

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

We refer to our announcements made on 29 May 2026 ("**Announcements**") on the above subject matter. Unless otherwise stated or redefined, all abbreviations and definitions used herein shall have the same meanings as those set out in the Announcements.

Further to the Announcements, M & A Securities, on behalf of the Board of the Company wishes to announce the following additional information.

1. Summary of the past 3 years financial position of the Company together with commentary on the past performance.

The following table sets out a summary of the audited financial performance of the Group for the financial year ended ("**FYE**") 31 December 2022 to 18-month financial period ended ("**FPE**") 30 June 2025:

	Audited		
	18-month FPE 30 June 2025	FYE 31 December 2023	FYE 31 December 2022
	RM'000	RM'000	RM'000
Revenue	82,437	43,475	35,942
Gross profit (" GP ")	63,863	33,465	26,681
Profit before tax (" PBT ")	61,136	10,735	6,790
Profit after tax (" PAT ")	52,508	7,318	6,406
GP margin	77.5%	77.0%	74.2%
PBT margin	74.2%	24.7%	18.9%
PAT margin	63.7%	16.8%	17.8%

18-month FPE 30 June 2025 vs FYE 31 December 2023

For the FPE 18-month 30 June 2025, the Group recorded revenue of RM82.44 million or RM54.96 million on an annualised basis. The annualised revenue of RM54.96 million represents an increase of RM11.48 million or 26.4% as compared to RM43.48 million for FYE 31 December 2023. This is underpinned by operational efficiency, particularly in stock and securities broking segment.

The Group recorded a PAT of RM52.51 million or annualised PAT of RM35.00 million for 18-month FPE 30 June 2025 as compared to RM7.32 million for FYE 31 December 2023. It represents an increase of RM27.68 million or 378.1% as compared to FYE 31 December 2023 mainly due to one-off net gain on disposal of property of RM41.28 million.

FYE 31 December 2023 vs FYE 31 December 2022

For the FYE 31 December 2023, the Group recorded revenue of RM43.48 million, representing an increase of RM7.54 million or 20.98% as compared to RM35.94 million for FYE 31 December 2022. The improved performance in FYE 31 December 2023 was mainly attributed to higher brokerage income generated from the stock and securities broking segment as well as full year revenue contribution from the money lending segment following the resumption of its operations in third quarter of 2022.

The PAT of the Group increased by RM0.91 million or 14.2 % from RM6.41 million in FYE 31 December 2022 to RM7.32 million in FYE 31 December 2023. This improvement is mainly driven by contribution from money lending segment following the resumption of its operations in third quarter of 2022 as well as stability of market performance for stock and securities broking segment.

2. How would the Private Placement create additional value to the Company and its security holders.

The Board, after due consideration of the various fund-raising options available, is of the view that the Proposed Private Placement is the most appropriate avenue for raising funds after considering the following:

- (a) the Proposed Private Placement will enable the Group to raise funds for its money lending business as set out in Section 2.5 of the initial announcement;
- (b) the Proposed Private Placement will provide an avenue for Apex to raise funds without incurring interest costs as compared to bank borrowings and/or other interest-bearing debt instruments; and
- (c) the Proposed Private Placement will enable the Group to raise funds more expeditiously and in a more cost-effective manner as opposed to other fund-raising options such as a pro-rata issuance of securities like a rights issue, which would typically entail a longer implementation process and will be significantly dependent on the market.

Furthermore, the additional funds made available from the Proposed Private Placement will support the expansion of the Group's money lending business and are expected to generate a stable stream of interest income for the Group.

3. How would the Private Placement bring material impact to its securities holders and the Company from the business, financial and operational perspective.

The Proposed Private Placement will also 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. The Proposed Private Placement will enable the Group to raise proceeds of up to RM14.07 million (based on the indicative issue price of RM0.659 per Placement Share) to be channelled towards, to the purposes set out in Section 2.5 of the initial announcement.

In addition, 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 shareholding base of the Company.

The Proposed Private Placement is expected to increase the NA of the Group from approximately RM391.13 million (as at 30 June 2025) to approximately RM404.64 million (after the effects of the Proposed Private Placement). The enlarged issued share capital of the Group will increase shareholders' equity and enhance the overall financial position of the Group.

The increase in the total number of issued Shares arising from the Proposed Private Placement will be a corresponding dilution in the EPS of the Group. Nevertheless, the Proposed Private Placement is expected to contribute positively to the future earnings of the Group.

4. Adequacy of the Private Placement in addressing the Company's financial concerns.

At this juncture, the Board is of the opinion that the Proposed Private Placement is adequate in addressing the immediate financial needs of the Group and ensuring business continuity is not affected by cash flow constraints, given the negative cash flow from operating activities for the FPE 31 March 2026. The proceeds from the Proposed Private Placement are intended to be utilised for its money lending business, thereby strengthen its market presence and competitiveness in this money lending business and contribute positively to its overall financial performance.

5. Details of fund raising exercises undertaken for the past 5 years, together with the status of actual utilisation of proceeds. If none, to provide a negative statement.

The Company has not undertaken any other equity fund-raising exercises in the past 5 years preceding the date of the Announcements.

6. Additional information on segmental breakdown and expansion on money lending business:

(a) Segmental revenue/profit contribution, including the contribution from the money lending business.

The following table sets out a summary of the segmental revenue and profit contribution for the audited FYE 31 December 2022 to 18-month FPE 30 June 2025 as well as unaudited 9-month FPE 31 March 2026:

	Unaudited		Audited	
	9-month	18-month	FYE 31	FYE 31
	FPE 31 March	FPE 30 June	December	December
	2026	2025	2023	2022
	RM'000	RM'000	RM'000	RM'000
Business segments				
Revenue				
Stock and securities broking	41,093	69,184	36,308	32,738
Property holding	-	115	256	295
Money lending	7,700	13,078	6,877	2,873
Investment holdings and others	92	60	34	36
Total	48,885	82,437	43,475	35,942
PAT/(Loss after tax)				
Stock and securities broking	7,843	19,688	11,498	9,422
Property holding	(897)	36,995	(1,073)	(1,424)
Money lending	6,603	11,519	6,221	5,275
Investment holdings and others	(9,383)	(15,694)	(9,328)	(6,867)
Total	4,166	52,508	7,318	6,406

(b) The Group's strategy and timeline to expand its money lending business given that the intended utilisation is within 12 months and that APEX has yet to identify any prospective borrowers.

The Group intends to utilise the proceeds raised from the Proposed Private Placement to further expand its money lending loan portfolio, which is in line with its strategy to strengthen its financing offering. While no specific prospective borrowers have been identified at this juncture, the Group will actively source lending opportunities through its existing business networks.

The Group believes that demand for money lending business will continue to be supported by the positive outlook of the money lending market in Malaysia as set out in Section 4.2 of the initial announcement, driven by continued economic activities, resilient domestic demand and ongoing financing requirements among consumers and businesses. As such, the Group is positive that it will be able to identify suitable prospective borrowers and progressively utilise the proceeds within the intended timeframe.

7. Confirmation on the intended utilisation of proceeds from the Private Placement.

The Board confirms that the intended utilisation of proceeds from the Proposed Private Placement is in line with the General Mandate obtained from the shareholders of the Company at its 35th AGM convened on 27 November 2025.

This announcement is dated 10 June 2026.