

OPTIMAX HOLDINGS BERHAD (“OPTIMAX” OR THE “COMPANY”)**EXTENSION OF TIME FOR THE UTILISATION OF PROCEEDS RAISED FROM THE INITIAL PUBLIC OFFERING EXERCISE**

1. INTRODUCTION

Reference is made to the utilisation of proceeds raised from the Initial Public Offering (“**IPO**”) as disclosed in the Company’s Prospectus dated 15 July 2020 that was issued in conjunction with the listing of and quotation for its entire enlarged issued capital on the ACE Market of Bursa Malaysia Securities Berhad on 18 August 2020 (“**Listing**”). The Company had raised total gross proceeds of RM21 million from its IPO (“**IPO Proceeds**”). The Board of Directors of the Company (“**Board**”) wishes to announce that it has deliberated and resolved to extend the timeframe for the utilisation of the remaining unutilised IPO Proceeds allocated for capital expenditure for an additional twelve (12) months of up to twenty-four (24) months from the date of Listing (“**Extension of Time**”).

2. DETAILS OF THE EXTENSION OF TIME

As at the date of this announcement, the Company has utilised approximately RM17.60 million from the total IPO Proceeds. The Company has yet to fully utilise the IPO Proceeds allocated for capital expenditure which were initially intended to be utilised within twelve (12) months from the date of Listing. The status on the utilisation of IPO Proceeds is set out below: -

Purpose	Original proposed utilisation RM’000	Actual utilisation RM’000	Balance unutilised RM’000	Estimated utilisation timeframe upon Listing	Revised expected timeframe for utilisation of IPO Proceeds
Capital expenditure	10,354	(6,766)	3,588	Within 12 months	Within 24 months
Repayment of borrowings	3,520	(3,569)	-	Within 3 months	Not applicable as fully utilised
Working capital	3,526	(3,526)	-	Within 12 months	Not applicable as fully utilised
Estimated listing expenses	3,600	(3,731)	-	Within 1 month	Not applicable as fully utilised
Total	21,000	(17,596)	3,588		

3. RATIONALE FOR THE EXTENSION OF TIME

The intended use for the amount allocated for capital expenditure from the IPO Proceeds is for the acquisition of the parcels of freehold land in Bandar of Seremban together with two (2) contiguous units of three-storey mid and end terraced shop/offices ("**Seremban Buildings**") and the purchase of operation equipment to be situated, affixed or installed in the Seremban Buildings. The remaining RM3.59 million allocated for the capital expenditure has not been fully utilised as at the date of this announcement due to the delay in the completion of the sales and purchase of the Seremban Buildings pending the fulfilment of its conditions precedent and the deferment in the purchase of operation equipment.

4. APPROVAL REQUIRED

The Extension of Time is not subject to any regulatory authorities or shareholders' approval. Nevertheless, the Board shall continue to be vigilant and prudent in managing the IPO Proceeds and will continue to disclose the status of the use of the IPO Proceeds in the Company's quarterly results and annual report until it is fully utilised.

The Board is of the opinion that the Extension of Time for the use of the IPO Proceeds will not have any adverse effect on the financial performance of Optimax and it is in the best interest of the Company.

This announcement is dated 23 August 2021.