SMRT HOLDINGS BERHAD ("SMRT" OR THE "COMPANY")

PROPOSED ACQUISITION OF 37.50% EQUITY INTEREST IN NOVUS TECHNOLOGIES PTE LTD BY SMRT, FOR A PURCHASE CONSIDERATION OF SGD7,087,500 TO BE SATISFIED VIA CASH ("PROPOSED ACQUISITION")

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*Unless otherwise stated, the exchange rate of Singapore Dollar ("**SGD**") 1.00: Ringgit Malaysia ("**RM**") 3.1721, being Bank Negara Malaysia's prevailing middle rate as at 5.00 pm on 5 December 2025, being the market day preceding the date of this announcement, has been applied in this announcement for illustration purposes.*

1. INTRODUCTION

The Board of Directors of SMRT ("**Board**") wishes to announce that SMRT ("**Purchaser**"), had on 8 December 2025, entered into a conditional sale and purchase agreement ("**SPA**") with Asia Fintech Ventures Group Pte Ltd ("**AFVG**" or the "**Vendor**") for the proposed acquisition of 1,690,668 ordinary shares in Novus Technologies Pte Ltd ("**NTPL**") ("**NTPL Share(s)**"), representing 37.50% equity interest in NTPL, for a purchase consideration of SGD7,087,500 (equivalent to approximately RM22,482,259) to be satisfied entirely via cash, on the terms and conditions set out in the SPA ("**Purchase Consideration**") ("**Proposed Acquisition**").

Further details of the Proposed Acquisition are set out in the ensuing sections.

2. DETAILS OF THE PROPOSED ACQUISITION

The Vendor has agreed to sell and the Purchaser has agreed to purchase 1,690,668 NTPL Shares ("**Sale Shares**"), representing 37.50% equity interest in NTPL, free from all encumbrances and with all rights, benefits and other entitlements attaching to the Sale Shares, for a total purchase consideration of SGD7,087,500 based on the terms and conditions contained in the SPA. Salient terms of the SPA are set in **Appendix I** of this announcement.

2.1 Information on NTPL

NTPL was incorporated on 7 February 2013 in Singapore under the Companies Act 1967 as a private limited company. As at 28 November 2025, being the latest practicable date of this announcement ("**LPD**"), NTPL has a total issued share capital of SGD15,345,944 comprising 4,508,446 NTPL Shares. As at LPD, NTPL does not have any convertible securities.

NTPL is principally involved in the provision of digital infrastructure and payments technology solutions, specialising in deployment, rental and management of self-service and retail transaction infrastructure and adjacent digital financial technologies, including agent banking and point-of-sale (POS) systems. NTPL's principal place of business is at 152 Beach Road, #13-05 Gateway East, Singapore 189721.

As at the LPD, the director/ substantial shareholder and their respective shareholdings in NTPL are as follows:-

Name	Designation	Place of incorporation	No. of NTPL Shares	%
AFVG	Shareholder	Singapore	4,508,446	100.00

Name	Designation	Nationality
El Khoury Ricardos	Director	Lebanese

As at the LPD, the subsidiaries of NTPL are as follows:-

Company	Effective equity interest (%)	Principal activities
Novustech Transact Lanka (Private) Limited	100.00	Sourcing, building, deploying and maintaining of automated teller machine ("**ATM**") or CD sites
Novus Transact Philippines Corporation	99.99	Supply self-service terminal and related software
Novus Technologies (Cambodia) Company Limited	100.00	Provision of managed services in relation to ATM building, install, maintain and repair

As at the LPD, NTPL does not have any associate or joint venture companies.

A summary of the key financial information of NTPL and its subsidiaries ("**NTPL Group**") for the past 3 financial years up to financial year ended ("**FYE**") 31 March 2025 is set out below:-

	FYE 31 March		
	2023	**2024**	**2025**
	SGD'000	**SGD'000**	**SGD'000**
Revenue	10,038	12,162	12,810
Profit/ (loss) after taxation ("**PAT**"/ "(**LAT)**") attributable to owners of company	420	509	496
PAT margin (%)	4.18	4.19	3.87
Total assets	16,225	18,636	18,018
Total liabilities	19,118	21,090	19,698
Net asset/ (Net liability) ("**NA**"/ "**(NL)**")	(2,862)	(2,251)	(1,680)
Cash flow from operating activities	2,759	3,155	1,117
Cash and bank balance	892	699	1,151
Bank borrowings	-	-	-
Gearing ratio (times)	-	-	-

2.2 Basis and justification of arriving at the Purchase Consideration

The Purchase Consideration of SGD7,087,500 was arrived at, on a willing-buyer willing-seller basis, after taking into consideration the following:-

i. the Proposed Acquisition represents an EV/EBITDA multiple of 9.66 times, based on NTPL's enterprise value ("**EV**") of SGD30.88 million and earnings before interest, tax, depreciation and amortization ("**EBITDA**") of SGD3.20 million;

ii. the historical financial performance of NTPL Group as set out in **Section 2.1** of this announcement; and

iii. the rationale and justifications for the Proposed Acquisition as well as the prospects of the enlarged SMRT Group as set out in **Sections 3 and 4.3** of this announcement.

2.3 Mode of settlement and source of funding

Pursuant to the terms of the SPA, the mode of settlement of the Purchase Consideration shall be in the following manner:-

Payment term/ timing	Consideration SGD
Cash deposit - Upon execution of the letter of intent, paid by SMRT on 8 October 2025	1,000,000
Balance purchase price – To be paid by SMRT upon completion of the Proposed Acquisition	6,087,500
TOTAL	**7,087,500**

SMRT intends to fund the Purchase Consideration fully through internally generated funds.

2.4 Liabilities to be assumed

Save for the obligations and liabilities in and arising from, pursuant to or in connection with the SPA, there are no other liabilities, including contingent liabilities and/ or guarantees, to be assumed by SMRT and its subsidiaries ("**SMRT Group**" or "**Group**") arising from the Proposed Acquisition.

2.5 Additional financial commitment required

Upon completion of the Proposed Acquisition, there are no additional financial commitments to be incurred by SMRT Group to put the business of NTPL on-stream, in view that it is already an on-going business entity.

2.6 Information on the Vendor

AFVG is a private limited company incorporated in Singapore and having its registered office at 21B Bukit Pasoh Road, Singapore 089835. AFVG is a special purpose vehicle wholly-owned by FAC Capital VCC which is a Singaporean Variable Capital Company structure regulated by the Monetary Authority of Singapore.

As at the LPD, the directors/ substantial shareholder and their respective shareholdings in AFVG are as follows:-

Name	Designation	Place of incorporation	No. of AFVG Shares	%
FAC Capital VCC	Shareholder	Singapore	50	100.00

Name	Designation	Nationality
Armand Widjaya	Director	Indonesian
Tan Wei Liang	Director	Malaysian

3. RATIONALE FOR THE PROPOSED ACQUISITION

The Proposed Acquisition forms part of SMRT Group's growth strategy to strengthen its IT and digital solutions business and improve long-term financial performance. The acquisition provides the enlarged SMRT Group with immediate access to NTPL's digital platforms, technology stack and regional customer base. Combined with SMRT's enterprise Internet of Things ("**IoT**") connectivity and managed services, the enlarged Group will be better positioned to deliver integrated digital and IoT solutions to financial institutions and enterprise customers across Southeast Asia.

The Board expects meaningful, mutual synergies including complementary customer access, combined product and go-to-market capabilities, and joint research and development - which the Group will focus on realising over the next 12–18 months. The Board is of the view that the Proposed Acquisition can contribute positively to the enlarged Group's recurring revenue profile and regional growth prospects over time.

NTPL also owns or licenses several proprietary fleet-monitoring and POS tools that are proven in low-connectivity and last-mile environments—capabilities that complement SMRT's emphasis on resilient, managed IoT services. In addition, NTPL's customer footprint (including major institution customers in Sri Lanka and the Philippines) provides immediate access to new geographies; conversely, SMRT's presence in Malaysia and regional partnerships create clear pathways for NTPL to scale its deployments into markets where SMRT is active. This reciprocal market access bolsters the enlarged Group's regional expansion strategy.

Premised on the above and barring any unforeseen circumstances, the Board opines that the Proposed Acquisition will potentially augur well for the long-term growth prospect of SMRT Group and may potentially contribute positively to the financial performance of SMRT Group in the future.

4. INDUSTRY OUTLOOK AND FUTURE PROSPECTS

4.1 Overview and outlook of the Malaysian economy

Malaysia's economy remains strong, having grown by a steady 4.4% in the first six months of the year. Growth is projected to continue within the range of 4% – 4.8% in 2025 and 4% – 4.5% in 2026. These projections are consistent with the International Monetary Fund (IMF) in the World Economic Outlook Update, July 2025, which forecasts Malaysia's growth at 4.5% for 2025 and 4% for 2026.

The growth will mainly be underpinned by strong domestic demand, moderate inflation, favourable labour market and proactive policies undertaken by the Government. The performance will also be supported by the ASEAN-Malaysia Chairmanship 2025 and Visit Malaysia 2026 (VM2026). The economy continues to be steered by the Ekonomi MADANI framework and the Government remains committed to positioning Malaysia as an attractive destination for quality investments. At the same time, ongoing improvements in the wage-setting mechanism and rising business efficiency are expected to strengthen the wage structure, thus contributing to a higher labour income share.

The services sector grew by 5% in the first half of 2025 and is expected to expand by 5.1% in the second half, underpinned by resilient household spending and higher visitor arrivals leading to robust domestic tourism activities. Overall, the sector is estimated to grow 5.1%, with all subsectors registering positive growth.

The wholesale and retail trade subsector grew by 4.3% in the first half of 2025, with sustained performance observed, particularly in the wholesale and retail trade segments. The subsector is anticipated to expand by 4.4% in the second half of the year, driven by retail trade segment attributed to higher domestic consumption and visitor spending. Meanwhile, steady income growth, expansion of initiatives under Payung Rahmah as well as the Penghargaan Sumbangan Asas Rahmah (SARA) RM100 One-off, will further spur household spending. Meanwhile, the motor vehicles segment is estimated to experience a marginal contraction due to normalisation of total industry volume (TIV) for new vehicle sales following all-time high sales of 817,955 units recorded in 2024.

Despite the slowing down in sales, the demand for national cars remains sizeable and orders for electric vehicles (EVs) continues to rise. Therefore, in line with continuation of high order books for the whole year, the automotive industry is expected to support the performance of the segment. Overall, the subsector is forecast to maintain growth of 4.4% in 2025.

The transportation and storage subsector expanded by 9% in the first half of 2025, attributed to vibrant trade, business and leisure activities, as reflected by the increase in various segments, mainly the land and air transport segments, as well as supporting activities related to highway and airport operations. The subsector is expected to grow by 7.7% in the second half of 2025 supported by positive growth in all segments.

Under the land transport segment, growth in traffic volumes on toll highways and ridership of rail transport will be driven by additional extended weekends. The air transport segment is expected to expand with new direct flight services to various destinations in Malaysia by several international carriers, including from China and Sri Lanka. The water transport segment is anticipated to grow amid trade uncertainties which might affect trade flows and shipping services. Overall, the subsector is estimated to expand by 8.4% in 2025.

Malaysia's economy is expected to maintain resilient growth trajectory, anchored by a diversified economic structure and sound policy management against heightened global uncertainties, stemming from unsettled trade tariffs and prolonged geopolitical tensions. While Malaysia's export-oriented markets remain vulnerable, domestic demand will continue to provide a solid foundation, supported by a strong labour market and vibrant private consumption. The upcoming VM2026 is strategically positioned to act as a lever for the economy. With the target of attracting 47 million foreign visitors, VM2026 is set to boost the services sector including retail, transportation and hospitality, while the manufacturing sector and trade remain supportive. The combination of a robust domestic economy, enhanced trade diversification and a major tourism impetus, positions Malaysia to navigate global headwinds and sustain the nation's growth momentum.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

4.2 Overview and outlook of the IT solutions industry in Malaysia

The information and communication subsector expanded by 3.5% in the first half of 2025 attributed to increasing demand for digital connectivity and data services in the telecommunication segment. The subsector's growth is projected to increase by 3.6% in the second half of the year, leading to an overall growth of 3.6% in 2025.

The information and communication subsector is expected to grow 4.3%, mainly driven by expansion in AI technologies, data centre and cloud computing capacities as well as continued government support through comprehensive digital policies and infrastructure upgrades. In addition, the subsector will be fuelled by higher social commerce activities via various social platforms as well as subscriptions of over-the-top (OTT) media services for e-sports and entertainment. Major sporting events such as the 2026 FIFA World Cup, BWF Thomas & Uber Cup 2026 and the 2026 Commonwealth Games will increase the number of subscribers, further boosting the subsector.

One of the central strategies driving Malaysia's economic growth is the implementation of the New Industrial Master Plan 2030 (NIMP 2030), which aims to elevate the manufacturing sector and its related services by increasing value-added output by 6.5% annually, targeting RM587.5 billion by 2030. In catalysing the implementation of this transformation, Budget 2025 allocated RM131.5 million as seed funding to facilitate investment in industrial development initiatives under the Strategic Co-Investment Fund (CoSIF). As of end-August 2025, CoSIF has attracted investments totalling approximately RM25 million in high-value industries, particularly semiconductors, data centres and cloud computing.

Emerging industries are shaping Malaysia's next economic frontier. The digital economy is growing rapidly with AI, cloud computing, 5G technology and e-commerce, while the green economy is advancing through renewable energy, electric vehicles (EVs) ecosystems and battery technology. Businesses benefit from efficiency gains and market expansion, through policies such as the National Fourth Industrial Revolution (4IR) Policy, NSS and the forthcoming National AI Action Plan 2030. Recognising these opportunities as well as the challenges of MSMEs to adopt digital technology, the Government will continue to invest in digital infrastructure, particularly in rural areas, provide support and advisory services to MSMEs as well as enhance AI governance and cybersecurity frameworks. In addition, specific industries such as medical tourism, biotechnology and agrotechnology will be emphasised, which in turn boosting these related-sectors' growth and creating skilled jobs.

By embedding AI across industries and cultivating a culture of innovation, Malaysia can accelerate the transition towards a dynamic and innovative economy, which will move the country up the global value chain. This reinforces Malaysia's aspiration to become a hub for high-value and technology-driven production, thus strengthening long-term competitiveness, creating high-paying jobs and ensuring the nation seizes opportunities in the digital age.

Malaysia's digital transformation strategy has successfully attracted leading firms such as Amazon Web Services, Google, Microsoft and Oracle, with investment commitments amounting to USD16.9 billion. Export expansion is also being supported through reimbursement grants under the Market Development Grant to assist businesses in promoting export products and services as well as accessing international markets, particularly in Africa, Latin America and the Middle East. As of end-August 2025, 77.5% has been spent from the total allocation of RM40 million.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

4.3 Future prospects of the enlarged SMRT Group

SMRT Group remains focused on the growth of its core IoT and IT solutions business, which has been growing in revenue and profitability over the recent FYEs. On 18 May 2023, SMRT Group had completed the following proposals in streamlining its business operations and furthering its business plans to focus on its IT solutions business:-

i. the acquisition of the remaining 36.00% equity interest in N'Osairis Technology Solutions Sdn Bhd for a purchase consideration of RM72,000,000 ("**NTS Acquisition**"); and

ii. the disposal of 100.00% equity interest in SMR Education Sdn Bhd, which then held 42.08% of Cyberjaya Education Group Berhad (then known as Minda Global Berhad) ("**CEGB**"), an educational services provider listed on the Main Market of Bursa Securities ("**SMRE Disposal**"). The disposal consideration of the SMRE Disposal was RM49,455,014.84.

The NTS Acquisition represented a significant step for SMRT Group towards becoming purely an IT solutions business. NTS, which had been a 64.00% subsidiary of SMRT Group since 2016, has been profitable and consistently contributing positively to the earnings and financial performance of SMRT Group.

Conversely, the SMRE Disposal was undertaken in order to streamline the business operations of SMRT Group and to purely focus on the IT solutions business. At the material time of the SMRE Disposal, SMRE (and CEGB) had not contributed significant returns to SMRT Group and had been mostly loss making. Given that SMRE was a subsidiary of SMRT Group, the financial performance of SMRE had been consolidated into SMRT Group and had detrimentally affected the financial performance of SMRT Group. Given this, SMRT Group had opted to focus on its more profitable business (i.e. NTS), and had undertaken the SMRE Disposal in order to focus on the IT solutions business in order to improve financial performance in the long term.

In light of the above, the Proposed Acquisition represents a further step in SMRT Group's future growth plans to strengthen its IT solutions business to further improve profitability and financial performance moving forward.

(Source: Management of SMRT)

5. RISK FACTORS

5.1 Non-completion of the Proposed Acquisition

The completion of the Proposed Acquisition is subject to, amongst others, the fulfilment of the conditions precedent as set out in the SPA as disclosed in **Appendix I** of this announcement. In the event any of the conditions precedent are not fulfilled, the Proposed Acquisition may not be completed, which may result in the failure of SMRT Group to achieve the objectives and benefits of the Proposed Acquisition.

Notwithstanding that, the Board and management of SMRT shall use their best endeavours to ensure there is no delay in fullfilling all the conditions precedent set out in the SPA within the stipulated timeframe.

5.2 Investment risk

The various synergistic benefits to be realised from the Proposed Acquisition is dependent upon the successful completion of the Proposed Acquisition. The Proposed Acquisition is expected to contribute positively to the future performance of the enlarged SMRT Group. However, there can be no assurance that the anticipated benefits from the Proposed Acquisition will be realised, and that the enlarged SMRT Group will be able to generate sufficient revenue to offset the associated costs arising from the Proposed Acquisition.

Notwithstanding that, the Board will seek to mitigate such risks by conducting periodic assessments and reviews and to monitor the progress and performance of NTPL Group. Additionally, the Board will continue to exercise due care and take appropriate measures such as, amongst others, identify and evaluate the risk in planning the successful integration of NTPL Group with its existing business operations.

6. EFFECTS OF THE PROPOSED ACQUISITION

6.1 Share capital and substantial shareholding structure

The Proposed Acquisition will not have any effect on the issued share capital and the substantial shareholding structure of SMRT, as the Proposed Acquisition does not involve any issuance of ordinary shares in SMRT ("**SMRT Shares**" or "**Shares**").

6.2 NA and gearing level

The Proposed Acquisition is not expected to have any immediate material effect on the NA and gearing level of SMRT Group for the FYE 30 June 2026.

6.3 Earnings and earnings per Share ("EPS")

The Proposed Acquisition is not expected to have any material effect on the earnings and EPS of SMRT Group for the FYE 30 June 2026. However, the Proposed Acquisition is expected to contribute positively to the future earnings and EPS of SMRT for the ensuing financial years.

7. HIGHEST PERCENTAGE RATIO APPLICABLE

The highest percentage ratio applicable pursuant to Rule 10.02(g) of the Listing Requirements for the Proposed Acquisition is approximately 23.79% calculated based on the Purchase Consideration over the net asset of SMRT for the FYE 30 June 2025.

8. APPROVALS REQUIRED

The Proposed Acquisition is not subject to the approval of the shareholders of SMRT.

The Proposed Acquisition is not conditional upon any other proposals undertaken or to be undertaken by the Company.

9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/ OR PERSONS CONNECTED TO THEM

None of the Directors, major shareholders of the Company and/ or persons connected to them have any interest, whether direct or indirect, in the Proposed Acquisition.

10. DIRECTORS' STATEMENT

The Board, having considered all aspects of the Proposed Acquisition, including but not limited to the salient terms of the SPA, basis and justification of arriving at the Purchase Consideration, rationale and justification for the Proposed Acquisition, and the financial effects of the Proposed Acquisition, is of the opinion that the Proposed Acquisition is in the best interest of the Company.

11. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances, the Board expects the Proposed Acquisition to be completed by the fourth quarter of 2025.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the SPA is available for inspection at the registered office of the Company at Level 8, Tower Block, University of Cyberjaya, Persiaran Bestari, Cyber 11 63000 Cyberjaya, Selangor Darul Ehsan during the normal business hours from Monday to Friday (except public holidays) for a period being not less than 3 months from the date of this announcement.

This announcement is dated 8 December 2025.

SALIENT TERMS OF THE SPA

The following is a summary of the salient terms of the SPA:-

Particulars	Terms
Purchase Consideration	The purchase consideration for the Sale Shares shall be Singapore Dollars Seven Million Eighty Seven Thousand and Five Hundred (SGD7,087,500.00) only and the purchase consideration has been agreed based on the valuation previously adopted by the Vendor in its prior acquisition of NTPL and reflects the same enterprise valuation basis.
Conditions Precedent	The parties agree that the following conditions shall be satisfied/ or waived in writing by the Purchaser on or before the completion:- (a) All necessary waivers, approvals (including corporate and board approvals of both the Purchaser and the Vendor), confirmations, registrations, licences, and consents from any governmental, regulatory, or other competent authorities in Malaysia, Singapore, or any other relevant jurisdiction (including any consents required under the Bursa Malaysia Listing Requirements) having been obtained and remaining in full force and effect prior to Completion; (b) Evidence satisfactory to the Purchaser that the transfer of the Sale Shares may lawfully be effected under applicable laws and that no approval or consent remains outstanding that would restrict, prohibit, or delay Completion; (c) The Vendor procuring that the Purchaser's chief financial officer (or his designate) is granted immediate access to the books and financial records of NTPL upon execution of this Agreement, for the purpose of reviewing and aligning NTPL's accounting and reporting practices with the public listed company standards and best practices applicable to the Purchaser; (d) The Purchaser having received written confirmation from the Vendor that, to the Vendor's knowledge, there has been no Material Adverse Change since the date of the Letter of Intent; and (e) The Vendor shall have delivered to the Purchaser a Disclosure Letter, duly executed by the Vendor, together with all supporting documents annexed thereto, in a form and substance mutually agreed upon between the parties.

SALIENT TERMS OF THE SPA

Particulars	Terms
Conditions Subsequent	The Vendor shall, at its cost and expense, within ninety (90) days after the Completion Date (or such other extended period as SMRT may approve in writing), procure, deliver and furnish satisfactory evidence to the Purchaser that: (a) all material licences, approvals, and authorisations of NTPL and its subsidiaries are valid, subsisting, and in full force, including but not limited to:- (i) the National Bank of Cambodia payment-processing licence (or written confirmation of exemption therefrom; and (ii) the ICT certificates required under Sub-Decree No. 110 (Cambodia); (b) the nominee shareholder disclosures required under SEC Memorandum Circular No.1 of 2021 (Philippines) have been duly made or rectified; and (c) the statutory filings and annual returns of the Sri Lankan subsidiary have been duly submitted to the Registrar of Companies and all late-filing penalties have been settled. Should the Vendor fail to fulfil any of its abovementioned obligations within the stipulated timeframe, the Purchaser shall be entitles to:- (a) require the Vendor to specifically perform its outstanding obligations therefrom; and (b) claim from the Vendor direct losses arising from such failure up to the prescribed limits.
Termination Rights	The following events shall entitle the Purchaser to terminate the SPA:- (a) any Material Adverse Change occurs, or any event, circumstance, or condition arises which has or could reasonably be expected to have a material adverse effect on the business, assets, operations, or financial condition of NTPL or any of its subsidiaries; (b) Vendor fails to deliver, perform, or satisfy any of its obligations under this Agreement, including any Condition Precedent, covenant, or warranty which, in the reasonable opinion of the Purchaser, materially affects the ability of the parties to proceed to Completion; (c) Breach of Completion obligations by the Vendor Upon the occurrence of any of the above events, the Deposit paid by the Purchaser shall be converted into Co-Investment in accordance with the SPA.
Costs	Except as provided otherwise, each party shall pay its own costs and expenses in connection with the negotiation, preparation and performance of the SPA. The Purchaser shall bear the cost of all stamp duty on the transfer of the Sale Shares.
Governing Law	Law of Singapore. Disputes to be resolved through arbitration under the Singapore International Arbitration Centre (SIAC) Rules.