

## D'NONCE TECHNOLOGY BHD ("DTB" OR THE "COMPANY")

### PROPOSED PRIVATE PLACEMENT OF UP TO 20% OF THE TOTAL NUMBER OF ISSUED SHARES OF DTB ("PROPOSED PRIVATE PLACEMENT")

*The terms used herein, unless the context otherwise stated, bear the same meaning as those defined in the earlier announcements in relation to the Proposed Private Placement.*

Reference is made to the earlier announcements dated 21 November 2018, 27 November 2018, 30 November 2018 and 13 December 2018 in relation to the Proposed Private Placement.

On behalf of the Board of Directors of DTB ("**Board**"), UOB Kay Hian Securities (M) Sdn Bhd wishes to announce that the Board, after taking into consideration the current market condition, had decided not to proceed with the Proposed Private Placement.

As highlighted in the circular to shareholders of DTB dated 11 December 2018 in relation to the Proposed Private Placement, the Company intends to raise gross proceeds of up to approximately RM26.47 million from the Proposed Private Placement, to be utilised in the following manner:-

Details of utilisation	Timeframe for utilisation	<----Amount of proceeds---->	
		Minimum Scenario RM'000	Maximum Scenario RM'000
Property development expenses	Within 24 months from completion	10,791	15,881
Repayment of bank borrowings	Within 3 months from completion	7,044	10,438
Estimated expenses in relation to the Proposed Private Placement	Upon completion	150	150
<b>Total</b>		<b>17,985</b>	<b>26,469</b>

Notwithstanding the above, given the current uncertain equity market condition, the Company intends to explore alternative funding options to meet its funding requirements. For instance, the Company may consider utilising its internally generated funds and/ or alternative methods of fundraising to finance its property development expenses and repayment of bank borrowings.

For the avoidance of doubt, based on the latest unaudited consolidated financial statements of DTB and its subsidiaries ("**DTB Group**" or "**Group**") as at 31 August 2018, the Group's net cash generated from operating activities stood at approximately RM5.87 million. In addition, the Group's cash and bank balances stood at approximately RM29.07 million whilst its bank borrowings stood at approximately RM73.66 million. Based on the Group's net assets of approximately RM81.27 million, its gross gearing ratio is recorded at 0.91 times whilst its net gearing ratio stood at 0.55 times. In view of the foregoing, the Company may consider to fund its property development expenses and repayment of bank borrowings in the interim via internally generated funds and/ or alternative methods of fundraising.

**This announcement is dated 29 January 2019.**