

COMPUGATES HOLDINGS BERHAD (669287-H)

(Incorporated in Malaysia)

ANNOUNCEMENT TO BURSA MALAYSIA

COMPUGATES HOLDINGS BERHAD (“COMPUGATES” or “COMPANY”)

SUBJECT MATTER: ACQUISITION OF THE REMAINING 49% EQUITY INTEREST IN CLASSIC DISTRIBUTION SDN BHD AND COMPUGATES PERAK SDN BHD RESPECTIVELY BY COMPUGATES MARKETING SDN BHD, A WHOLLY-OWNED SUB-SUBSIDIARY OF THE COMPANY

1. INTRODUCTION

The Board of Directors of Compugates wishes to announce that its wholly-owned sub-subsidiary, Compugates Marketing Sdn Bhd (“CMSB”) had on 6 July 2015 acquired from Green Electric Sdn Bhd (“GESB”) the following:

- i) the remaining 49% of the entire equity interest in Classic Distribution Sdn Bhd (Company No. 823080-X) (“CDSB”) comprising forty nine (49) ordinary shares of RM1.00 each for a total nominal cash consideration of RM49.00, resulting in CDSB becoming a wholly-owned subsidiary of CMSB.
- ii) the remaining 49% of the entire equity interest in Compugates Perak Sdn Bhd (Company No. 874134-D) (“CPSB”) comprising forty nine (49) ordinary shares of RM1.00 each for a total nominal cash consideration of RM49.00, resulting in CPSB becoming a wholly-owned subsidiary of CMSB.

collectively referred to as the “Acquisitions”.

2. INFORMATION ON GESB

GESB is principally involved in the development and marketing of environmental friendly renewable energy storage, generation, products and services.

The Directors and shareholders with their respective shareholdings in GESB are follows:

	<u>Directors</u>	<u>Number of shares held</u>	<u>% shares held</u>
1.	Darren Solomon Low Jun Ket	450,000	45
2.	Mohammad Azzidyn bin Anifah	450,000	45
3.	Lee Jin Ghee	100,000	10
4.	Datuk Seri Azman bin Ujang	-	-

3. INFORMATION ON CDSB

CDSB is a private limited company incorporated in Malaysia with an authorized share capital of RM100,000.00 divided into 100,000 ordinary shares of RM1.00 each with an issued and paid-up share capital of RM100.00 divided into 100 ordinary shares of RM1.00 each.

CDSB is principally involved in the business of trading in agricultural products.

4. INFORMATION ON CPSB

CPSB is a private limited company incorporated in Malaysia with an authorized share capital of RM100,000.00 divided into 100,000 ordinary shares of RM1.00 each with an issued and paid-up share capital of RM100.00 divided into 100 ordinary shares of RM1.00 each.

CPSB is principally involved in the cultivation and trading of agricultural products and general trading.

5. RATIONALE FOR THE ACQUISITIONS

The Acquisitions would allow Compugates to gain full control over CDSB and CPSB.

6. EFFECT OF THE ACQUISITIONS

The Acquisitions will not have any material effect on the share capital, shareholding structure, net assets per share, earning per share and gearing of the Company.

7. APPROVALS REQUIRED

The Acquisitions are not subject to the approval of shareholders of Compugates.

8. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

Save for Mr. Goh Kheng Peow and Madam See Thoo Chan who are the common directors of the Company, CMSB, CDSB and CPSB, none of other Directors and Major shareholders of Compugates and/or persons connected to them have any interest, direct or indirect in the Acquisitions.

9. STATEMENT BY THE DIRECTORS

The Board of Directors of Compugates, having considered all aspects of the Acquisitions, is of the opinion that the Acquisitions are in the best interest of Compugates.

This announcement is dated 6 July 2015