

1. INTRODUCTION

The board of directors of FSBM Holdings Berhad ("**FSBM**" or the "**Company**") wishes to announce that its wholly owned subsidiary, FSBM I-Centre Sdn. Bhd. [Registration No.: 200101002141 (537897-D)] ("**FSBM I-Centre**") had on 6 December 2024 entered into a contract ("**Contract**") with Synergies Intelligent Systems, Inc [EIN No.: 001242181] ("**Synergies**") to jointly explore and develop the Malaysian and South East Asia ("**SEA**") market for consumer-to-manufacturer ("**C2M**") services for customised machining parts ("**Project**").

FSBM I-Centre and Synergies shall collectively referred to herein as "**Parties**" and each as a "**Party**".

2. BACKGROUND INFORMATION OF 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 principally involved in developing no-code data analytics platform.

3. BACKGROUND INFORMATION OF FSBM I-Centre

FSBM I-Centre is a company incorporated under the laws of Malaysia and having its business address at L3-02, KYM Tower, 8, Jalan PJU 7/6, PJU 7, Mutiara Damansara, 47800 Selangor, Malaysia. FSBM I-Centre is provision in providing modern technology, IT, Industry Internet of Things ("**IIoT**") solutions and support services for AI-enabled marketplace platform. The company also providing consultancy services related to design and technical architecture drawing, and smart engineering solutions related services.

4. SALIENT TERMS OF THE CONTRACT

4.1 Scope of Cooperation

4.1.1 Synergies and FSBM I-Centre agreed to cooperate in promoting the Project, targeting on-demand custom machining parts in the Malaysian and SEA market.

4.1.2 Synergies shall develop and provide the consumer-to-manufacturer platform ("**C2M Platform**") with AI technical support.

4.1.3 Synergies will roll out the C2M Platform in phases. Phase 1 will be the launch of a core quotation system for custom made machining parts, including parts covering sheet metal fabrication, CNC turning, and CNC milling ("**Core Quotation System**"), by 1 December 2024. In Phase 2, mould quotation capabilities will be added, with enhanced accuracy and efficiency in quotations, by Q3 2025. Finally, the system will be upgraded in Phase 3 to support full scale project-level quotations with automatic decomposition of complete designs into separate orders per component, streamlining complex quoting processes for efficient order management from a single input, targeted for release by Q4 2025.

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

CONTRACT ENTERED BETWEEN FSBM I-CENTRE SDN BHD ("FSBM I-Centre"), A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY AND SYNERGIES INTELLIGENT SYSTEMS, INC ("Synergies")

- 4.1.4 FSBM I-Centre shall facilitate the deployment, configuration and integration of IT and IIOT solutions as well as providing tailored support services for the C2M Platform, support client onboarding and collaboration by guiding clients/platform users in using the platform and collaborate with Synergies to identify target clients and support solution implementation.

FSBM I-Centre and Synergies shall form a strategic collaboration, granting FSBM I-Centre an exclusive license to utilise Synergies' technological products over a 6 year contract to support the promotion and operation of the C2M Platform.

4.2 Payment

- 4.2.1 **Payment Schedule:** The payment schedule is divided into three milestones. First milestone involves payment of an initial deposit amounting to 55% of the total payable by FSBM I-Centre within seven days of contract signing. Second milestone relates to the launch of the Core Quotation System without any payment fixed under this milestone. Third milestone includes a payment of balance 45% by FSBM I-Centre based on reaching revenue milestone. The total payments under the milestones will range from a minimum of USD500,000 to a maximum of USD600,000.

- 4.2.2 There is also a revenue sharing component between the 2 parties.

5. FINANCIAL EFFECTS OF THE CONTRACT

The Contract is not expected to have any material effect on the earnings per share, net assets per share and gearing for the financial year ending 31 December 2024. However, it is expected to contribute positively to the future earnings of FSBM and its subsidiaries should business opportunities arising from the Contract materialise.

The Contract will not have any effect on the share capital and substantial shareholders' shareholding of FSBM.

6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the directors and/or major shareholders of FSBM or person connected to them has any interest, direct or indirect, in the Contract.

7. APPROVALS REQUIRED

The execution of the Contract is not subject to the approval of the shareholders of FSBM or any relevant authorities.

This Contract is within the ordinary course of business of the Group and is a non-related party transaction. As such, this announcement is made by the Company on a voluntary basis.

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8. STATEMENT BY DIRECTORS

The Board of Directors, having taken into consideration all aspects of the Contract, is of the opinion that the execution and/or the acceptance of the Contract is in the best interest of FSBM.

This announcement is dated 6 December 2024.

APPENDIX I - GLOSSARY OF TECHNICAL TERMS

Except where the context otherwise requires, the following definitions shall apply throughout this Announcement:

AI	: means artificial intelligence, the simulation of human intelligence processes by machines, especially computer systems, including learning, reasoning, and self-correction;
C2M Platform	: means Consumer-to-Manufacturer Platform, a digital platform connecting customers directly with manufacturers for customised production, bypassing traditional intermediaries;
CNC	: means Computer Numerical Control, the technology that automates the control of machining tools through computer programming for precise manufacturing;
IIOT	: means Industrial Internet of Things, the application of IoT (Internet of Things) technology in industrial sectors to enhance efficiency and enable smarter operations;
IT	: means Information Technology, the use of systems (such as computers and telecommunications) for storing, retrieving, transmitting, and manipulating data;
USD	: means United States Dollar, the official currency of the United States, commonly used in international transactions.