

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

PROPOSED PRIVATE PLACEMENT OF UP TO TEN PERCENT (10%) OF THE ISSUED SHARE CAPITAL OF NEXGRAM

(Unless otherwise stated, abbreviations and definitions used throughout this announcement shall be the same as those announced on 21 September 2016)

Further to the announcements dated 21 September 2016, 26 September 2016, 18 September 2017, 21 September 2017 and arising from the announcement by the Company dated 6 December 2017 wherein the Company had announced that the Joint Development Agreement ("JDA") with ChinaAsian Capital Holding Ltd to be the joint developer and turnkey contractor for the Angkasa Icon City project had lapsed and the Company had decided not to proceed with the JDA with ChinaAsian Capital Holding Ltd, M&A Securities, on behalf of the Board wishes to announce that Nexgram intends to vary/clarify the utilisation of proceeds to be raised from the Proposed Private Placement.

Based on the announcement dated 18 September 2017, the Proposed Private Placement is expected to raise gross proceeds of up to RM7.52 million which is to be utilised in the following manner:-

	RM'000		Expected time frame for utilisation of proceeds (from listing date)
Repayment of bank borrowings	2,000	(i)	Within 6 months
Working capital	5,213	(ii)	Within 6 months
Estimated expenses for the Proposed Private Placement	310	(iii)	Immediately
Total estimated proceeds	<u>7,523</u>		

Arising from the Company's decision not to proceed with the JDA with ChinaAsian Capital Holding Ltd as announced on 6 December 2017, the Company wishes to clarify that the utilisation of proceeds in **Note (ii)(a)** of the announcements dated 18 September 2017 and 21 September 2017 as follows:-

- (a) *Nexgram Land Sdn Bhd and Nextnation Datacity Sdn Bhd (both wholly-owned subsidiaries of Nexgram) had on 22 December 2014 entered into an Off Take-cum-Sale and Purchase Agreement with MyAngkasa Bina Sdn Bhd to sell to MyAngkasa Bina Sdn Bhd, the parcel of 5.91 acres of freehold land complete with the development of a mixed commercial development known as "Angkasa Icon City". Nextnation Datacity Sdn Bhd is the proprietor of the land while Nexgram Land Sdn Bhd is the developer for the project. On 19 May 2017, Nexgram Land Sdn Bhd had entered into a JDA with ChinaAsian Capital Holding Ltd to be the joint developer and turnkey contractor for the Angkasa Icon City project. The JDA has lapsed, and the Company has decided not to proceed with the JDA with ChinaAsian Capital Holding Ltd as announced on 6 December 2017. Notwithstanding the above, the Off Take-cum-Sale and Purchase Agreement with MyAngkasa Bina Sdn Bhd for the Angkasa Icon City project is still on-going but the Company will be looking at other partners/ contractors to undertake the construction of the development. The Company will make an immediate announcement once it has determined other partners/contractors to undertake the construction of the development.*

The utilisation of proceeds to be raised from the Proposed Private Placement remains the same as announced on 18 September 2017 with RM2.00 million from the business working capital portion is for payment to consultants, authorities and all other miscellaneous expenses in relation to the resubmission of the amended development order for the Angkasa Icon City project pursuant to the revised requirement by MyAngkasa Bina Sdn Bhd to incorporate a hotel block.

This announcement is dated 15 January 2018.