

COMINTEL CORPORATION BHD (“COMCORP” OR “THE COMPANY”)

Transfer of the entire issued share capital of Comintel (HK) Limited (“CHK”) from Comintel Sdn Bhd (“Comintel”), a wholly-owned subsidiary of Comcorp to Comcorp pursuant to the internal reorganisation (“Transfer of Subsidiary”)

1. INTRODUCTION

The Board of Directors of Comcorp (“**Board**”) wishes to announce that the Transfer of Subsidiary that was undertaken by the Company pursuant to the Reorganisation Agreement dated 22 July 2020 entered into amongst Comcorp, Comintel, Total Package Work Sdn Bhd (formerly known as Indusmatic Corporation Sdn Bhd (“TPW”), Comintel Mobility Sdn Bhd (“CMSB”), CHK, Comintel Tech Services Sdn Bhd, Comintel System Technologies Sdn Bhd, Comintel Green Technologies Sdn Bhd and PT. Intelcom Indonesia has been completed on 21 October 2020, upon receipt of the duly executed and stamped instrument of transfer on the even date.

Further details of the Transfer of Subsidiary are set out in the ensuing sections.

For information purposes, Comcorp had completed the transfer of TPW and CMSB from Comintel to Comcorp on 7 September 2020.

2. DETAILS OF THE TRANSFER OF SUBSIDIARY

The Transfer of Subsidiary entails the transfer of 100% equity interest of 1,000 ordinary shares in CHK, representing the entire equity interest in CHK for a cash consideration of HKD2.00.

The consideration for the Transfer of Subsidiary is based on the nominal value of the company in view that CHK has not commenced operations. CHK is a wholly-owned subsidiary of Comcorp upon completion of the Transfer of Subsidiary on 21 October 2020.

2.1 Information on CHK

CHK was incorporated in Hong Kong under the Companies Ordinance (Cap 622 of the Laws of Hong Kong) on 7 March 1996 as a private limited company under the name of Teamate Developments Limited and subsequently assumed its present name on 17 October 1996.

CHK is intended to engage in trading of electronic, engineering and telecommunication equipment and provision of related services.

3. RATIONALE FOR THE TRANSFER OF SUBSIDIARY

The Transfer of Subsidiary is part of the Company’s initiatives to streamline the business segments of the group to achieve operating efficiency. It is also consistent with the Company’s long term business plan to strengthen its system integration and maintenance segments whereby CHK will be the trading arm of the group.

4. EFFECTS OF THE TRANSFER OF SUBSIDIARY

The Transfer of Subsidiary will not have any effect on the earnings, net assets, gearing, share capital and substantial shareholders' shareholdings of Comcorp for the financial year ending 31 January 2021.

5. APPROVALS REQUIRED

The Transfer of Subsidiary is not subject to the approval of the shareholders of the Company or other relevant authorities.

6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED

None of the Directors, major shareholders of Comcorp and/or persons connected to them have any interest, whether direct or indirect, in the Transfer of Subsidiary.

This announcement is dated 23 October 2020.