

# MULTIPLE PROPOSALS SWS CAPITAL BERHAD ("SWS" OR THE "COMPANY") (I) PROPOSED ACQUISITION; (II) PROPOSED RIGHTS ISSUE OF IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS"); (III) PROPOSED PRIVATE PLACEMENT OF ICPS; AND (IV) PROPOSED AMENDMENTS

## SWS CAPITAL BERHAD

Type	Announcement
Subject	MULTIPLE PROPOSALS
Description	SWS CAPITAL BERHAD ("SWS" OR THE "COMPANY")  (I) PROPOSED ACQUISITION;  (II) PROPOSED RIGHTS ISSUE OF IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS");  (III) PROPOSED PRIVATE PLACEMENT OF ICPS; AND  (IV) PROPOSED AMENDMENTS

We refer to the announcements made on 28 January 2019, 29 January 2019 and 28 February 2019 in relation to the Proposals ("**Announcements**"). Unless stated otherwise, abbreviations and definitions used throughout this announcement shall be the same as those in the Announcements.

Pursuant to the requirement under Paragraph 9.33(1)(a) of the Main Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), SWS is required to submit the listing application, draft circular and the relevant documents and accompanying compliance checklists in accordance with the Listing Requirements as soon as possible and in any event not later than 2 months from the date of the announcement of the Proposals on 28 January 2019 which falls on 27 March 2019 or the date the last approval necessary for the corporate proposal is obtained from the relevant authority, whichever is later.

In accordance with the terms and conditions of the conditional share purchase agreement entered into by SWS and the vendors of Ee Jia dated 28 January 2019 in relation to the Proposed Acquisition ("**SPA**"), SWS had appointed a due diligence legal adviser ("**Legal Adviser**") to conduct a legal due diligence on Ee Jia and its subsidiaries ("**Ee Jia Group**") to satisfy one of the several conditions precedent of the SPA and also for the purpose of the due diligence required for the submission of the relevant applications and documents to Bursa Securities and subsequently the abridged prospectus to be registered with the Securities Commission Malaysia.

The Legal Adviser had informed us that the legal due diligence on Ee Jia Group is still in on-going and that they require additional time to complete the legal due diligence on Ee Jia Group.

In addition, it is in the Company's best interest to procure as many irrevocable and unconditional undertakings from its substantial shareholders to fully subscribe for their respective entitlements for the Rights ICPS as at the Entitlement Date under the Proposed Rights Issue of ICPS ("**Undertakings**") to reduce the costs associated with the payment of underwriting fees to underwriter(s) for the underwriting of the Rights ICPS in relation to the Proposed Rights Issue of ICPS. As such, the Company is in the midst of procuring such Undertakings and also requires additional time to procure the Undertakings.

In view of the above, IPS had on 21 March 2019 submitted an application to Bursa Securities to seek its approval for an extension of time of up to 27 April 2019 to submit the listing application, draft circular and the relevant documents and accompanying compliance checklists to Bursa Securities.

This announcement is dated 21 March 2019.