

OTHERS DIVERSIFIED GATEWAY SOLUTIONS BERHAD
("DGSB" OR "COMPANY") - ACQUISITION OF QBI
PACKAGING SDN BHD ("QBI") - SUBSCRIPTION OF SHARES
- SHAREHOLDERS AGREEMENT

DIVERSIFIED GATEWAY SOLUTIONS BERHAD

Type	Announcement
Subject	OTHERS
Description	DIVERSIFIED GATEWAY SOLUTIONS BERHAD ("DGSB" OR "COMPANY") - ACQUISITION OF QBI PACKAGING SDN BHD ("QBI") - SUBSCRIPTION OF SHARES - SHAREHOLDERS AGREEMENT

The Board of Directors of DGSB wishes to announce that on 28 June 2019, DGSB has entered into a share sale agreement with Chong Kuet Yoon @ Chong Kok Hoong for the purchase of 100,000 ordinary shares in QBI ("QBI Shares"), equivalent to 50.0% equity interest in QBI, for a total cash consideration of RM750,000 ("Acquisition of QBI").

On the same day, DGSB had :-

(a) subscribed for 133,330 new ordinary shares at RM7.50 each in QBI, for a total cash consideration of RM999,975.00. ("**Subscription of QBI Shares**")

(b) entered into a Shareholders Agreement with Chang Goh Hoo to regulate the conducts, rights and obligations of the parties as shareholders of QBI.

(Collectively referred to the "**Proposals**")

DGSB will hold 70.0% equity interest in QBI after the completion of the Proposals.

Please see details of the announcement in the attached file.

Please refer attachment below.

Attachments

DGSB_acquisition_QBI.pdf
59.2 kB

Announcement Info

Company Name	DIVERSIFIED GATEWAY SOLUTIONS BERHAD
Stock Name	DGSB
Date Announced	28 Jun 2019
Category	General Announcement for PLC
Reference Number	GA1-27062019-00042

DIVERSIFIED GATEWAY SOLUTIONS BERHAD ("DGSB" OR "COMPANY")

- **ACQUISITION OF QBI PACKAGING SDN BHD ("QBI")**
- **SUBSCRIPTION OF SHARES**
- **SHAREHOLDERS AGREEMENT**

1. INTRODUCTION

The Board of Directors of DGSB wishes to announce that on 28 June 2019, DGSB has entered into a share sale agreement with Chong Kuet Yoon @ Chong Kok Hoong for the purchase of 100,000 ordinary shares in QBI ("**QBI Shares**"), equivalent to 50.0% equity interest in QBI, for a total cash consideration of RM750,000. ("**Acquisition of QBI**")

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DGSB will hold 70.0% equity interest in QBI after the completion of the Proposals.

2. INFORMATION ON QBI

QBI was incorporated in Malaysia on 28 March 2006 under the Companies Act, 1965. It is principally involved in the food and contract manufacturing. As at 27 June 2019, being the latest practicable date preceding the date of this announcement ("**LPD**"), the issued share capital of QBI is RM200,000 comprising 200,000 ordinary shares.

The directors of QBI are Chang Goh Hoo and Chong Kuet Yoon @ Chong Kok Hoong. The shareholders of QBI as at LPD are as follows:

Name	Nationality	Number of QBI Shares held	%
Chang Goh Hoo	Malaysian	100,000	50.0
Chong Kuet Yoon @ Chong Kok Hoong	Malaysian	100,000	50.0
		200,000	100.0

Upon completion of the Proposals, the shareholders of QBI will be as follow:

Name	Nationality/Place of incorporation	Number of QBI Shares held	%
Chang Goh Hoo	Malaysian	100,000	30.0
DGSB	Malaysia	233,330	70.0
		333,330	100.0

The purchase consideration for the Acquisition of QBI and subscription price of the new QBI Shares were arrived at on a willing-buyer willing-seller basis after taking into consideration amongst others the net assets per QBI Share of RM2.25 based on its latest audited statement of financial position as at 30 June 2018 and will be funded from internally available funds.

3. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED WITH THEM

None of the other Directors, major shareholders of DGSB, and/or persons connected to them have interest, direct or indirect, in the Proposals.

4. PERCENTAGE RATIO

The highest percentage ratio for the Proposals is 4.1% which is based on the latest audited financial statements of DGSB for the financial year ended 31 March 2018.

This announcement is dated 28 June 2019.