MANAGEPAY SYSTEMS BERHAD ("MPAY" OR "COMPANY")

PROPOSED PRIVATE PLACEMENT OF UP TO 154,812,100 NEW ORDINARY SHARES IN MPAY ("MPAY SHARES" OR "SHARES"), REPRESENTING UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES (EXCLUDING TREASURY SHARES, IF ANY) TO THIRD-PARTY INVESTOR(S) AT AN ISSUE PRICE TO BE DETERMINED LATER, PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 ("PROPOSED PRIVATE PLACEMENT")

*(Reference is made to the announcement dated 29 May 2026 in relation to, amongst others, the Proposed Private Placement ("**Announcement**"). Unless otherwise defined, the definitions used herein shall have the same meanings as defined in the Announcement.)*

On behalf of the Board, TA Securities wishes to provide additional information as underlined in relation to the Proposed Private Placement.

Section 4.7 of the Announcement

4.7 Utilisation of proceeds

Based on an indicative issue price of RM0.080 each, the Proposed Private Placement is expected to raise gross proceeds of up to approximately RM12.39 million, which is intended to be utilised by the Group in the following manner:

Utilisation of proceeds	Expected timeframe for utilisation from completion of the Proposed Private Placement	Minimum Scenario (RM'000)	Maximum Scenario (RM'000)
Working capital requirements for the Group's existing and/or future projects(1)	Within 12 months	7,057	11,185
Estimated expenses in relation to the Proposals(2)	Immediate	1,200	1,200
Total		**8,257**	**12,385**

The actual proceeds to be raised from the Proposed Private Placement will depend on the final issue price of the Placement Shares and the subscription level of the Proposed Private Placement. Any proceeds raised will be allocated in the following order of priority:

(i) estimated expenses in relation to the Proposals; and

(ii) working capital requirements for the Group's existing and/or future projects.

Notes:

(1) The Group intends to allocate up to RM11.19 million of the proceeds to be utilised over 1 year, to fund the working capital requirements for the Group's existing and/or future projects in the following manner:

Category	*Minimum Scenario (RM'000)*	*Maximum Scenario (RM'000)*
Staff costs to support the execution, set-up and/or securing of the Group's projects(a)	*2,500*	*3,500*
Infrastructure costs (e.g. servers, hosting services, data centres, payment terminals, and other hardware and software systems)	*2,500*	*3,500*
Other general administration and operating expenses (e.g. office rental, utilities, office upkeep, equipment and professional fees)	*1,057*	*2,185*
Marketing and promotional expenses(b)	*1,000*	*2,000*
Total	***7,057***	***11,185***

Notes:

(a) *These staff support the expansion, strategic execution, scaling, and day-to-day administration of the Group's operations. This includes salaries, allowances, and other forms of remuneration for the Group's workforce, which covers, among others, project and product management, legal and regulatory compliance, business development, operations, customer support, and finance.*

(b) *These costs cover a mix of online and offline initiatives designed to expand the Group's market presence, enhance brand visibility and reputation, and increase awareness for the Group's financial services. This includes social media campaigns, public relations efforts, and offline promotional activities aimed at end-users and potential service providers or merchants, to support and/or collaborate with the Group's projects and platforms.*

The above allocation of proceeds is indicative at this juncture and may change depending on the operating and funding requirement of the projects at the time of utilisation. Any surplus or shortfall in any category under the working capital requirements for the Group's existing and/or future projects will be adjusted against another category. Any surplus or shortfall from the proceeds earmarked, will be adjusted against the estimated expenses in relation to the Proposals, and/or to fund the working capital requirements of the Group's future projects and/or initiatives.

Shortfall of the proceeds raised from the Proposed Private Placement is expected to be funded from the Group's internally generated funds and/or bank borrowings, of which the breakdown is yet to be determined at this juncture.

*Given the rapidly evolving nature of the financial services industry, the Group is actively exploring new business opportunities and identifying potential partners both locally and internationally to drive growth, expand its payment and merchant networks, and strengthen its presence in the Association of Southeast Asian Nations ("**ASEAN**") market via the establishment of BCoin Inc (a wholly-owned subsidiary of MPay) ("**BCoin**") in Labuan, while ensuring the sustainability of profits across the Group's business. In addition, the Group is looking to diversify its revenue streams through digital assets and tokenisation services.*

The Group's existing projects in implementation and/or development as at the LPD include, amongst others, the following:

(i) *ECRL Ticketing System Project*

*On 24 April 2026, the Board announced that MPSSB had on 22 April 2026 accepted a letter of award ("**LA**") dated 15 April 2026 from ECRL Operation Sdn Bhd ("**ECRL Operation**") to carry out the supply, delivery, installation, integration, testing, commissioning, and maintenance of the open payment system for the East Coast Rail Link ("**ECRL**") passenger system, which shall be completed by 14 October 2026 ("**ECRL Ticketing System Project**"). The Group expects to generate revenue via Merchant Discount Rates ("**MDR**") on transactions processed under the system over a 60-month period starting from 1 December 2026 or the date on which the first successful external commuter payment transaction is processed through the live ECRL system, whichever is later, with an option to extend for a further 60 months at the discretion of ECRL Operation.*

(ii) *Penang Port Sdn Bhd ("**PPSB**") Project 2*

*On 20 April 2026, the Board announced that MPSSB had accepted an LA from PPSB on 26 March 2026 for a project value of approximately RM0.27 million. The project involves the design, development, supply, configuration, testing, integration, commission and maintenance a cloud-hosted mobile application for PPSB, with a delivery period of 4 months (commencing in mid-April 2026) as well as a support / subscription period of 3 years, in accordance with the terms and conditions of the LA dated 6 March 2026 ("**PPSB Project 2**").*

The application is expected to be developed and go live in the 3rd quarter of 2026.

(iii) Labuan financial services

*On 3 June 2025, the Board announced that the Company received a letter of approval dated 28 May 2025 from the Labuan Financial Services Authority ("**LFSA**") to establish MPAY SPV Labuan Ltd, subject to the fulfilment of the stipulated conditions within 6 months from the date of the aforementioned letter of approval, for the issuance of a licence certificate. This subsidiary was established to undertake credit token business (as defined under Section 90 of the Labuan Financial Services and Securities Act 2010), digital financial services, and payment system operations in Labuan.*

On 24 November 2025, MPAY SPV Labuan Ltd obtained approval for its change of name to BCoin, and was subsequently incorporated under the Labuan Companies Act 1990 on 10 February 2026. BCoin is expected to commence operations in the 2nd half of 2026, with the development of the BCoin digital asset platform. This initiative will enable the Group to expand its presence in Labuan and enhance its service offerings to include credit token business solutions, which can be integrated across payment and lending platforms. This is expected to further diversify the Group's revenue streams, including revenue derived from issuance fees and financing spreads, and strengthen its digital financial ecosystem, positioning the Group as a multi-licence digital financial services provider with integrated payment, lending and tokenisation capabilities.

(iv) MPay Co-branded Mastercard Prepaid Card - PERWIRA Super App Project

*On 27 August 2025, the Board announced that MPSSB accepted a letter of offer ("**LO**") dated 6 August 2025 from Mastercard Asia/Pacific Pte Ltd ("**Mastercard**"), securing incentives of up to United States Dollars ("**USD**") 9.05 million for the development and operation of MPSSB-issued Mastercard payment cards co-branded with Pernama Network Sdn Bhd ("**MPay Co-branded Mastercard Prepaid Card**"). In accordance with the LO, the incentive period is 40 quarters, commencing from the first day of the quarter in which the payment cards are launched, and MPSSB shall launch the payment cards within 12 months from the date of the LO.*

*Pursuant thereto, on 12 December 2025, the Board announced that MPSSB had on 4 November 2025, entered into an agreement with Taksim Pertama Sdn Bhd to issue two designated payment instrument products licensed by Bank Negara Malaysia ("**BNM**") under the Financial Services Act 2013, namely the MPay White Label Wallet and the MPay Co-branded Mastercard Prepaid Card. These products will be integrated into an application, which targets the ecosystems of Pertubuhan Perwira Niaga Malaysia ("**PERWIRA**") and the Ministry of Defence ("**MINDEF**") ("**PERWIRA Super App**"), with a targeted launch within 12 months from the date of the agreement. The agreement has an initial term of 5 years from the date of the agreement and is automatically renewable for an additional 5 years ("**PERWIRA Super App Project**").*

The PERWIRA Super App is intended to cater to the daily needs of the military community by delivering a tailored digital transformation for defence personnel, veterans, and all subsidiaries under MINDEF's purview, which offer various features, including financial services, e-marketplace, exclusive discounts and loyalty rewards, government connectivity module, integrated health and wellness features, and an e-learning hub.

The Group's ongoing projects under execution and servicing as at the LPD include, amongst others, the following:

(i) Foreign employee wage payment services

On 9 May 2025, the Board announced that MPSSB had received a letter of approval dated 30 April 2025 from Jabatan Tenaga Kerja Semenanjung Malaysia. The approval recognised MPSSB as an approved issuer of a designated payment instrument under the Employment Order 2025, authorising the Group to facilitate the payment of wages for foreign employees. The approval is valid for 3 years, from 1 May 2025 to 30 April 2028. As at the LPD, the Group has onboarded 3,000 employees for this service.

(ii) PPSB Project 1

*On 19 February 2025, the Board announced that MPSSB had on 17 January 2025, accepted an LA from PPSB for a project value of approximately RM0.60 million. The project involves the design, development, supply, installation, configuration, testing, integration, commissioning, and maintenance of open payment devices at ferry ticketing barriers, as well as integrated self-service kiosks for self-print Quick Response ("**QR**") ticket purchases for a ferry ticketing system. For information purposes, the project commenced on January 2025 and has a duration of 52 months, in accordance with the terms and conditions outlined in the LA dated 21 November 2024 ("**PPSB Project 1**").*

The open payment system was deployed and went live at the end of February 2025, followed by its integration with two self-service kiosks at the end of April 2025, and the implementation of Touch 'n Go card acceptance at the end of December 2025.

(iii) Digital foreign exchange services

On 19 July 2024, the Board announced that MPSSB had on 18 July 2024, received a conditional approval letter from BNM to conduct Class A money services business, for a validity period of 1 year from 18 July 2024 to 17 July 2025. This allows MPSSB to provide digital foreign exchange services and issue e-money via multi-currency prepaid cards and wallets, with a transaction limit of RM 35,000 per customer. MPSSB is generating income from currency conversion fees and payment transactions fees incurred through the use of multi-currency prepaid cards and wallets.

On 11 July 2025, MPSSB sought BNM's final assessment and approval after fulfilling all stipulated conditions for the licence. As at the LPD, the official launch of multi-currency prepaid cards and wallets as well as the issuance of the Class A money services business licence is pending BNM's review.

*(iv) Keretapi Tanah Melayu Berhad ("**KTMB**") Super App Project*

*On 10 June 2024, the Board announced that MPSSB accepted a letter of acceptance of proposal dated 31 May 2024 issued by KTMB to appoint MPSSB to develop and implement a mobility-as-a-service platform for KTMB ("**KTMB Super App**"), subject to the terms of the agreement, which is valid for 5 years with an option to extend for a further period of 5 years ("**KTMB Super App Project**").*

*On 13 July 2025, the KTMB Super App was officially launched as "**KITS Style**", integrating national railway services with food delivery, e-commerce, and financial transactions. MPSSB will continue to provide support services throughout the contract period following its launch. The Group generates income via a revenue-sharing model with KTMB and by charging transaction fees to service providers who integrate their offerings into the app. In the future, the KITS Style app is expected to expand its services to include the Keratapi Tanah Melayu Komuter service, other public transport services, and toll highways.*

(v) Mastercard prepaid card services

On 4 June 2024, the Board announced that MPSSB had accepted an LO dated 19 December 2023 from Mastercard for incentives valued up to USD3.65 million over 10 years to support a card programme for higher education students. The incentives are tied to performance targets based on retail volume cleared through the Mastercard network.

The application was officially launched by the Ministry of Higher Education in December 2025, and it integrates Original Equipment Manufacturer (OEM) wallets such as Google Wallet, Samsung Wallet, and Apple Pay.

(vi) Pearl Super App Project

*On 21 September 2022, the Board announced that MPSSB had accepted an LO dated 14 September 2022 from the Majlis Bandaraya Pulau Pinang ("**MBPP**") for the provision and integration of payment services to its application ("**Pearl Super App**"). This enables MPSSB to charge service fees through the integration of fee-based application modules (e.g., bills payment, penalties, and facility bookings) with various service providers within the Pearl Super App, which launched on 26 April 2023 ("**Pearl Super App Project**"). The LO is valid for 5 years (until 19 September 2027), with an option to renew for a further 2 years.*

*(vii) QuicKash Peer-to-Peer ("**P2P**") financing and QuicKredit lending platforms*

*QuicKash Malaysia Sdn Bhd (a wholly-owned subsidiary of MPay) ("**QuicKash**") is a P2P financing platform operator licensed by the Securities Commission Malaysia ("**SC**"). The online P2P financing platform provides services for the facilitation of loans between individuals or businesses by matching lenders with borrowers. QuicKash generates income primarily from platform and processing fees charged upon loan disbursement through the platform.*

*The QuicKredit lending platform, licensed by the Kementerian Perumahan dan Kerajaan Tempatan ("**KPKT**"), is operated under MPRSB. The platform provides both online and offline money lending services, offering simple, convenient, and trusted financial technology ("**Fintech**") solutions. MPRSB generates income primarily from interest charged on loans.*

The Group intends to expand its customer base for both the QuicKash P2P financing platform and the QuicKredit lending platform through ongoing marketing initiatives.

Save for the projects as mentioned above, no new projects / collaborations have been formalised at this juncture. The Group's management will make the necessary announcement in compliance with the Listing Requirements, where required, as these plans are finalised or identified.

(2) Being the estimated expenses incidental to the Proposals, including the following:

Details	*RM'000*
Professional fees (placement commission payable to the placement agent, and fees payable to the due diligence working group and other relevant advisers in relation to the Proposals)	*1,050*
Miscellaneous expenses (expenses to convene the EGM of the Company, printing and advertising)	*80*
Fees payable to the relevant authorities	*70*
Total	***1,200***

Any surplus or shortfall in the proceeds allocated for estimated expenses will be adjusted against the working capital requirements for the Group's existing and/or future projects and/or its day-to-day operations.

The actual proceeds that may be raised from the Proposed Private Placement are dependent on the actual number of Placement Shares issued and the actual issue price per Placement Share to be determined and fixed later.

Pending utilisation, the proceeds to be raised from the Proposed Private Placement will be placed as deposits with licensed financial institutions and/or in short-term money market instruments, as the Board may deem fit. Any interest income derived from the deposits with financial institutions or any gains arising from the short-term money market instruments will be used as additional fund for the working capital requirements of the Group such as payment of general administration and operating expenses (inclusive but not limited to office related expenses (office rental, utilities, office upkeep, and equipment), staff related expenses (staff training, wages and salaries, statutory contribution and staff welfare) and other miscellaneous items (audit fees, professional fees, consultancy fees and secretarial fees)), of which the actual breakdown cannot be determined at this juncture and is subject to the operating and funding requirements of the Group at the time of utilisation.

Section 5 of the Announcement

5. FUND-RAISING EXERCISES UNDERTAKEN BY THE COMPANY FOR THE PAST 5 YEARS

Save as disclosed below, the Company has not undertaken any other fund-raising exercises in the past 5 years prior to the date of this announcement or any other equity fund-raising exercises of which proceeds have yet to be fully utilised.

20% Private Placement

Pursuant to the "Additional Temporary Relief Measures to Listed Issuers" announcement by Bursa Securities on 16 April 2020, the limit prescribed under Rule 6.04 of the Listing Requirements had increased from 10% to 20% ("**20% General Mandate**"). Bursa Securities had also mandated that the 20% General Mandate may be utilised by a listed corporation to issue new securities until 31 December 2021. Accordingly, the Company had on 18 June 2020 obtained its shareholders' approval for the issuance of Shares not exceeding 20% of the total number of issued Shares at its 10th AGM.

On 18 September 2020, the Company had obtained approval from Bursa Securities for the listing of and quotation for up to 142,093,116 placement shares. Subsequently, the Company had on 15 September 2021 completed the private placement of 142,093,116 new Shares (representing not more than 20% of the total number of issued Shares via a 20% General Mandate pursuant to Sections 75 and 76 of the Act), which raised total gross proceeds of RM34.04 million ("**20% Private Placement**").

There was no variation to the utilisation of proceeds raised from the 20% Private Placement, and the proceeds have been fully utilised as at the LPD for the following purposes:

Utilisation purposes	**Timeframe for utilisation from the completion of the 20% Private Placement**	**RM'000**
Expenditure related to Fintech platform(1)	Within 24 months	17,066
Expenditure related to point of sale ("**POS**") terminal(2)	Within 24 months	9,463
Expenditure related to vertical payment solution(3)	Within 24 months	7,072
Estimated expenses	Upon completion	436
Total		**34,037**

Notes:

(1) *The Group had utilised the proceeds earmarked for the expenditure related to its Fintech platform for the following purposes:*

	RM'000
Research and development[(a)]	*15,000*
Working capital[(b)]	*2,066*
Total	***17,066***

Notes:

(a) *MPSSB had on 30 June 2021 together with its strategic partners, Trustgate, Crescent Capital Sdn Bhd and Richworks International Sdn Bhd submitted an application for a digital banking licence to BNM to operate as an online banking and financial services provider. Proceeds utilised for the research and development included customisation and improvement of the Group's existing systems such as loan origination system and electronic Know-Your-Customer (e-KYC) systems that are fully functional and in compliance with the requirements of BNM and the Financial Services Act 2013 for a licensed digital bank.*

(b) *Comprises expenses for the Group's day-to-day operations related to the development of the Fintech platform such as data centre housing services, office rental and utilities and operating support services.*

(2) *The Group had utilised the proceeds earmarked for the expenditure related to POS terminals for the following purposes:*

	RM'000
Research and development[(a)]	*3,500*
Purchase of hardware[(b)]	*3,500*
Selling and marketing expenses[(c)]	*1,000*
Working capital[(d)]	*1,463*
Total	***9,463***

Notes:

(a) *Includes upgrading the Group's existing business continuity applications such as its card management system, e-payment solutions under the brand name "MPay WALET", MPay e-payment system, e-commerce platforms under the brand names "BuyMalaysia" and "Malaysia Digital Enterprise Exchange", Electronic Cash Point of Sale (ECPOS) system and payment of salaries to research and development staffs in relation to the Group's POS terminal projects.*

(b) *Comprises POS terminals and QR scanners required for the Group's POS terminal projects.*

(c) *Comprises distribution costs and agent commissioning fees for the Group's POS terminal projects, participating in and/or organising trade shows/events/exhibitions and investment in digital marketing and advertising to generate awareness of the Group's POS terminal solutions to the community and potential customers.*

(d) *Comprises expenses for the Group's day-to-day operations in relation to its POS terminal projects such as data centre housing services, office rental and utilities and operating support services.*

(3) *The Group had utilised the proceeds earmarked for the vertical payment solution including cashless and ticketless park and pay management system under the platform, namely the Licence Plate Recognition ("**LPR**") and a health tracking application developed together with UMCH Technology Sdn Bhd with the brand name of "**WeHealth**" for the following purposes:*

	RM'000
LPR	
Research and development[(a)]	*1,500*
Purchase of hardware[(b)]	*1,500*
Selling and marketing expenses[(c)]	*1,200*
Working capital[(d)]	*872*
WeHealth	
Selling and marketing expenses[(e)]	*2,000*
Total	***7,072***

Notes:

(a) *Development of supporting software and fine-tuning of existing software to support LPR hardware.*

(b) *Include LPR camera, entrance and exit verifier, autopay station, barrier gate and central computer system for artificial intelligence, vehicle profiling and parking cashiering system.*

(c) *Comprises distribution costs, agent commissioning fees, investment in digital marketing and advertising to generate awareness of the Group's park and pay management system to the community and potential customers.*

(d) *Comprises expenses for the Group's day-to-day operations in relation to its park and pay management system such as data centre housing services, office rental and utilities and operating support services.*

(e) *Comprises distribution costs, agent commissioning fees for WeHealth, participating in and/or organising trade shows/events/exhibitions and investment in digital marketing and advertising to generate awareness of WeHealth to the community and potential customers.*

30% Private Placement

On 6 January 2022, the Company had obtained approval from Bursa Securities for the listing of and quotation for up to 294,529,200 placement shares, representing 30% of the total number of issued Shares ("**30% Private Placement**"). Subsequently, the Company had on 11 February 2022, obtained shareholder approval for the 30% Private Placement.

On 20 July 2022, the Company had obtained approval from Bursa Securities for an extension of time of up to 4 January 2023 to complete the implementation of the 30% Private Placement. However, on 4 January 2023, after due deliberation and careful consideration of the Group's funding requirements for its business plans at the time, the Company announced its intention to explore other fund-raising avenues that better suit the Group's business needs. As a result, the Company did not seek for a further extension of time to implement the 30% Private Placement, which thereafter expired on 4 January 2023. As such, no funds were raised from the 30% Private Placement, and it was deemed completed upon the expiry of the extension of time.

10% Private Placement

On 20 September 2023, the Company had obtained approval from Bursa Securities for the listing of and quotation for up to 98,176,400 placement shares. Subsequently, the Company had on 15 July 2024 completed the private placement of 86,000,000 new Shares (representing not more than 10% of the total number of issued Shares via a general mandate pursuant to Sections 75 and 76 of the Act) which raised total gross proceeds of RM9.34 million ("**10% Private Placement**").

There was no variation to the utilisation of proceeds raised from the 10% Private Placement, and the proceeds have been fully utilised as at the LPD for the following purposes:

Utilisation purposes	**Timeframe for utilisation from the completion of the 10% Private Placement**	**RM'000**
Expansion of Fintech services[1]	Within 24 months	4,987
Expansion of white label e-money and e-payment ecosystem[2]	Within 12 months	3,417
Working capital	Within 12 months	683
Estimated expenses	Within 1 month	256
Total		**9,343**

Notes:

*(1) The expansion of Fintech services entails the expansion of the QuicKash P2P financing platform, the online lending platform branded as "**QuicKredit**", and the cross-border remittance platform branded as "**HomeRemit**".*

The Group had utilised the proceeds earmarked for the expansion of Fintech services for the following purposes:

	RM'000
QuicKash P2P financing platform	
Additional headcount[a]	*500*
QuicKredit online lending platform	
Additional headcount[a]	*500*
Cash capital[b]	*2,487*
HomeRemit cross-border remittance platform	
Additional headcount[c]	*500*
Capital funds[d]	*1,000*
Total	***4,987***

Notes:

(a) To support business growth in view of the growing interest in the P2P financing and online lending spaces, the Group recruited two additional staff for the sales team to expand the customer base, and two additional staff for the technical team to enhance the platforms and support any necessary system upgrades.

(b) Cash capital to enhance the QuicKredit online lending platform, enabling the Group to provide business and personal loans to more individual and MSME borrowers.

(c) The Group recruited six additional staff for the sales and marketing team to cater to new customers for cross-border remittance services.

(d) Capital fund to prefund the cross-border remittance partners in the countries where the Group wished to establish business presence.

(2) *The Group had utilised the proceeds earmarked for the expansion of white label e-money and e-payment ecosystem is as follows:*

	RM'000
Development expenses[(a)]	*2,000*
Sales and marketing expenses	
Sales and marketing staff costs	*901*
Distribution fees, agent fees and commissions	*258*
Exhibitions and digital marketing	*258*
Total	***3,417***

Note:
(a) *Including the upgrade of the Group's existing e-payment solutions under the brand name "MPay WALET" and its ecommerce platforms under the brand names "BuyMalaysia" and "Malaysia Digital Enterprise Exchange".*

This announcement is dated 8 June 2026.