval is valid until the conclusion of the next AGM unless revoked or varied by the Company at a general meeting or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier. Therefore, the Proposed Private Placement does not require another specific approval from the shareholders of Apex.

The Proposed Private Placement is not conditional upon any other corporate proposals undertaken or to be undertaken by Apex.

## **7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM**

None of the Directors, major shareholders, chief executive of Apex and/or persons connected with them have any interest, whether direct or indirect, in the Proposed Private Placement.

## **8. DIRECTORS' RECOMMENDATION**

The Board, after having considered all aspects of the Proposed Private Placement (including, but not limited to the proposed utilisation of proceeds, rationale and the effects of the Proposed Private Placement), is of the opinion that the Proposed Private Placement is in the best interest of the Group and its shareholders.

## **9. ADVISER AND PLACEMENT AGENT**

M&A Securities has been appointed as the Principal Adviser and Placement Agent to the Company for the Proposed Private Placement.

## **10. ESTIMATED TIMEFRAME FOR COMPLETION**

Barring unforeseen circumstances, the application to Bursa Securities in relation to the Proposed Private Placement is expected to be made within 1 month from the date of this announcement. Subject to the relevant approvals being obtained and barring any unforeseen circumstances, the Proposed Private Placement is expected to be completed by second half of 2026.

This announcement is dated 29 May 2026.