

# OTHERS DIVERSIFIED GATEWAY SOLUTIONS BERHAD - VARIATION TO THE UTILISATION OF PROCEEDS RAISED FROM PRIVATE PLACEMENT

## DIVERSIFIED GATEWAY SOLUTIONS BERHAD

Type	Announcement
Subject	OTHERS
Description	DIVERSIFIED GATEWAY SOLUTIONS BERHAD - VARIATION TO THE UTILISATION OF PROCEEDS RAISED FROM PRIVATE PLACEMENT

References are made to the announcements dated 11 July 2018, 22 October 2019 and 24 October 2019 in relation to the completion of private placement of 135,587,700 new ordinary shares at RM0.068 per share in Diversified Gateway Solutions Berhad ("DGSB") and the status of utilisation of the placement proceeds.

Following the completion of the disposal and cessation of ISS Consulting (Thailand) Ltd ("ISS(T)") as subsidiary of DGSB on 6 January 2020, the Board of Directors of DGSB wishes to announce the variation to the utilisation of proceeds raised from the private placement, the details of which are set out in the attached file.

This announcement is dated 18 February 2020.

Please refer attachment below.

### Attachments

DGSB\_variation of remaining unutilized placement proceeds.pdf  
102.5 kB

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### Announcement Info

Company Name	DIVERSIFIED GATEWAY SOLUTIONS BERHAD
Stock Name	DGSB
Date Announced	18 Feb 2020
Category	General Announcement for PLC
Reference Number	GA1-18022020-00057

#### VARIATION TO THE UTILISATION OF PROCEEDS RAISED FROM PRIVATE PLACEMENT

References are made to the announcements dated 11 July 2018, 22 October 2019 and 24 October 2019 in relation to the completion of private placement of 135,587,700 new ordinary shares at RM0.068 per share in Diversified Gateway Solutions Berhad (“DGSB”) and the status of utilisation of the placement proceeds.

Following the completion of the disposal and cessation of ISS Consulting (Thailand) Ltd (“ISS(T)”) as subsidiary of DGSB on 6 January 2020, the Board of Directors of DGSB wishes to announce that the remaining unutilised placement proceeds of RM4.81 million which was earmarked for the operations of ISS(T) will be utilised as follows:-

Purpose	Proposed utilisation RM'Million	Actual utilisation RM'Million	Balance unutilised RM'Million	Revised utilisation RM'Million	Timeframe for revised utilisation
For operations of - - ISS Consulting (Thailand) Ltd - Diversified Gateway Berhad - ISS Consulting (Malaysia) Sdn Bhd (“ISSM”) <sup>(1)</sup>	4.81 1.75 - -	- (1.75) - -	4.81 - - -	(4.81) - 2.31	Within 12 months from announcement date
Repayment of short term borrowings <sup>(2)</sup>	2.50	(2.50)	-	2.50	Within 9 months from announcement date
Estimated expenses for the private placement	0.16	(0.16)	-	-	-
<b>Total</b>	<b>9.22</b>	<b>(4.41)</b>	<b>4.81</b>	<b>-</b>	

Note :

(1) To utilise RM2.31 million for additional working capital and also to purchase additional 150 units of media linked vending machines to expand the digital media business of ISSM.

(2) To utilise RM2.5 million to repay short term bank borrowings of DGSB Group.

The Board is of the opinion that the revised utilisation of the placement proceeds is in the best interest of the Group and will not have any material effect on the financial results of the Group other than interest savings.

The revised utilisation is not subject to the approval of regulatory authorities or the shareholders of DGSB.

This announcement is dated 18 February 2020.