



MEDIA RELEASE

NTEGRATOR TO ACQUIRE LUXURY WATCH ECOMMERCE PLATFORM, BESTWATCH, AND DIGITAL ADVERTISING GROUP, GADMOBE GROUP, FOR AN INITIAL COMBINED CONSIDERATION OF APPROXIMATELY S\$29.6 MILLION

- *Group entered into a Share Purchase Agreement (“SPA”) to acquire 55.0% of Golden Ultra Limited and CKLY Trading Limited (together, “Bestwatch”) for an initial purchase consideration of HK\$82.5 million (or S\$14.4 million¹)*
- *Separately, the Group also entered into a SPA with Mr. Tam Ki Ying to acquire 85.0% of his shareholdings in Sasha Lab Limited, Gadmobee Interactive Limited, 廣州悠綠游信息技術有限公司 (GZ Youlvyou Info Tech Co Ltd), Bass of Hala OÜ and COD Centre Pte. Ltd. (collectively, “Gadmobee Group”) for an initial purchase consideration of HK\$87.4 million (or S\$15.2 million¹)*
- *Both the proposed earnings accretive acquisitions once completed will enable the Group to diversify its revenue streams and enhance its shareholder returns in the long term while the proposed acquisition of Gadmobee Group will deliver synergistic benefits to the Group’s existing and new businesses*

Singapore, October 12, 2021 – NTEGRATOR International Ltd (“NTEGRATOR” or the “Group”), a leading regional communications network specialist and systems integrator, today announced that it had signed two separate SPAs to acquire 55.0% of the Bestwatch and 85.0% of Gadmobee Group for an initial purchase consideration of HK\$82.5 million and HK\$87.4 million respectively.

¹ Based on prevailing exchange rate of S\$1.00:HK\$5.73 on 11 October 2021

To secure the proposed acquisitions of Bestwatch and Gadmobee Group, the Group will issue promissory notes at 8% coupon per annum to the respective vendors. The Company may give a noteholder 14 business days' notice in writing to redeem one or more promissory notes held by that noteholder at 100% of their principal value without cost or penalty at any time after such promissory notes were issued. The Group intends to fund the proposed acquisitions through raising funds in the capital markets. The Group will update shareholders via SGXNet accordingly when any material developments on future corporate actions arise.

Proposed Acquisition (1) – Bestwatch

Based in Hong Kong and operating since 2016, Bestwatch is in the business of trading watches through an online platform known as, www.bestwatch.com.hk, which retails various luxury watch brands to customers in Hong Kong and other countries. Bestwatch had been profitable for the last five years and has been expanding its omnichannels to attract customers online and through its shop and office front.

As of 30 June 2021, Bestwatch had a NTA value of HK\$6.2 million (or S\$1.1 million¹) and generated a net profit attributable to shareholders of HK\$1.5 million (or S\$0.3 million¹) and an EBITDA of HK\$3.5 million (or S\$0.6 million¹) for the six months ended 30 June 2021 (“HY2021”).

To align the interests of the Group with the vendor's, the vendor will be compensated with an additional maximum earnout incentive of approximately HK\$27.5 million (or S\$4.8 million¹) in two tranches, according to a formulae² based on Bestwatch's EBITDA for the six months ended 30 June 2022 (“HY2022”) and financial year ended 31 December 2022 (“FY2022”).

Based on an independent third-party valuer³, FT Consulting Limited, Bestwatch is valued at approximately HK\$138.3 million (or S\$24.1 million¹) as of 30 June 2021. The proposed acquisition once completed would have represented a premium of approximately 8.5% based on a 55.0% stake.

However, the Group will inherit an experienced team of 15 employees, Bestwatch's operational knowhow, technical expertise plus its established network of suppliers, dealers and customers. Therefore, saving the Group much costs, management time and resources.

² Earnout Incentive = HY2022 or FY2022 EBITDA X 8.0 X 55.0%

³ Prepared in accordance with RICS Valuation – Professional Standards published by the Royal Institution of Chartered Surveyors and International Valuation Standards published by the International Valuation Standards Council.

Proposed Acquisition (2) – Gadmobe Group

Sasha Lab Limited, Gadmobe Interactive Limited, 廣州悠綠游信息技術有限公司 (GZ Youlvyou Info Tech Co Ltd) and Bass of Hala OÜ are in the business of providing information technology services, payment gateways, e-commerce solutions, big data analytics and digital advertising etc. COD Centre Pte. Ltd. provides value-added logistic services and developing e-commerce applications. Prior to the proposed acquisition being completed, Mr. Tam Ki Ying will undergo a proposed corporate restructuring to consolidate 100.0% of the above-mentioned entities all under one holding company.

As of 30 June 2021, Gadmobe Group had a NTA value of HK\$4.5 million (or S\$0.8 million¹) and generated a net profit attributable to shareholders of HK\$1.9 million (or S\$0.3 million¹) and an EBITDA of HK\$2.4 million (or S\$0.4 million¹) for HY2021.

To align the interests of the Group with Mr. Tam Ki Ying, Mr. Tam Ki Ying will be further compensated with a maximum earnout profit share of approximately HK\$15.4 million (or S\$2.7 million¹) in two tranches, according to a formulae⁴ based on Gadmobe Group's EBITDA for HY2022 and FY2022. In addition, Mr Tam Ki Ying will continue to hold the remaining 15.0% stake in Gadmobe Group and will stay on for a period of three years as an Executive Director of the Group to oversee the implementation of the proposed acquisition of Gadmobe Group.

Based on an independent third-party valuer⁵, CHFT Advisory and Appraisal Ltd., Gadmobe Group is valued at approximately HK\$80.8 million (or S\$14.1 million¹) as of 30 June 2021. The proposed acquisition once completed would have represented near its valuation based on a 85.0% stake.

The proposed acquisition of Gadmobe Group will synergistically complement the Group's existing and new businesses by (i) expanding the Group's businesses into new markets utilising Gadmobe Group's payment footprint; (ii) optimising the Group's businesses utilising Gadmobe Group's big data technologies; and (iii) expanding the Group's client portfolio leveraging on the Gadmobe Group's advertising and e-commerce channels.

⁴ Earnout Incentive = HY2022 or FY2022 EBITDA X 8.0 X 85.0%

⁵ Prepared in accordance with RICS Valuation – Professional Standards published by the Royal Institution of Chartered Surveyors ("RICS") and the International Valuation Standards ("IVS") published by the International Valuation Standards Council.

Both the proposed earnings accretive acquisitions will be subject to shareholders' approval via an Extraordinary General Meeting (“EGM”) to mainly seek diversification of the Group’s existing businesses to include the proposed new businesses of Bestwatch and Gadmobe Group.

Commenting on the proposed acquisitions of Bestwatch and Gadmobe Group, Mr. Christian Kwok-Leun Yau Heilesen, Executive Director of Ntegrator, said: **“The revolutionary technology and big data capabilities of Gadmobe Group will propel both the existing businesses of Ntegrator and Bestwatch enabling them to quickly identify new markets and customers across different geographic regions.**

Both Bestwatch and Gadmobe Group had been EBITDA positive in HY2021 and we are optimistic that the proposed acquisitions once completed will contribute positively to our Group’s financial performance going forward.

Both proposed acquisitions are expected to digitalize and transform our existing and new businesses, kickstart our ecommerce efforts, diversify our revenue streams, deliver synergistic benefits across all business segments and enhance our shareholder returns in the long term”

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About Ntegrator International Ltd

Established in April 2002 and listed on the Catalist board of the Singapore Exchange Limited (“SGX”) on 26 October 2005, Ntegrator’s core businesses include the design, installation and implementation of data, video, fibre optics, wireless and cellular network infrastructure as well as voice communication systems. The Group provides project management services as well as maintenance and support services.

Headquartered in Singapore, Ntegrator has operations in Singapore, Vietnam and Myanmar.

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*This media release has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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