

**KARIN TECHNOLOGY HOLDINGS LIMITED**  
(Incorporated in Bermuda on 30 August 2002)  
Company Registration No. 32514

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**PROPOSED INVESTMENT OF 40% EQUITY INTEREST IN INFODECK TECHNOLOGY  
PTE. LTD. BY A WHOLLY-OWNED SUBSIDIARY**

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**1. INTRODUCTION**

- 1.1 The Board of Directors of Karin Technology Holdings Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to announce that the Company's wholly-owned subsidiary, Karin Technology (BVI) Limited (the "**Investor**"), has on 5 July 2023, entered into a share subscription agreement (the "**SSA**") with Infodeck Technology Pte. Ltd. ("**Infodeck**" and together with its Taiwan branch office, the "**Infodeck Group**") and Chai Hai Wen (the "**Founder**"), pursuant to which the Investor has agreed to invest in Infodeck by subscribing for such number of shares in Infodeck (the "**Investment Shares**") representing 40% of the issued and paid up share capital of Infodeck post-issuance of shares (the "**Enlarged Issued Share Capital**") on the terms and conditions of the SSA (the "**Proposed Transaction**").
- 1.2 In connection with the Proposed Transaction, the Investor will also be entering into, with Infodeck and the Founder, (i) a shareholders' agreement (the "**SHA**") to regulate the relationship of the parties therein as shareholders of Infodeck, and (ii) an option agreement (the "**Option Agreement**", and together with the SSA and SHA, the "**Transaction Documents**") pursuant to which the Investor is granted an option to subscribe for such additional number of shares in Infodeck representing 51% of the Enlarged Issued Share Capital on the terms of the Option Agreement.

**2. INFORMATION ON INFODECK**

Infodeck is an exempt private company limited by shares incorporated on 31 August 2022 in Singapore, and is mainly engaged in the development and sale of software products and digital solutions under the brand "Infodeck". Infodeck is an independent third party unrelated to any of the directors and controlling shareholders (as defined in the Listing Manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), of the Group.

**3. RATIONALE OF THE PROPOSED TRANSACTION**

- 3.1 The world is considering environmental, social and governance ("**ESG**") performance in businesses and investments and how to increase ESG adoption through corporate transformation. One area that most markets and businesses are eager to adopt is the ability to enable a smarter environment and efficient operations, including higher efficiencies in energy use.

- 3.2 The special expertise of Infodeck in Internet of Things (“IoT”) and smart buildings technologies in a cloud native environment adds value by giving the Group direct access to IoT and smart building solutions platforms that can be sold globally. Accordingly, the Proposed Transaction is in line with the Group's strategy of pursuing new business growth through new technology investments and product expansion.

#### 4. SALIENT TERMS OF THE PROPOSED TRANSACTION

##### Consideration

- 4.1 Under the Proposed Transaction, the Investor has agreed to invest in Infodeck by subscribing for the Investment Shares for a consideration sum of S\$40,000 (the “**Consideration**”), based on arm’s length negotiations, on a willing-buyer, willing-seller basis, taking into account the future business potential of Infodeck as mentioned in section 3 above.
- 4.2 Upon completion of the Proposed Transaction, the Investor shall be a 40% shareholder of Infodeck. The Consideration will be satisfied or paid in full on the date of completion of the Proposed Transaction.
- 4.3 Based on the unaudited financial statements of the Infodeck Group as at 30 April 2023, Infodeck has a net asset value of approximately S\$33,000. The open market value of the Investment Shares is not available as the Investment Shares are not publicly traded and no valuation of the Investment Shares was commissioned.

##### Conditions Precedent

- 4.4 Completion is conditional upon, amongst other things (the “**Conditions**”):
- 4.4.1 the results of a due diligence exercise over the business, affairs, operations, assets, financial condition, prospects and records of the Infodeck Group being satisfactory to the Investor in its absolute discretion; and
- 4.4.2 all consents, waivers, permits, authorisations, orders, grants, confirmations, filings and/or registrations necessary for or required in connection with the subscription of the Investment Shares or for the execution or performance of the SSA (“**Third Party Consent and Permit**”) having been obtained and remaining valid and effective up till and including completion, and where any such Third Party Consent and Permit is subject to conditions, such conditions being satisfactory to the Investor in its sole and absolute discretion and being fulfilled.

##### Completion

- 4.5 Completion of the Proposed Transaction shall occur within five (5) business days of the fulfilment or waiver of the last of the Conditions in accordance with the SSA.

## Representations and Warranties

4.6 Pursuant to the SSA, Infodeck and Founder have furnished representations and warranties typical for transactions such as the Proposed Transaction.

## **5. RELATIVE FIGURES COMPUTED PURSUANT TO RULE 1006 OF THE LISTING MANUAL**

5.1 The relative figures for the Proposed Transaction computed on the bases set out in Rule 1006 of the Listing Manual and based on the latest announced unaudited half year financial statements of the Group for the period ending 31 December 2022 are as set out below:-

<b>Listing Rule</b>	<b>Bases</b>	<b>Relative Figures (%)</b>
Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value.	Not Applicable <sup>(1)</sup>
Rule 1006(b)	The net profits attributable to the assets acquired, compared with the Group's net profits.	-1.4 <sup>(2)</sup>
Rule 1006(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	0.1 <sup>(3)</sup>
Rule 1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not Applicable <sup>(4)</sup>
Rule 1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Infodeck Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not Applicable <sup>(5)</sup>

**Notes:-**

- (1) Rule 1006(a) is not applicable as the Proposed Transaction is not a disposal.
- (2) Net profits means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests. Computed based on the unaudited net loss of the Infodeck Group for the period from 31 August 2022 (being the date of incorporation of Infodeck) to 30 April 2023 and the unaudited half year financial statements of the Group for the period ending 31 December 2022.
- (3) Computed based on the Consideration of S\$40,000 and the Company's market capitalisation of S\$72,476,580, which is determined by multiplying the number of ordinary shares in the share capital of the Company ("**Shares**") in issue (excluding treasury shares) of 216,348,000 Shares by the weighted average price of S\$0.360 per Share on 4 July 2023, being the last market day preceding the date of the SSA.
- (4) Rule 1006(d) is not applicable as the consideration for the Proposed Transaction does not involve an issuance of equity securities.
- (5) Rule 1006(e) is not applicable as this relates to a disposal and the Company is not a mineral, oil and gas company.

5.2 As the relative figures under Rule 1006(c) does not exceed five (5) percent, the Proposed Transaction constitutes a "non-discloseable transaction" for the Company as defined in Chapter 10 of the Listing Manual.

## **6. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTION**

The Company's investment in Infodeck will be funded through internal resources. It is not expected to have any material impact on the net tangible assets per share and earnings per share of the Group for the financial year ending 30 June 2024.

## **7. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors or substantial shareholders of the Company have any interest, direct or indirect, in the Proposed Transaction (save through their respective shareholdings in the Company).

## **8. SERVICE CONTRACT(S)**

No person will be appointed to the Board of Directors of the Company in connection with the Proposed Transaction and no service contracts in relation thereto will be entered into by the Company.

## **9. DOCUMENTS FOR INSPECTION**

Copies of the Transaction Documents will be available for inspection during normal business hours at the office of the Corporate Secretary of the Company in Singapore

at 80 Robinson Road #02-00 Singapore 068898 for a period of three (3) months from the date of this announcement.

**10. RESPONSIBILITY STATEMENT BY THE DIRECTORS**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Transaction, the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

**11. CAUTIONARY STATEMENT**

Shareholders and potential investors should exercise caution when trading in the Company's shares, and where in doubt as to the action they should take, they should consult their legal, financial, tax or other professional advisers.

BY ORDER OF THE BOARD

Ng Mun Kit Michael  
Director  
5 July 2023