

# PARAGRAPH/RULE 8.03A COMPANIES : FIRST ANNOUNCEMENT

## DIVERSIFIED GATEWAY SOLUTIONS BERHAD

Type	Announcement
Subject	PARAGRAPH/RULE 8.03A COMPANIES FIRST ANNOUNCEMENT
Description	DIVERSIFIED GATEWAY SOLUTIONS BERHAD ("DGSB" OR "COMPANY") FIRST ANNOUNCEMENT PURSUANT TO RULE 8.03A OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (FIRST ANNOUNCEMENT)

We refer to the announcement dated 6 January 2020 in relation to the completion of the disposal of 24,500 ordinary shares, representing 100% of ordinary shares in ISS Consulting (Thailand) Ltd ("ISS(T)") to itelligence AG for a total cash consideration of THB236,429,000 ("Disposal") which is announced today. The Board of Directors of DGSB wishes to announce that following the completion of the Disposal, DGSB is deemed to be an Affected Listed Corporation pursuant to Rule 8.03A 2(a)(bb) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") whereby a listed corporation may not have a level of operations that is adequate to warrant continued trading or listing on the Official List as DGSB is deemed to have suspended or ceased its major business or operations as a result of the disposal of its major business that contributes or generates 70% or more of the revenue on a consolidated basis based on its latest audited financial statements as at 30 June 2019 or its unaudited financial statements as at 30 September 2019.

Please see details of the announcement in the attached file.

This announcement is dated 6 January 2020.

Please refer attachment below.

### Attachments

ALC - First announcement (6Jan2020) final.pdf  
50.3 kB

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### Announcement Info

Company Name	DIVERSIFIED GATEWAY SOLUTIONS BERHAD
Stock Name	DGSB
Date Announced	06 Jan 2020
Category	General Announcement for PLC
Reference Number	GA1-06012020-00088

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

### **FIRST ANNOUNCEMENT PURSUANT TO RULE 8.03A OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD ("FIRST ANNOUNCEMENT")**

#### **1. INTRODUCTION**

We refer to the announcement dated 6 January 2020 in relation to the completion of the disposal of 24,500 ordinary shares, representing 100% of ordinary shares in ISS Consulting (Thailand) Ltd ("**ISS(T)**") to intelligence AG for a total cash consideration of THB236,429,000 ("**Disposal**") which is announced today. The Board of Directors of DGSB wishes to announce that following the completion of the Disposal, DGSB is deemed to be an Affected Listed Corporation pursuant to Rule 8.03A 2(a)(bb) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**") whereby a listed corporation may not have a level of operations that is adequate to warrant continued trading or listing on the Official List as DGSB is deemed to have suspended or ceased its major business or operations as a result of the disposal of its major business that contributes or generates 70% or more of the revenue on a consolidated basis based on its latest audited financial statements as at 30 June 2019 or its unaudited financial statements as at 30 September 2019.

#### **2. OBLIGATIONS PURSUANT TO RULE 8.03A**

Pursuant to Rule 8.03A (3) of the Listing Requirements, DGSB as an Affected Listed Corporation must comply with the following:

- (i) immediately announce to Bursa Securities of its condition and provide such information from time to time for public release in accordance with the disclosure obligations set out in Rule 4.0 of Guidance Note 3, with the necessary modifications;
- (ii) regularise its condition by complying with the requirements set out in Rule 8.04(3) and Rule 5.0 of Guidance Note 3, with the necessary modifications; and
- (iii) comply with such other requirements or do such other acts or things as may be prescribed or required by Bursa Securities.

Based on the audited financial statements as at 30 June 2019, the revenue contributed by ISS(T) amounted RM91.01 million or 85.9% of the consolidated revenue of DGSB, and based on unaudited financial statements as at 30 September 2019, the revenue contributed by ISS(T) has been reduced to RM16.97 million or 80.0% of the consolidated revenue of DGSB.

The financial position of DGSB remains strong and healthy with total shareholders' equity of RM55.09 million as at 30 September 2019, of which RM24.73 million is represented by cash and bank balances. The shareholders' equity and bank balances will improve arising from the completion of the Disposal, and with the return of disposal proceeds back to Malaysia, the Board is confident that the remaining businesses of DGSB are sustainable and have good prospects of future growth.

As an Affected Listed Corporation, DGSB is required to comply with the following:

- (i) submit to Bursa Securities a regularisation plan and obtain Bursa Securities' approval to implement the plan within 12 months from the date of this announcement;
- (ii) appoint a Sponsor within 3 months from the date of this announcement and retain the Sponsor until it is no longer considered an Affected Listed Corporation;
- (iii) implement the regularisation plan within 6 months from the date the regularisation

plan is approved by Bursa Securities.

- (iv) provide such information as may be prescribed by Bursa Securities from time to time for public release;
- (v) retain the services of a Sponsor for at least 3 full financial years after it is no longer considered as an Affected Listed Corporation by the Bursa Securities. In this regard, the Sponsor referred to in item (ii) above must act as the Sponsor of the Company for at least the first full financial year;
- (vi) do such other acts of things as may be required by Bursa Securities;
- (vii) announce the status of its regularisation plan and the number of months to the end of the relevant timeframes on a monthly basis until further notice from Bursa Securities;
- (viii) announce its compliance or non-compliance with a particular obligation imposed pursuant to Guidance Note 3 on an immediate basis;
- (ix) announce the details of the regularisation plan and sufficient information to demonstrate that the Company is able to comply with all the requirements set out in Guidance Note 3 after implementation of the regularisation plan, which the announcement must include a timeline for the complete implementation of the regularisation plan and be made by the Company's Sponsor; and
- (x) where the Company fails to regularise its condition, to announce the dates of suspension and de-listing of its listed securities, immediately upon notification of suspension and de-listing by Bursa Securities.

### **3. CONSEQUENCE OF NON-COMPLIANCE**

In the event the Company fails to comply with any part of its obligations to regularise its condition within the timeframes permitted by Bursa Securities, Bursa Securities shall:

- (i) suspend the trading of the Company's listed securities on the 6th market day after the date of notification of suspension by Bursa Securities; and
- (ii) de-list the Company subject to the Company's right to appeal against the delisting. Unless otherwise specified, if the Company intends to appeal against a de-listing under Rule 8.04 of the Listing Requirements, the Company must submit its appeal to Bursa Securities within 5 market days from the date of notification of de-listing by Bursa Securities.

### **4. STATUS OF PLAN TO REGULARISE CONDITION**

The Company is looking into formulating a regularisation plan to address its affected listed corporation status and will make the necessary announcement on the regularisation plan in due course.

This announcement is dated 6 January 2020.