

## **FSBM HOLDINGS BERHAD ("FSBM" OR THE "COMPANY")**

---

**STRATEGIC ALLIANCE AGREEMENT ENTERED INTO BETWEEN C2M ELITE SDN. BHD. (FORMERLY KNOWN AS FSBM I-CENTRE SDN. BHD.), A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY, AND SYNERGIES INTELLIGENT SYSTEMS, INC. AND ZHONG YANG TECHNOLOGY CO., LTD.**

### **1. INTRODUCTION**

The Board of Directors of FSBM Holdings Berhad ("**FSBM**" or "**Company**") ("**Board**") wishes to announce that its wholly owned subsidiary, C2M Elite Sdn. Bhd. (formerly known as FSBM I-Centre Sdn. Bhd.) [Registration No.: 200101002141 (537897-D)] ("**C2M Elite**") had on 21 January 2025 entered into a Strategic Alliance Agreement ("**SAA**") with Synergies Intelligent Systems, Inc [Company No.: 001242181] ("**Synergies**") and Zhong Yang Technology Co., Ltd. (Company No.: 01362529F) ("**Zhong Yang**") (hereinafter referred to as the "**Parties**") for exploration of collaboration opportunities and partnership opportunities ("**Collaboration**").

### **2. INFORMATION ON C2M ELITE**

C2M Elite is a company incorporated in Malaysia as a private limited company under the Companies Act 1965 and deemed registered under the Companies Act 2016, and having its principal place of business at L3-02, KYM Tower 8, Jalan PJU 7/6, PJU 7, Mutiara Damansara, 47800 Selangor, Malaysia.

C2M Elite is a wholly-owned subsidiary of FSBM and is primarily engaged in provision of modern technology, IT, Industry Internet of Things ("IIoT") solutions and support services for AI-enabled marketplace platform. It also provides consultancy services related to design and technical architecture drawing, and smart engineering solutions related services. FSBM is a leading provider of innovative technology solutions that empower efficiency and competitiveness.

### **3. INFORMATION ON SYNERGIES**

Synergies is a company incorporated under the laws of the United States of America and having its business address at 64 Highland Avenue, Unit 13, Winchester, MA 01890, USA.

Synergies is primarily engaged in providing augmented analytics and business-intelligence platform.

### **4. INFORMATION ON ZHONG YANG**

Zhong Yang Is a public company listed on the Taiwan Stock Exchange and having its principal place of business at No. 21, Gongyequ 22nd Road, Nantun District TAICHUNG 408, Taiwan.

Zhong Yang is primarily engaged in manufacturing and distributing high-precision optical molds and lenses.

### **5. SALIENT TERMS OF THE SAA**

The Parties agree that the collaboration and partnership shall be carried out on the terms and conditions as set out in the SAA.

- i. The objective of the strategic alliance aims to launch and deploy the groundbreaking HMLV.ai Customer-to-Manufacturer (C2M) platform, setting the stage for digital transformation in the manufacturing industry across Southeast Asia (“SEA”).
- ii. The collaboration between the Parties aims to create a robust and innovative ecosystem to deliver state-of-the-art solutions to the mechanising tool market in SEA. The key focus areas of this collaboration include:

**(a) Joint Development of Advanced Technological Solutions**

The Parties shall work collaboratively to develop, refine, and deploy the C2M Platform (HMLV.ai), harnessing state-of-the-art AI algorithms and advanced technologies to create a scalable and efficient AI enabled supply chain solution for the manufacturing sector, with a focus on improving productivity, cost efficiency, and user experience.

**(b) Engaging and Integrating Local Suppliers**

The Parties shall actively pursue the onboarding of Malaysian manufacturers to the C2M Platform, enabling them to access global markets and enhance their competitiveness. C2M Elite shall take the lead in identifying and onboarding local suppliers, while Synergies shall ensure their seamless integration into the platform. Zhong Yang shall uphold the quality and reliability of its contributions by implementing stringent evaluation processes and maintaining a consistently robust supply chain.

**(c) Strategic Market Positioning and Expansion**

The Parties shall jointly position the Project as a leader in the Southeast Asia region by aligning with prevailing market trends, adopting targeted go-to-market strategies, and executing comprehensive outreach initiatives that emphasize the unique capabilities of the C2M Platform and its value proposition. Malaysia has been identified as the strategic base for the expansion into the broader Southeast Asia market, and the collaboration will focus on establishing and growing operations in Malaysia to drive market penetration and regional leadership.

**(d) Integrated Marketing and Publicity Campaigns**

The Parties shall coordinate high-impact marketing efforts, including digital campaigns, press releases, and participation in global trade fairs, to amplify the visibility of the Project. These efforts shall also include targeted engagement with key industry stakeholders to maximize market penetration and customer acquisition.

**(e) Industry Engagement and Knowledge Transfer**

The Parties shall organize and execute a series of thought leadership initiatives such as seminars, workshops, and webinars to disseminate knowledge, foster industry engagement, and showcase the transformative potential of the Project within the manufacturing ecosystem.

**(f) Collaborative Branding and Stakeholder Confidence**

The Parties shall undertake a unified branding approach, ensuring consistent messaging across all platforms and activities to enhance market credibility, foster stakeholder trust, and establish the Project as a benchmark in the industry.

**(g) Supply Chain Integration and Optimization**

The Parties shall collaborate to integrate advanced supply chain solutions into the C2M Platform. Zhong Yang shall ensure the delivery of high-quality, rigorously audited mechanical parts, while

C2M Elite and Synergies shall facilitate the seamless integration of supply chain processes to optimize efficiency and enhance customers' satisfaction.

**(h) Innovation and Market Leadership**

The Parties shall commit to continuous innovation by conducting regular assessments, exploring emerging opportunities, and adopting cutting-edge advancements to maintain a competitive edge and drive the Project's growth across the Southeast Asia region.

**6. RATIONALE OF THE SAA**

This SAA is established to formalise the partnership between the Parties, focusing on leveraging their collective expertise and resources to achieve a transformative impact on the manufacturing industry in Southeast Asia (SEA) through the deployment of the HMLV.ai Customer-to-Manufacturer (C2M) Platform. The alliance focuses on driving digital transformation by leveraging AI and advanced technologies to enhance productivity and efficiency.

The partnership identifies Malaysia as the strategic hub for regional market expansion, focusing on empowering local manufacturers to access global markets and strengthening Southeast Asia's competitiveness in advanced manufacturing. Key initiatives include the joint development of AI-enabled solutions, seamless integration of local suppliers into the platform, and targeted go-to-market strategies to position the Project as a regional leader.

The SAA also underscores a commitment to continuous innovation, industry engagement through thought leadership initiatives such as seminars and workshops, and unified branding efforts to enhance market credibility and stakeholder confidence. By combining expertise in AI and advanced technologies, the parties aim to deliver transformative solutions and establish the Project as a benchmark for innovation and leadership in the Southeast Asian manufacturing ecosystem.

**7. DURATION OF THE SAA**

The SAA is not subject to any condition precedent and the SAA shall take effect upon execution by the Parties.

Any of the Parties may terminate the SAA for any reason whatsoever by giving the other Party not less than three (3) months prior written notice. In the event of termination, the provisions of the SAA shall continue to be effective and enforceable to on-going programmes or activities until their completion.

**8. EFFECTS OF THE SAA**

The SAA is not expected to have any material effect on the earnings per share, net assets per share and gearing of the Company or the Group for the financial year ending 31 December 2025. It will not have any effect on the share capital and substantial shareholders' shareholdings of the Company. However, it is expected to contribute positively to the future earnings of the Group should business opportunities arising from the SAA materialised.

**9. RISK FACTORS**

The Company does not expect any material risk arising from the SAA other than the operational risk associated with the SAA during the term of the SAA.

**10. DIRECTORS AND MAJOR SHAREHOLDERS' INTEREST**

None of the Directors and/or Major Shareholders of the Company and/or persons connected with them have any interest, directly and/or indirectly, in the SAA.

**11. STATEMENT BY DIRECTORS**

The Board of Directors of the Company, having taken into consideration all aspects of the SAA, is of the opinion that the SAA is in the best interest of FSBM.

**12. APPROVALS REQUIRED**

The SAA is not subject to the approval of the shareholders of the Company.

**13. DOCUMENTS AVAILABLE FOR INSPECTION**

The SAA is available for inspection at the Registered Office of the Company at Level 5, Tower 8, Avenue 5, Horizon 2, Bangsar South City, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur during normal office hours on Mondays to Fridays (except for public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 21 January 2025.