

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



UTS MARKETING SOLUTIONS HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6113)

DISCLOSEABLE TRANSACTION PROVISION OF FINANCIAL ASSISTANCE ADVANCE TO AN ENTITY FIFTH EXTENSION OF THE REPAYMENT DATE

Reference is made to the announcements of UTS Marketing Solutions Holdings Limited (the “**Company**”) dated 31 January 2019, 8 July 2019, 8 July 2020, 10 July 2020, 28 June 2021, 24 June 2022, 18 October 2022, 3 July 2023 and 27 July 2023 (collectively, the “**Announcements**”) in relation to the Agreement dated 31 January 2019 entered into between UTS Malaysia, Exsim and Mightyprop in relation to the Advance. Unless otherwise stated, capitalised terms used herein shall denote the same meanings as those defined in the Announcements.

As disclosed in the Announcements, Exsim has undertaken to repay the Advance in the sum of RM12,000,000 in full on or before 1 July 2024, with the interest calculated at the rate of 12% per annum accrued from 1 July 2023 up to the date of repayment on a daily basis.

FIFTH EXTENSION AGREEMENT

Upon further negotiations between UTS Malaysia, Exsim and Mightyprop, on 3 July 2024, the parties entered into a fifth extension agreement (the “**Fifth Extension Agreement**”), pursuant to which:

1. Exsim has undertaken to repay the Advance in four equal instalments of RM3,000,000 each across four (4) quarters, with the first payment becoming due and payable on 30 September 2024 and the last payment becoming due and payable on 30 June 2025 in accordance with the agreed repayment arrangement. Interest will continue to accrue on the remaining unpaid portion of the Advance at the rate of 12% per annum calculated on a daily basis (the “**Interest**”). The Interest shall be paid on a quarterly basis on the proposed quarterly payment dates as agreed or such other period as may be mutually agreed between the parties (the “**Fifth Extension**”); and

2. the Fifth Extension is subject to the condition that all the principals and interests accrued are paid on time. In the event that any principal and/or interest is not paid when due, UTS Malaysia may declare the entire amount of Advance (including all principals and interest accrued) has become immediately due and payable and an additional default interest at the rate of 6% per annum for the entire amount of Advance shall be accrued until the same is fully refunded and/or paid.

Save for the aforesaid, all other terms of the Agreement shall remain the same and in full force and effect.

CONDITION PRECEDENT

The Fifth Extension Agreement shall be subject to the condition precedent that the Company having complied with all the requirements under the Listing Rules.

INFORMATION OF EXSIM AND MIGHTYPROP

As at the date of this announcement, Exsim and Mightyprop are principally engaged in the business of property development in Malaysia. The development projects are in good progress with majority of the development projects with at least 99% booking rate and the stages of completion are ranging from 85% to 100%. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, Exsim, Mightyprop and their respective ultimate beneficial owners are Independent Third Parties and not connected with the Group as at the date of this announcement. The ultimate beneficial owners of Exsim and Mightyprop are Lim Aik Hoe, Lim Aik Kiat and Lim Aik Fu.

REASONS FOR, AND BENEFITS OF, THE FIFTH EXTENSION AGREEMENT

The Company and its subsidiaries (including UTS Malaysia) principally provide telemarketing services of financial products for its clients which are mainly banks and insurance companies.

Given the wishes of the Group to fully utilize the financial resources and the potential return of the Advance is higher than merely depositing the financial resources of the Group in commercial banks, the Group has decided to enter into the Fifth Extension Agreement.

The terms of the Fifth Extension Agreement were negotiated on an arm's length basis between the Group and Exsim based on, amongst others, the financial conditions of Exsim, the Group's assessment on the source of funds for repayment and the business conditions of Exsim and Mightyprop, the cash flow and business plans of the Group in the forthcoming year and the market interest rate. Taking into account, inter alia, the interest income expected to be generated as a result of the Fifth Extension Agreement, the absence of immediate better option for the Group to utilize the proceeds if the Advance is repaid in a timely manner, the Directors consider that the terms and conditions of the Fifth Extension Agreement are on normal commercial terms and are fair and reasonable and that the Fifth Extension Agreement is in the interest of the Company and the Shareholders as a whole.

The Board considers that, despite the Fifth Extension Agreement, there will not be any material adverse impact on the existing business operations and prospects of the Group.

LISTING RULES IMPLICATIONS

The Fifth Extension Agreement constitutes financial assistance under the Listing Rules. As the highest applicable percentage ratio as calculated under Rule 14.06 of the Listing Rules in respect of the Fifth Extension Agreement is more than 5% but less than 25%, the Fifth Extension Agreement constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules. The Fifth Extension Agreement is subject to the reporting and announcement requirements but is exempted from shareholders' approval requirement under Chapter 14 of the Listing Rules.

Further, the Advance in the sum of RM12,000,000 is more than 8% of the assets ratio, it is required to be announced under Rule 13.13 of the Listing Rules.

As none of the Directors has a material interest in the Fifth Extension Agreement, no Director is required to abstain from voting on the relevant resolutions.

By Order of the Board
UTS Marketing Solutions Holdings Limited
Ng Chee Wai
Chairman and Executive Director

Hong Kong, 3 July 2024

As at the date of this announcement, the executive Directors are Mr. Ng Chee Wai (Chairman), Mr. Lee Koon Yew (Chief Executive Officer) and Mr. Kwan Kah Yew; and the independent non-executive Directors are Mr. Lee Shu Sum Sam, Mr. Kow Chee Seng and Mr. Chan Hoi Kuen Matthew.