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**TECHNA-X ACQUIRES 25% STAKE IN TELCO-MEDIA
COMPANY MBITS DIGITAL FOR RM12.5 MILLION**
*~ Investment another step in creating Malaysia's most complete digital
transformation solutions provider ~*

KUALA LUMPUR, 8 FEBRUARY 2021 – Techna-X Berhad (“TXB” or the “Group”) announces its investment into MBits Digital Sdn Bhd by acquiring a 25 percent stake in the telco-media company for RM12.5 million as part of the Group’s plans to create the most complete digital transformation solutions provider in the country.

MBits is the operator of Internet Protocol TV Station and a leading digital platform creator focusing on the telco media ecosystem, supported by licenses issued by the Malaysian government. MBits is the only company holding a full broadcasting license as well as licenses for the full telco spectrum in Malaysia. The company has since launched cellular service, data and bandwidth service in June 2020 and its LIFE* & PLAY> content service in October 2020. MBits also provides its MOVE~ fibre optics infrastructure.

Datuk Jared Lim, the Executive Director of Techna-X said, “MBits offers tremendous synergies with Techna-X’s digital transformation strategy. Techna-X has a clear objective of being the leading digital transformation company in Malaysia. Digitising means having internet access coverage nationwide so that services can be provided through digital platforms including merchants, banking, content viewing and so on. These require infrastructure development ranging from fibre optics to mobile network.”

“Infrastructure building of towers for network frequencies and fibre optics deployment requires licenses, which are already obtained by MBits Digital,” Lim said.

According to the Malaysian Communications and Multimedia Commission, while Malaysia has a population of 32.7 million, excluding foreign workers, there are 40 million mobile and internet users in the country. These are all potential users for MBits as a digital-based service provider. Having said that, MBits’ immediate target market would be the underserved segments, which are the B40 group, school and university students, as well as foreign workers.

“As Techna-X begins to roll out its smart city model in various townships and cities, the telco infrastructure of MBits will allow us to offer a complete holistic solution for the smart city implementation. Similarly, these capabilities also complement the IOT solutions of the Group



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as connectivity is a key part of any Internet of Things (IoT) solution. Furthermore, Techna-X's super app MSquared will also benefit tremendously from MBits' broadcast platform. We anticipate a lot of cross promotional synergies between both platforms," Lim said.

MBits will be classified as an investment for the Group upon completion of the initial stake purchase. It will contribute to the earnings of Techna-X through recurring revenue streams from the telecommunications and broadcasting subscriptions, with exponential value increment expected going forward as MBits rolls out its business plans.

Since embarking on a business transformation in 2019, Techna-X has focused on renewable energy storage solutions, ultra-capacitor technology, IoT and smart city platform solutions to drive growth. Renewable energy will be the Group's key revenue generator for 2021 and the Group is targeting a turnaround in its financial performance by the end of the year.

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Techna-X Berhad (TXB)

<https://techna-x.com>

Techna-X Berhad (TXB) (formerly known as Sino Hua-An International Berhad) is a complete transformation solutions provider with a diversified technology portfolio that includes renewable energy storage solutions, ultra-capacitor technology, Internet of Things (IoT) and smart city platform solution. It is currently the only company in the world with capabilities to manufacture ruthenium based ultra-capacitor and the first in Malaysia in the ultra-capacitor technology and renewable energy storage space. Driven by its strong business network, TXB has worked with multinational conglomerates from various industries including EV manufacturers, palm oil planters, transportation and mobility providers, electronic appliances manufacturers, property developers, F&B companies, retailers and eCommerce providers. The Group is set up to be a key technology player in the Asia Pacific region, especially after its proposed disposal of the coke manufacturing business is completed by first half of 2021. Listed on the Main Board of Bursa Malaysia on 26 March 2007, TXB is classified as a Shariah-Compliant security approved by the Shariah Advisory Council of the Securities Commission, Malaysia.

MBits Digital Sdn Bhd

<https://www.mbitsdigital.com>

MBits Digital is a Malaysia-based Telco-Media company licensed by the Ministry of Communications and Multimedia Malaysia. We provide services ranging from Telecommunications Fibre Optics, Cloud Services, Data Centre, Building Towers, Submarine Landing Stations, Submarine Cable Links all the way to Broadcasting IPTV, Satellite and many other services. Our concept is to bundle multiple services and customise holistic solutions for our clients without having to outsource to multiple service providers.

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