

ANCOM BERHAD :

Acquisition of Shares in Wandeerfull Industries Sdn Bhd by Syarikat Wandeerfull Sdn Bhd

1. INTRODUCTION

Ancom Berhad (“Ancom” or “Company”) wishes to announce that Syarikat Wandeerfull Sdn Bhd, a wholly-owned subsidiary of Ancom Overseas Ventures Sdn Bhd (“AOV”), which in turn is a wholly-owned subsidiary of the Company, has today acquired 887,950 ordinary shares of RM1.00 each representing 70% equity interest in Wandeerfull Industries Sdn Bhd (“WISB”) for a total cash consideration of RM1,633,828.00.

(The share purchase hereinafter referred to as “Transaction”).

2. BACKGROUND INFORMATION

2.1 Details of the Transaction

The Transaction involved SWSB purchasing 507,400 shares of RM1.00 each (40% equity interest) of WISB from HRA Teguh Sdn Bhd (“HRA”) for cash consideration of RM933,616.00 and 380,550 shares of RM1.00 each (30% equity interest) of WISB from Ribu Amalan Sdn Bhd (“RA”) for cash consideration of RM700,212.00 (both at RM1.84 per share). The consideration was negotiated on a willing buyer willing seller basis based on the net tangible asset of WISB, comprising mainly of bank balances and receivables from SWSB. .

SWSB currently holds 30% equity interest in WISB. Upon completion of the Transaction, WISB will become a wholly-owned subsidiary of SWSB.

2.2 Information on WISB

WISB was incorporated in Malaysia on 16 June 1984 in Malaysia under the Companies Act, 1965. It has an authorised share capital of RM5,000,000.00 made up of 5,000,000 shares of RM1.00 each, and its current issued and paid-up share capital is RM1,268,500.00 made up of 1,268,500 shares of RM1.00 each.

WISB is currently dormant after it has disposed of its properties in October 2012.

3. EFFECTS OF THE TRANSACTION

3.1 Share Capital and Shareholding Structure

The Transaction will have no impact on the share capital and shareholding structure of Ancom. WISB will become a wholly-owned subsidiary of SWSB and Ancom.

3.2 Earnings

The Transaction is not expected to have any material effects on the earnings to the Ancom Group for the financial year ending 31 May 2015.

3.3 Net Tangible Assets (“NTA”)

There will be no material change in the Ancom Group’s NTA per share after the Transaction.

4. RATIONALE OF THE TRANSACTION

The Transaction is to allow Ancom an opportunity to increase its shareholding in WISB after HRA and RA have indicated their intention to dispose of their shareholding in WISB after the disposal of the properties owned by WISB in October 2012. It will allow Ancom a free hand to decide on the future of WISB.

5. PERCENTAGE RATIO

The highest percentage ratio applicable to the Transaction under Chapter 10 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is negligible.

6. APPROVALS REQUIRED

The Transaction is not subject to the approval of the shareholders of Ancom or any regulatory authorities.

7. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

Save for Dato' (Dr) Siew Ka Wei, the Company's Group Managing Director, who is a Director of SWSB and WISB, none of the other Directors, and/or major shareholders of Ancom and/or persons connected to them, holds any directorships SWSB and WISB.

None of the Directors, and/or major shareholders of Ancom and/or persons connected to them, has any interest, directly or indirectly, in the Transaction.

8. STATEMENT BY THE DIRECTORS

The Directors had considered all aspects of the Transaction and is of the opinion that the Transaction is in the best interest of the Group and is not to the detriment of the minority shareholders of the Company.

This announcement is dated 29 May 2015.