

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF HPP HOLDINGS BERHAD (“HPP HOLDINGS” OR THE “COMPANY”) DATED 15 DECEMBER 2020 (“ELECTRONIC PROSPECTUS”)

(Unless otherwise indicated, specified or defined in this notice, the definitions in the Prospectus shall apply throughout this notice).

Website

The Electronic Prospectus can be viewed or downloaded from Bursa Malaysia Securities Berhad’s (“**Bursa Securities**”) website at www.bursamalaysia.com (“**Website**”).

Availability and Location of Paper/Printed Prospectus

Any applicant who is in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request for a paper/printed copy of the Prospectus directly from the Company, Affin Hwang Investment Bank Berhad (“**Affin Hwang IB**”) or Malaysian Issuing House Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus, subject to availability, from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

Prospective investors should note that the Application Forms are not available in electronic format.

Jurisdiction Disclaimer

The distribution of the Electronic Prospectus and the sale of the IPO Shares are subject to Malaysian law. Bursa Securities, Affin Hwang IB, the Promoters, the Selling Shareholders and the Company named in the Electronic Prospectus take no responsibility for the distribution of the Electronic Prospectus and/or the sale of the IPO Shares outside Malaysia, which may be restricted by law in other jurisdictions. The Electronic Prospectus does not constitute and may not be used for the purpose of an offer to sell or an invitation of an offer to buy any IPO Shares, to any person outside Malaysia or in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

Close of Application

Applications will be accepted from **10:00 a.m. (Malaysian time) on 15 December 2020** and will close at **5:00 p.m. (Malaysian time) on 7 January 2021**. In the event there is any change to the timetable, HPP Holdings will advertise the notice of changes in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia.

The Electronic Prospectus made available on the Website after the closing of the application period is made available solely for informational and archiving purposes. No securities will be allotted or issued on the basis of the Electronic Prospectus after the closing of the application period.

Persons Responsible for the Internet Site in which the Electronic Prospectus is Posted

The Electronic Prospectus which is accessible at the Website is owned by Bursa Securities. Users’ access to the website and the use of the contents of the Website and/or any information in whatsoever form arising from the Website shall be conditional upon acceptance of the terms and conditions of use as contained in the Website.

The contents of the Electronic Prospectus are for informational and archiving purposes only and are not intended to provide investment advice of any form or kind, and shall not at any time be relied upon as such.



www.hppholdings.com



HPP HOLDINGS BERHAD
 (Registration No. 201801043588 (1305620-D))
 (Incorporated in Malaysia under the Companies Act 2016)

PROSPECTUS



HPP HOLDINGS BERHAD

(Registration No. 201801043588 (1305620-D))
 (Incorporated in Malaysia under the Companies Act 2016)

PROSPECTUS



INITIAL PUBLIC OFFERING ("IPO") IN CONJUNCTION WITH THE LISTING OF HPP HOLDINGS BERHAD ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD COMPRISING:

(I) PUBLIC ISSUE OF 88,669,000 NEW ORDINARY SHARES IN HPP HOLDINGS BERHAD ("SHARE(S)") ("ISSUE SHARE(S)") IN THE FOLLOWING MANNER:

- 19,421,600 ISSUE SHARE(S) AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 30,000,000 ISSUE SHARE(S) AVAILABLE FOR APPLICATION BY THE ELIGIBLE PARTIES (AS DEFINED HEREIN);
- 19,825,800 ISSUE SHARE(S) BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS;
- 19,421,600 ISSUE SHARE(S) BY WAY OF PRIVATE PLACEMENT TO SELECTED BUMIPUTERA INVESTORS APPROVED BY MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY ("MITI"); AND

(II) OFFER FOR SALE OF 20,000,000 EXISTING SHARES ("OFFER SHARE(S)") BY WAY OF PRIVATE PLACEMENT TO SELECTED BUMIPUTERA INVESTORS APPROVED BY MITI,

AT AN IPO PRICE OF RM0.36 PER ISSUE SHARE/OFFER SHARE, PAYABLE IN FULL UPON APPLICATION

Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent

Financial Adviser



Affin Hwang Investment Bank Berhad
 (Registration No. 197301000792 (14389-U))
 (A Participating Organisation of Bursa Malaysia Securities Berhad)



Sierac Corporate Advisers Sdn Bhd
 (Registration No. 200001013247 (515853-A))

THE ACE MARKET IS AN ALTERNATIVE MARKET DESIGNED PRIMARILY FOR EMERGING CORPORATIONS THAT MAY CARRY HIGHER INVESTMENT RISK WHEN COMPARED WITH LARGER OR MORE ESTABLISHED CORPORATIONS LISTED ON THE MAIN MARKET. THERE IS ALSO NO ASSURANCE THAT THERE WILL BE A LIQUID MARKET IN THE SHARES OR UNITS OF SHARES TRADED ON THE ACE MARKET. YOU SHOULD BE AWARE OF THE RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION.

THE ISSUE, OFFER OR INVITATION FOR THE OFFERING IS AN EXEMPT TRANSACTION UNDER SECTION 212(8) OF THE CAPITAL MARKETS AND SERVICES ACT 2007 AND IS THEREFORE NOT SUBJECT TO THE APPROVAL OF THE SECURITIES COMMISSION MALAYSIA.

NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER 6 MONTHS FROM THE DATE OF THIS PROSPECTUS.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 195. THIS PROSPECTUS IS NOT TO BE DISTRIBUTED OUTSIDE OF MALAYSIA.

THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SECURITIES COMMISSION MALAYSIA. THE REGISTRATION OF THIS PROSPECTUS, SHOULD NOT BE TAKEN TO INDICATE THAT THE SECURITIES COMMISSION MALAYSIA RECOMMENDS THE OFFERING OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. THE SECURITIES COMMISSION MALAYSIA HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF THE SECURITIES BEING OFFERED FOR INVESTMENT.

THE SECURITIES COMMISSION MALAYSIA IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS DOCUMENT, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

THIS PROSPECTUS IS DATED 15 DECEMBER 2020



HPP HOLDINGS BERHAD

REG. NO. 201801043588(1305620D)

22A, Jalan TLC 28, Taman Teknologi Cheng,
 75250 Melaka, Malaysia.

Tel: 06 - 335 6485 Fax: 06 - 335 1172

Email : info@hppholdings.com Website : www.hppholdings.com

RESPONSIBILITY STATEMENTS

Our Directors, Promoters and Selling Shareholders (as defined in this Prospectus) have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

Affin Hwang Investment Bank Berhad ("**Affin Hwang IB**"), being our Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the offering.

STATEMENTS OF DISCLAIMER

Approval has been granted by Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the listing of and quotation for the securities being offered. Admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of the offering, our Company or our Shares.

Bursa Securities is not liable for any non-disclosure on our part and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus.

This Prospectus, together with the Application Form (as defined in this Prospectus), has also been lodged with the Registrar of Companies, who takes no responsibility for its contents.

OTHER STATEMENTS

You should note that you may seek recourse under Sections 248, 249 and 357 of the Capital Markets and Services Act 2007 ("**CMSA**") for breaches of securities laws including any statement in this Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act made in relation to this Prospectus or the conduct of any other person in relation to our Company.

Shares listed on Bursa Securities are offered to the public on the premise of full and accurate disclosure of all material information concerning the offering, for which any person set out in Section 236 of the CMSA, is responsible.

This Prospectus is prepared and published solely in connection with the offering under the laws of Malaysia. Our Shares are offered in Malaysia solely based on the contents of this Prospectus. Our Company, Promoters, Selling Shareholders and Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent have not authorised anyone to provide you with information which is not contained in this Prospectus.

This Prospectus has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or with or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

The distribution of this Prospectus and the offering are subject to the laws of Malaysia. Our Company, Promoters, Selling Shareholders and Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent take no responsibility for the distribution of this Prospectus (in preliminary or final form) outside Malaysia. No action has been taken to permit a public offering of the securities of our Company based on this Prospectus or the distribution of this Prospectus outside Malaysia.

This Prospectus may not be used for the purpose of and does not constitute an offer to sell or an invitation to buy the securities offered under the offering in any jurisdiction or in any circumstances in which such an offer or invitation is not authorised or is unlawful. This Prospectus shall also not be used to make an offer of or invitation to buy the securities offered under the offering to any person to whom it is unlawful to do so. Our Company, Promoters, Selling Shareholders and Principal Adviser require you to inform yourselves of and to observe such restrictions.

We will not, prior to acting on any acceptance in respect of the offering, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection therewith. It shall be your sole responsibility, if you are or may be subject to the laws of any countries or jurisdictions other than Malaysia, to consult your legal and/or other professional advisers as to whether your application for the offering would result in the contravention of any laws of such country or jurisdiction. Neither we nor our Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent nor any other advisers in relation to the offering shall accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, voidable or void in any such country or jurisdiction.

Further, it shall also be your sole responsibility to ensure that your application for the offering would be in compliance with the terms of this Prospectus and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subjected to. We will further assume that you have accepted the offering in Malaysia and will at all applicable times be subjected only to the laws of Malaysia in connection therewith. However, we reserve the right, in our absolute discretion, to treat any acceptance as invalid if we believe that such acceptance may violate any laws or applicable legal or regulatory requirements.

ELECTRONIC PROSPECTUS

This Prospectus can also be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the electronic Prospectus and the copy of this Prospectus registered by the Securities Commission Malaysia are the same.

You are advised that the internet is not a fully secured medium and that your Internet Share Application (as defined in this Prospectus) may be subject to risks of problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions (as defined in this Prospectus). These risks cannot be borne by the Internet Participating Financial Institutions.

If you are in doubt of the validity or integrity of an electronic Prospectus, you should immediately request from us, our Principal Adviser or the Issuing House (as defined in this Prospectus), a paper/printed copy of this Prospectus. In the event of any discrepancies arising between the contents of the electronic Prospectus and the contents of the paper/printed copy of this Prospectus for any reason whatsoever, the contents of the paper/printed copy of this Prospectus which are identical to the copy of the Prospectus registered by the Securities Commission Malaysia, shall prevail.

In relation to any reference in this Prospectus to third party internet sites (referred to as "**Third Party Internet Sites**") whether by way of hyperlinks or by way of description of the Third Party Internet Sites, you acknowledge and agree that:

- (i) we and our Principal Adviser do not endorse and are not affiliated in any way with the Third Party Internet Sites and are not responsible for the availability of, or the contents or any data, information, files or other material provided on the Third Party Internet Sites. You shall bear all risks associated with the access to or use of the Third Party Internet Sites;
- (ii) we and our Principal Adviser are not responsible for the quality of products or services in the Third Party Internet Sites, particularly in fulfilling any of the terms of any of your agreements with the Third Party Internet Sites. We and our Principal Adviser are also not responsible for any loss or damage or costs that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance on any data, information, files or other material provided by such parties; and

- (iii) any data, information, files or other material downloaded from the Third Party Internet Sites is done at your own discretion and risk. We and our Principal Adviser are not responsible, liable or under obligation for any damage to your computer systems or loss of data resulting from the downloading of any such data, information, files or other material.

Where an electronic Prospectus is hosted on the website of the Internet Participating Financial Institutions, you are advised that:

- (i) the Internet Participating Financial Institutions are only liable in respect of the integrity of the contents of an electronic Prospectus, to the extent of the contents of the electronic Prospectus situated on the web server of the Internet Participating Financial Institutions which may be viewed through web browser or other relevant software. The Internet Participating Financial Institutions shall not be responsible for the integrity of the contents of an electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions, and subsequently communicated or disseminated in any manner to you or other parties; and
- (ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an electronic Prospectus, the accuracy and reliability of an electronic Prospectus cannot be guaranteed because the internet is not a fully secured medium.

The Internet Participating Financial Institutions shall not be liable (whether in tort or contract or otherwise) for any loss, damage or cost, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in an electronic Prospectus which may arise in connection with or as a result of any fault or faults with web browsers or other relevant software, any fault or faults on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institutions, and/or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

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DEFINITIONS

Unless the context otherwise requires, the following abbreviations shall apply throughout this Prospectus:

Acquisitions	: Hayan Prints Acquisition and Hayan Packaging Acquisition, collectively
Act	: Companies Act 2016
ADA	: Authorised Depository Agent
Affin Hwang IB or Principal Adviser or Sponsor or Sole Underwriter or Sole Placement Agent	: Affin Hwang Investment Bank Berhad (Registration No. 197301000792 (14389-U))
Agency Agreement	: Agency agreement dated 1 April 2020 entered into between Hayan Prints and Company A Malaysia, which was effective from 5 July 2020
AGM	: Annual General Meeting
Application	: Application for our Issue Shares by way of Application Form, the Electronic Share Application or the Internet Share Application
Application Form	: Printed application form for the application of our Issue Shares
ATM	: Automated teller machine
Authorised Financial Institution	: Authorised financial institution participating in the Internet Share Application, with respect to payments for our IPO Shares
Aurora Meadow	: Aurora Meadow Sdn Bhd (Registration No. 201701013980 (1228145-K))
Beryl's group of companies	: Beryl's Chocolate & Confectionary Sdn Bhd and Collabo Resources Sdn Bhd, collectively
Big Tree Realty	: Big Tree Realty Sdn Bhd (Registration No. 200901039679 (882820-A))
Board	: Board of Directors of HPP Holdings
Bumiputera	: In the context of individuals, Malays and the aborigines and the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia
Bumiputera Investors	: Being the Bumiputera investors as approved and recognised by MITI to subscribe for our IPO Shares through private placement
Bursa Depository or Depository	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
CAGR	: Compounded annual growth rate
CCC	: Certificate of Completion and Compliance
CDS	: Central Depository System

DEFINITIONS (CONT'D)

CF	:	Certificate of Fitness
CMSA	:	Capital Markets and Services Act 2007
Company A	:	A company incorporated in the USA which was one of our Group's major customers for the FY Under Review
Company A Malaysia	:	A company incorporated in Malaysia which is a wholly-owned subsidiary of Company A
Company B	:	A company incorporated in Malaysia which was one of our Group's major customers for the FY Under Review
Company D Malaysia	:	A company incorporated in Malaysia which is our Group's indirect major customer for the FY Under Review
Consumer E&E	:	Consumer electrical and electronics
COVID-19	:	Coronavirus 2019
Director(s)	:	Member(s) of our Board
DOSH	:	Department of Occupational Safety and Health
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
EIS	:	Employment insurance system
Electronic Share Application	:	Application for our Issue Shares through a Participating Financial Institution's ATM
Eligible Parties	:	Eligible Directors, employees and other business associates who have contributed to the success of our Group
Envy Premium	:	Envy Premium Box Supplies Sdn Bhd (Registration No. 201701045393 (1259566-H))
EPF	:	Employees Provident Fund
EPS	:	Earnings per Share
FAMA	:	Factories and Machinery Act 1967
Fong Yee group of companies	:	Fong Yee Printers Sdn Bhd and Foong Hwa Paper Trading Sdn Bhd, collectively
FYE(s)	:	Financial year(s) ended/ending 31 May, as the case may be
FY Under Review	:	FYEs 2018, 2019 and 2020, collectively
GDP	:	Gross domestic product
GP	:	Gross profit
Group of Companies B	:	Company B together with 1 company incorporated in Singapore and another company incorporated in Thailand, collectively, which were one of our Group's major customers for the FY Under Review
Group of Companies C	:	2 companies incorporated in Malaysia which were one of our Group's major customers for the FY Under Review

DEFINITIONS (CONT'D)

Group of Companies D	:	Company D Malaysia, Company D Philippines, Company D Singapore and Company D UK, collectively (all of which are defined in Section 4.29 of this Prospectus)
HA 1 group of companies	:	HA 1 Rigid Box Manufacturer Sdn Bhd, HA 1 Premium Packaging Sdn Bhd and Packworld (M) Sdn Bhd, collectively
HA Pack group of companies	:	HA Pack Industry Sdn Bhd and HA Pack Sdn Bhd, collectively
Hayan Group or Group	:	HPP Holdings, Hayan Prints, Hayan Packaging, Envy Premium and Big Tree Realty, collectively
Hayan Packaging	:	Hayan Packaging Sdn Bhd (Registration No. 201101029332 (957467-P))
Hayan Packaging Acquisition	:	The acquisition by our Company of the entire issued share capital of Hayan Packaging from Hayan Packaging Vendors for a total purchase consideration of RM6,001,000, which was satisfied entirely by issuance of 30,005,000 new Shares. This acquisition was completed on 30 November 2020
Hayan Packaging Vendors	:	Ng Soh Hoon, Chong Fea Chin and Ang Poh Geok, collectively
Hayan Prints	:	Hayan Prints (M) Sdn Bhd (Registration No. 199601010312 (382661-M))
Hayan Prints Acquisition	:	The acquisition by our Company of the entire issued share capital of Hayan Prints from Hayan Prints Vendors for a total purchase consideration of RM53,951,000, which was satisfied entirely by issuance of 269,755,000 new Shares. This acquisition was completed on 30 November 2020
Hayan Prints Vendors	:	Aurora Meadow, Kok Hon Seng, Lau Tee Tee @ Lau Kim Wah, Ng Soh Hoon, Chong Fea Chin and Ang Poh Geok, collectively
HPP Holdings or Company	:	HPP Holdings Berhad (Registration No. 201801043588 (1305620-D))
HPP Holdings Share(s) or Share(s)	:	Ordinary share(s) in HPP Holdings
ICA	:	Industrial Co-ordination Act 1975
IMR Report	:	The Independent Market Research Report prepared by Smith Zander International in relation to our IPO, as set out in Section 4.32 of this Prospectus
Internet Participating Financial Institutions	:	Participating financial institutions for the Internet Share Application, as listed in Section 12.6 of this Prospectus
Internet Share Application	:	Application for our Issue Shares through an Internet Participating Financial Institution
IPO	:	Public issue and Offer for Sale, collectively
IPO Price	:	RM0.36 for each IPO Share
IPO Shares	:	Issue Shares and Offer Shares, collectively
ISO	:	International Organisation for Standardisation

DEFINITIONS (CONT'D)

Issue Shares	:	88,669,000 new Shares to be issued pursuant to the Public Issue
Karex group of companies	:	Karex Berhad and its subsidiaries, collectively
LCD	:	Liquid crystal display
Listing	:	Admission to the Official List and the listing of and quotation for the entire enlarged issued share capital of HPP Holdings on the ACE Market of Bursa Securities
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities
Lot 4754	:	1 unit of single storey detached factory on a leasehold industrial land known as No. 38, Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka held under title no. PN 20009, Lot 4754, Mukim of Cheng, District of Melaka Tengah and State of Melaka
Lot 4763	:	1 unit of single storey detached factory together with 3 storey office on a leasehold industrial land known as No. 37, Jalan TTC 29, Taman Teknologi Cheng, 75250 Melaka held under title no. PN 20038, Lot 4763, Mukim of Cheng, District of Melaka Tengah and State of Melaka
Lot 4770	:	1 unit of double storey office together with single storey detached factory* on a leasehold industrial land known as No. 22A, Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka held under title no. PN 20050, Lot 4770, Mukim of Cheng, District of Melaka Tengah and State of Melaka
Lot 4771	:	1 unit of single storey detached factory* together with warehouse in a leasehold industrial land known as No. 22, Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka held under title no. PN 20051, Lot 4771, Mukim of Cheng, District of Melaka Tengah and State of Melaka
Lot 4775	:	1 unit of single storey detached factory together with warehouse and office on a leasehold industrial land known as No. 14, Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka held under title no. PN 20066, Lot 4775, Mukim of Cheng, District of Melaka Tengah and State of Melaka
Lot 4776	:	1 unit of single storey detached factory together with warehouse and 1 unit of double storey office on a leasehold industrial land known as No. 12, Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka held under title no. PN 20069, Lot 4776, Mukim of Cheng, District of Melaka Tengah and State of Melaka
Lot 4799	:	1 unit of single storey detached factory together with office on a leasehold industrial land known as No. 28, Jalan TTC 30, Taman Teknologi Cheng, 75250 Melaka held under title no. PN20099, Lot No. 4799, Mukim of Cheng, District of Melaka Tengah and State of Melaka
LPD	:	31 October 2020, being the latest practicable date prior to the registration of this Prospectus by the SC
Malaysian Public	:	Malaysian citizens, companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia

* The single storey detached factory is built across adjoining Lot 4770 and Lot 4771.

DEFINITIONS (CONT'D)

Market Day	:	Any day on which Bursa Securities is open for trading of securities
MBMB	:	Majlis Bandaraya Melaka Bersejarah
MCO	:	Movement control order under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967
MIDA	:	Malaysian Investment Development Authority
MIH or Issuing House	:	Malaysian Issuing House Sdn Bhd (Registration No. 199301003608 (258345-X))
MITI	:	Ministry of International Trade and Industry
MNC	:	Multinational corporations
MOHA	:	Ministry of Home Affairs
MSA	:	Manufacturing supply agreement dated 5 July 2020 entered into between Hayan Prints and Company D Malaysia, which commenced on 4 May 2020
NA	:	Net assets attributable to owners of our Company
NBV	:	Net book value
NDA	:	Confidentiality and non-disclosure agreement dated 31 January 2020 entered into between Hayan Prints and Group of Companies D
NSNDA	:	Non-solicitation non-disclosure agreement dated 27 November 2014 entered into between Hayan Prints and Company A
Offer for Sale	:	Offer for sale of 20,000,000 Offer Shares by the Selling Shareholders
Offer Shares	:	20,000,000 existing HPP Holdings Shares to be offered by the Selling Shareholders pursuant to the Offer for Sale
Official List	:	A list specifying all securities which have been admitted for listing on Bursa Securities
Participating Financial Institutions	:	Participating financial institutions for the Electronic Share Application, as listed in Section 12.5 of this Prospectus
PAT	:	Profit after tax
PBT	:	Profit before tax
PE Multiple	:	Price-to-earnings multiple
Pink Application Form	:	Application form for the application of our Issue Shares by the Eligible Parties
Pink Form Allocation	:	30,000,000 Issue Shares made available for application by the Eligible Parties
PPPA	:	Printing Presses and Publications Act 1984

DEFINITIONS (CONT'D)

Promoter(s)	: Aurora Meadow, Kok Hon Seng, Lau Tee Tee @ Lau Kim Wah, Ng Soh Hoon and Chong Fea Chin, collectively
Prospectus	: This Prospectus dated 15 December 2020 in relation to our IPO
Public Issue	: Public issue of 88,669,000 Issue Shares by our Company
QC	: Quality control
SC	: Securities Commission Malaysia
SDBA	: Street, Drainage and Building Act 1974
Selected Investors	: Being the investors that meet the requirements of Schedule 6 or 7 of the CMSA and subscribe for our IPO Shares through private placement
Selling Shareholder(s)	: Ng Soh Hoon, Chong Fea Chin and Ang Poh Geok, collectively
SICDA	: Securities Industry (Central Depositories) Act 1991
Sierac or Financial Adviser	: Sierac Corporate Advisers Sdn Bhd (Registration No. 200001013247 (515853-A))
Smith Zander International or IMR	: Smith Zander International Sdn Bhd (Registration No. 201301028298 (1058128-V))
SOCSO	: Social Security Organisation
sq. ft.	: Square feet
sq. m.	: Square meter
SST	: Sales and services tax
UK	: United Kingdom
Underwriting Agreement	: The underwriting agreement dated 1 December 2020 entered into between our Company and our Sole Underwriter pursuant to our IPO
USA	: United States of America
UV	: Ultraviolet
Vendors	: Hayan Packaging Vendors and Hayan Prints Vendors, collectively
White Form Application	: Application form for the application of our Issue Shares by the Malaysian Public

CURRENCY

JPY	: Japanese Yen
RM and sen	: Ringgit Malaysia and Sen, respectively
SGD	: Singapore Dollar
USD	: United States Dollar

GLOSSARY OF TECHNICAL TERMS

This glossary contains explanation of certain terms used throughout this Prospectus in connection with our Group and business. The terminologies and their meanings may not correspond to the standard industry meanings or usage of these terms.

Art paper	: A type of paper with thickness from 0.06mm to 0.13mm used for printing, which will be glued and wrapped onto rigid box cases, lids and covers
Chipboard	: A type of thick and pressed paperboard usually made from recycled paper
Coating	: A process of applying a fluid form substance onto the surface of the printed paperboard or art paper to seal the print and protect the printed paperboard or art paper from scuff marks
Corrugated packaging	: A type of packaging which is made from a piece of printed paperboard laminated on single face corrugated paperboard
CTP	: Computer-to-plate
Crease line	: A line indicated on the die-cut layout or imposition layout which is indented for the folding of the paper-based packaging
Crop mark	: A printed line or block at the edge of the printed paperboard or art paper that indicates cutting points
Cut line	: A line indicated on the die-cut layout or imposition layout which is intended for the cutting of the paper-based packaging into the required size
Die-cut layout	: A layout with the arrangement of crease, cut and perforated lines of a paper-based packaging in a flattened form
GMG colour proofing management system	: A colour proofing management system in compliance with the global printing standards such as ISO Offset, Process Standard Offset (PSO), General Requirements for Applications in Commercial Offset Lithography (GRACoL) and Specification for Web Offset Publications (SWOP)
Grey balance	: The proportion and combination of cyan, magenta and yellow inks that produce the desired colour prints result
Groove line	: A deep cut line on the chipboard to facilitate the folding of rigid box
HACCP	: Food Hazard Analysis and Critical Control Point, a system which aims at reducing risk of safety hazards, including biological, chemical or physical hazards in food
ICC profile	: International Colour Consortium profile, a colour dataset which enables cross platform translation of colour
Imposition layout	: A layout with the arrangement of similar artworks with their crease, cut and perforated lines in a flattened form, which is intended to maximise the usage of a single piece of paperboard or art paper
LAB colour space	: A 3-axis colour measurement to ensure accuracy of colour prints where L indicates lightness, A measures red or green value and B measures yellow and blue value
Large format printing	: Printing on paperboard or art paper of sizes from 731mm x 1,021mm to 1,250mm x 1,620mm

GLOSSARY OF TECHNICAL TERMS (CONT'D)

Non-corrugated packaging	:	A type of packaging which is made from a piece of printed paperboard
Paper-based packaging	:	All packaging products produced by our Group comprising Corrugated and Non-corrugated packaging and rigid boxes, with or without printing element
Paperboard	:	A type of paper with thickness from 0.27mm to 1.00mm used for printing, which is sturdy enough to be folded to form a packaging
Perforated line	:	A line indicated on the die-cut layout or imposition layout which is intended to punch small holes on the paper-based packaging for the purpose of tearing
Printing plate	:	A thin, flat sheet of metal commonly made from aluminium that acts as a medium to transfer inks or artworks from the ink rollers to the blanket cylinders
Proofing	:	A process of reviewing the accuracy and quality of the desired colour prints by producing a prototype before mass printing
Single face corrugated paperboard	:	Comprise a layer of flute laminated with a sheet of paperboard referred to as liner
Standard format printing	:	Printing on paperboard or art paper of sizes up to 730mm x 1,020mm

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INDICATIVE TIMETABLE

The following events are intended to take place on the following dates:

Events	Date
Issuance of this Prospectus / Opening date of application for our IPO	15 December 2020
Closing date of application for our IPO	7 January 2021 at 5.00 p.m.
Balloting of applications	11 January 2021
Allotment / transfer of our IPO Shares to successful applicants	18 January 2021
Listing on the ACE Market of Bursa Securities	20 January 2021

In the event there is any change to the timetable above, we will advertise the notice of the changes in a widely circulated daily English and Bahasa Malaysia newspapers in Malaysia.

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to "HPP Holdings" and "our Company" in this Prospectus are to HPP Holdings Berhad, while references to "Hayan Group" and "our Group" are to our Company and our subsidiaries taken as a whole. Any reference to words such as "we", "us", "our" and "ourselves" in this Prospectus shall be a reference to our Company, our Group or our subsidiaries as the context requires, unless otherwise stated. Unless the context otherwise requires, references to "Management" are to our Directors and key senior management as disclosed in this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

All references to "you" are to our prospective investors.

Any reference in this Prospectus, the Application Form, Electronic Share Application or Internet Share Application to any legislation, statute or statutory provision shall be a reference to the legislation, statute or statutory provision that is currently enforced as may be amended from time to time, and includes any statutory modification, amendment or re-enactment thereof, unless otherwise indicated.

References to persons include a corporation. Words importing the singular include the plural and vice versa. Words importing a gender include any gender.

Any reference to dates and times in this Prospectus shall be a reference to dates and times in Malaysia, unless otherwise stated.

This Prospectus includes statistical data provided by us and various third parties and cites third party projections regarding growth and performance of the industry in which we operate. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originates from us. In particular, certain information in this Prospectus is extracted or derived from the IMR Report prepared by Smith Zander International. We believe that the statistical data and projections cited in this Prospectus are useful in helping you understand the major trends in the industry in which we operate. However, third party projections, including the projections from Smith Zander International, cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. Hence, you should not place undue reliance on the third party projections cited in this Prospectus.

The information on our website, or any website directly or indirectly linked to such website does not form part of this Prospectus and you should not rely on such information for the purposes of your decision whether or not to invest in our Shares.

The word "approximately" used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest thousandth or 2 decimal places. Any discrepancies in the tables included in this Prospectus between the amounts listed and the totals thereof are due to rounding.

If there are any discrepancies or inconsistencies between the English and Malay versions of this document, the English version shall prevail.

All information stated herein are as at the LPD unless otherwise specified.

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FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements, which include all statements other than those of historical facts including, among others, those regarding our financial position, business strategies, prospects, plans and objectives of our Management for future operations. Some of these statements can be identified by the use of forward-looking terminology such as “may”, “will”, “would”, “could”, “believe”, “expect”, “anticipate”, “intend”, “estimate”, “aim”, “plan”, “project”, “forecast” or similar expressions. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond our control that could cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. As such, we cannot assure you that the forward-looking statements in this Prospectus will be realised.

Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we operate. Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed in Section 5 of this Prospectus - Risk Factors and Section 8.3 of this Prospectus - Management’s Discussion and Analysis of Financial Condition and Results of Operations.

These forward-looking statements are based on information available to us as at the date of this Prospectus. Should we become aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment of the IPO Shares, we shall further issue a supplemental or replacement prospectus, as the case may be in accordance with the provision of Section 238 of the CMSA and Paragraph 1.02 of Part II (Division 6 on Supplementary and Replacement Prospectus) of the Prospectus Guidelines.

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CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Designation	Address	Nationality
Lau Tee Tee @ Lau Kim Wah	Non-Independent Non-Executive Chairman	12A, Jalan PRI 16 Taman Paya Rumput Indah 76450 Melaka	Malaysian
Kok Hon Seng	Executive Director / Group Managing Director	12, Jalan PP 1 Taman Pandan Perdana 75250 Melaka	Malaysian
Ng Soh Hoon	Executive Director	12, Jalan PP 1 Taman Pandan Perdana 75250 Melaka	Malaysian
Philip Goh Teck Siang	Independent Non-Executive Director	The Westside One #33-3A No. 1, Jalan Residen Utama Desa ParkCity 52200 Kuala Lumpur	Malaysian
Choo Chee Beng	Independent Non-Executive Director	29, Jalan Eco Santuari 2/2D Eco Santuari 42500 Telok Panglima Garang Selangor	Malaysian
Lee Chong Leng	Independent Non-Executive Director	7, Jalan GP 11 Taman Gadong Perdana 75200 Melaka	Malaysian

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Philip Goh Teck Siang	Chairman	Independent Non-Executive Director
Choo Chee Beng	Member	Independent Non-Executive Director
Lee Chong Leng	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Choo Chee Beng	Chairman	Independent Non-Executive Director
Philip Goh Teck Siang	Member	Independent Non-Executive Director
Lee Chong Leng	Member	Independent Non-Executive Director

NOMINATION COMMITTEE

Name	Designation	Directorship
Lee Chong Leng	Chairman	Independent Non-Executive Director
Philip Goh Teck Siang	Member	Independent Non-Executive Director
Choo Chee Beng	Member	Independent Non-Executive Director

CORPORATE DIRECTORY (CONT'D)

- COMPANY SECRETARY** : **Lim Li Fang** (MAICSA 7012923)
(SSM Practising Certificate No. 201908001228)
Chartered Secretary
Associate of the Malaysian Institute of Chartered Secretaries and Administrators
50-1, 52-1 & 54-1, Jalan BPM 2
Taman Bukit Piatu Mutiara
75150 Melaka
- Tel No. : +606-283 2398
Fax No. : +606-283 0202
- REGISTERED OFFICE** : 50-1, 52-1 & 54-1, Jalan BPM 2
Taman Bukit Piatu Mutiara
75150 Melaka
- Tel No. : +606-283 2398
Fax No. : +606-283 0202
- HEAD OFFICE** : No. 22A, Jalan TTC 28
Taman Teknologi Cheng
75250 Melaka
- Tel No. : +606-335 6485 / 334 3429
Fax No. : +606-335 1172
Email: : info@hppholdings.com
Website : www.hppholdings.com
- PRINCIPAL ADVISER, SPONSOR, SOLE UNDERWRITER AND SOLE PLACEMENT AGENT** : **Affin Hwang Investment Bank Berhad**
(Registration No. 197301000792 (14389-U))
27th Floor, Menara Boustead
69, Jalan Raja Chulan
50200 Kuala Lumpur
- Tel No. : +603-2142 3700
Fax No. : +603-2141 7701
- FINANCIAL ADVISER** : **Sierac Corporate Advisers Sdn Bhd**
(Registration No. 200001013247 (515853-A))
Suite 12-07 Menara 1MK
Kompleks 1 Mont Kiara
No. 1 Jalan Kiara
Mont Kiara
50480 Kuala Lumpur
- Tel No. : +603-2389 3697
Fax No. : +603-6201 0062
Director : Teh Sew Hong
Professional qualification :
 - Malaysian Institute of Certified Public Accountants (Membership no. 2995)
 - Chartered Accountant, Malaysian Institute of Accountants (Membership no. 9931)
 - Certified Practising Accountants of Australia (Membership no. 9516651)
 - Fellow member of the Association of Chartered Certified Accountants (Membership no. 2022862)
 - Capital Market Services Representative (CMSRL/B0751/2010)

CORPORATE DIRECTORY (CONT'D)

- AUDITORS AND REPORTING ACCOUNTANTS** : **Moore Stephens Associates PLT**
 Firm No: 201304000972 (LLP0000963-LCA & AF002096)
 Chartered Accountants
 Unit 3.3A, 3rd Floor, Surian Tower
 No. 1, Jalan PJU 7/3
 Mutiara Damansara
 47810 Petaling Jaya
 Selangor
- Tel No. : +603-7724 1033
 Fax No. : +603-7733 1033
- Partner : **Chuah Soo Huat**
 Licence No: 03002/07/2022 J
- Professional qualification : • Chartered Accountant, Malaysian Institute of Accountants (Membership no. 21239)
 • Fellow member of the Association of Chartered Certified Accountants (Membership no. 0047061)
- SOLICITORS FOR OUR IPO** : **Chooi & Company + Cheang & Ariff**
 Level 5, Menara BRDB
 285, Jalan Maarof
 Bukit Bandaraya
 59000 Kuala Lumpur
- Tel No. : +603-2055 3888
 Fax No. : +603-2055 3880
- ISSUING HOUSE** : **Malaysian Issuing House Sdn Bhd**
 (Registration No. 199301003608 (258345-X))
 11th Floor, Menara Symphony
 No. 5, Jalan Prof. Khoo Kay Kim
 Seksyen 13
 46200 Petaling Jaya
 Selangor
- Tel No. : +603-7890 4700
 Fax No. : +603-7890 4680
- SHARE REGISTRAR** : **Boardroom Share Registrars Sdn Bhd**
 (Registration No. 199601006647 (378993-D))
 11th Floor, Menara Symphony
 No. 5, Jalan Prof. Khoo Kay Kim
 Seksyen 13
 46200 Petaling Jaya
 Selangor
- Tel No. : +603-7849 4700
 Fax No. : +603-7890 4670

CORPORATE DIRECTORY (CONT'D)

**INDEPENDENT
MARKET
RESEARCHER** : **Smith Zander International Sdn Bhd**
(Registration No. 201301028298 (1058128-V))
15-01, Level 15, Menara MBMR
1, Jalan Syed Putra
58000 Kuala Lumpur

Tel No. : +603-2732 7537
Fax No. : -

Person-in-charge : **Dennis Tan Tze Wen**
Managing Partner
Professional : Bachelor of Science
qualification : Memorial University of Newfoundland,
Canada

LISTING SOUGHT : ACE Market of Bursa Securities

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APPROVALS AND CONDITIONS**(i) Bursa Securities**

Bursa Securities had via its letter dated 17 November 2020, approved:

- (a) the admission of our Company to the Official List of Bursa Securities; and
- (b) the listing of and quotation for our entire enlarged issued share capital on the ACE Market of Bursa Securities,

subject to the following conditions:

HPP Holdings and/or Affin Hwang IB are required to comply with the following:

No.	Details of conditions imposed	Status of compliance
(1)	Submit the following information in respect of the moratorium on the shareholdings of promoters to Bursa Depository: <ul style="list-style-type: none"> (i) Name of shareholders; (ii) Number of Shares; and (iii) Date of expiry of the moratorium for each block of Shares. 	To be complied
(2)	Approvals from other relevant authorities have been obtained for implementation of the listing proposal;	Complied
(3)	Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Guidance Note 15 of the Listing Requirements;	To be complied
(4)	Furnish to Bursa Securities with a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire issued share capital of HPP Holdings on the first day of listing;	To be complied
(5)	Ensure any director of the Company that has not attended the Mandatory Accreditation Programme must do so prior to the listing of the Company;	Complied
(6)	In relation to the public offering to be undertaken by HPP Holdings, to announce at least 2 market days prior to the listing date, the result of the offering including the following: <ul style="list-style-type: none"> (i) Level of subscription of public balloting and placement; (ii) Basis of allotment/ allocation; (iii) A table showing the distribution for placement tranche as per the format in Appendix I of Bursa Securities' approval letter; and (iv) Disclosure of placees who become substantial shareholders of HPP Holdings arising from the IPO, if any. <p>The overall distribution of HPP Holdings' securities must be properly carried out to provide an orderly trading in the secondary market; and</p>	To be complied

APPROVALS AND CONDITIONS (CONT'D)

No.	Details of conditions imposed	Status of compliance
(7)	HPP Holdings or Affin Hwang IB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of HPP Holdings to the Official List.	To be complied

(ii) SC

Our Listing is an exempt transaction under Section 212(8) of the CMSA and is therefore not subject to the approval of the SC.

The SC had via its letter dated 19 November 2020, approved the resultant equity structure of our Company under the equity requirement for public listed companies pursuant to our Listing, subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
(1)	HPP Holdings allocating shares equivalent to at least 12.5% of its enlarged number of issued shares at the point of listing to Bumiputera investors. This includes the shares offered under the balloted public offer portion, of which at least 50% are to be offered to Bumiputera public investors.	To be complied

The effects of the Listing on the equity structure of HPP Holdings are as follows:

Category of shareholders	As at 31 October 2019		After the Acquisitions and the Listing	
	No. of Shares	% of number of issued shares	No. of Shares	% of enlarged number of issued shares
Bumiputera:				
- Malaysian public via balloting	-	-	9,710,800	2.50
- Bumiputera investors to be approved by MITI	-	-	39,421,600	10.15
Total Bumiputera	-	-	49,132,400	12.65
Non-Bumiputera	1,000	100.00	339,297,600	87.35
Malaysians	1,000	100.00	388,430,000	100.00
Foreigners	-	-	-	-
Total	1,000	100.00	388,430,000	100.00

We have also sought reliefs from the SC from complying with certain requirements of the Prospectus Guidelines. The SC had via its letters dated 28 November 2019, 28 September 2020 and 27 November 2020, approved the following reliefs:

No.	Guidelines / Relief sought	Details of conditions imposed	Status of compliance
(1)	Paragraph 5.02(g) of Division 1, Part II of the Prospectus Guidelines Relief from having to disclose in the Prospectus, the name of an agent of Hayan Group i.e. Group of Companies A.	Nil	-

APPROVALS AND CONDITIONS (CONT'D)

No.	Guidelines / Relief sought	Details of conditions imposed	Status of compliance
(2)	<p>Paragraph 5.02(h)(i) of Division 1, Part II of the Prospectus Guidelines</p> <p>Relief from having to disclose in the Prospectus, certain identity related information, commercially sensitive, pricing related information and confidential terms of the NSNDA, Agency Agreement, NDA and MSA.</p>	Nil	-
(3)	<p>Paragraph 5.10 of Division 1, Part II of the Prospectus Guidelines</p> <p>Relief from having to disclose in the Prospectus, the names of 4 direct/ indirect major customers of Hayan Group i.e. Group of Companies A, Group of Companies B, Group of Companies C and Group of Companies D.</p>	Nil	-
(4)	<p>Paragraph 9.05 of Division 1, Part II of the Prospectus Guidelines</p> <p>Relief from having to provide the audited interim financial report and to disclose selected financial information, if the date of the Prospectus issuance is later than 6 months after the end of the most recent financial year, as well as any other consequential disclosures required.</p>	Issuance of HPP Holdings' prospectus by 15 December 2020	Complied
(5)	<p>Paragraph 13.01(b)(i) of Division 1, Part II of the Prospectus Guidelines</p> <p>Relief to allow certain identity related information, commercially sensitive, pricing related information and confidential terms in the NSNDA, Agency Agreement, NDA and MSA to be redacted and for these redacted agreements to be made available for inspection.</p>	Nil	-

(iii) MITI

MITI had via its letter dated 14 January 2020, taken note of and has no objection to our Listing on the ACE Market of Bursa Securities.

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MORATORIUM

As at the date of submission of our listing application to Bursa Securities, we have met the quantitative criteria for admission to the Main Market of Bursa Securities. Hence, a moratorium will be imposed on the sale, transfer or assignment of our Shares held by our Promoters for a period of 6 months from the date of our admission to the Official List ("**Moratorium Period**") in accordance with Rule 3.19(1A)(b) of the Listing Requirements.

The details of the moratorium are as follows:

Promoters	No. of Shares to be held under the moratorium	
	Direct	(i)%
Aurora Meadow	200,895,630	51.72
Kok Hon Seng	23,091,528	5.94
Lau Tee Tee @ Lau Kim Wah	7,688,268	1.98
Ng Soh Hoon	13,904,665	3.58
Chong Fea Chin	6,952,207	1.79
Total	252,532,298	65.01

Note:

- (i) Based on the enlarged issued share capital of 388,430,000 Shares after our IPO.

The moratorium shall also apply to the shareholders of Aurora Meadow, namely Kok Hon Seng, Lau Tee Tee @ Lau Kim Wah, Ng Soh Hoon and Chong Fea Chin, who have collectively provided an undertaking that they will not sell, transfer or assign their respective shares in Aurora Meadow during the Moratorium Period in accordance with Rule 3.19(2) of the Listing Requirements.

The moratorium, which is fully accepted by our Promoters, will be specifically endorsed on the share certificates representing the entire shareholdings of our Promoters to ensure that our Company's Share Registrar does not register any transfer that contravenes the moratorium restrictions. In addition, our Promoters have also provided undertakings to Bursa Securities that they will comply with the said moratorium condition relating to the sale of their Shares as mentioned above.

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1. PROSPECTUS SUMMARY

THIS PROSPECTUS SUMMARY ONLY HIGHLIGHTS THE KEY INFORMATION FROM OTHER PARTS OF THIS PROSPECTUS. IT DOES NOT CONTAIN ALL THE INFORMATION THAT MAY BE IMPORTANT TO YOU. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE WHOLE PROSPECTUS PRIOR TO DECIDING WHETHER TO INVEST IN OUR SHARES.

1.1 PRINCIPAL DETAILS OF OUR IPO

Our IPO consists of the Public Issue of 88,669,000 Issue Shares and Offer for Sale of 20,000,000 Offer Shares, totalling 108,669,000 IPO Shares are issued and/or offered at the IPO Price, payable in full on application and is subject to the terms and conditions of this Prospectus. The IPO Shares are expected to be allocated in the manner described below, subject to the underwriting and placement arrangement as set out in Section 2.1.3 of this Prospectus:

	Public issue		Offer for Sale		Total	
	No. of Shares	(i)%	No. of Shares	(i)%	No. of Shares	(i)%
Malaysian Public (via balloting):						
- Bumiputera	9,710,800	2.50	-	-	9,710,800	2.50
- Non-Bumiputera	9,710,800	2.50	-	-	9,710,800	2.50
Eligible Parties	30,000,000	7.73	-	-	30,000,000	7.73
Private placement:						
- Bumiputera Investors approved by MITI	19,421,600	5.00	20,000,000	5.15	39,421,600	10.15
- Selected Investors	19,825,800	5.10	-	-	19,825,800	5.10
Total	88,669,000	22.83	20,000,000	5.15	108,669,000	27.98

Note:

(i) Based on the enlarged issued share capital of 388,430,000 Shares after our IPO.

Further details on our IPO are set out in Section 2.1 of this Prospectus.

A moratorium will be imposed on the sale, transfer or assignment of our Promoters' entire shareholdings for a period of 6 months from the date of our Listing. Further details on the moratorium on our Shares are set out in the Moratorium section of this Prospectus.

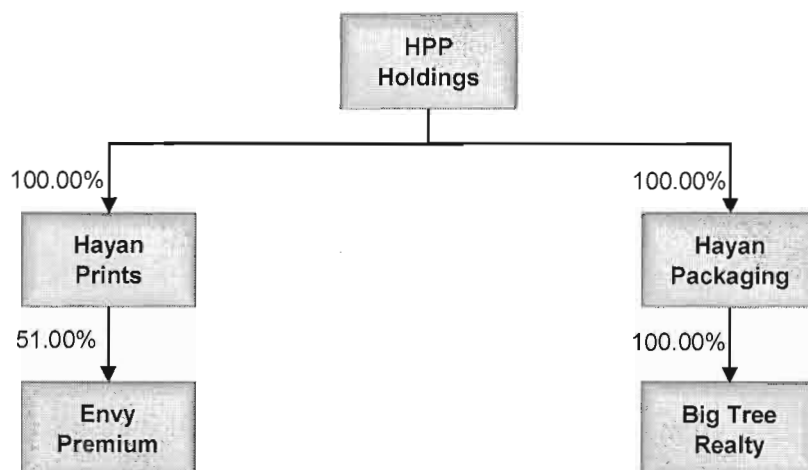
1.2 OUR GROUP

HPP Holdings was incorporated on 29 November 2018 as a private limited company in Malaysia under the Act under the name of HPP Holdings Sdn Bhd. Our Company was subsequently converted to a public limited company on 15 November 2019 and since then, assumed the current name of HPP Holdings Berhad to embark on our Listing.

Our principal activity is investment holding. Through our subsidiaries, we are principally involved in the printing, production as well as sales and marketing of paper-based packaging, both Corrugated and Non-corrugated, and trading and production of rigid boxes. Our paper-based packaging is printed with full colour offset printing technology.

1. PROSPECTUS SUMMARY (CONT'D)

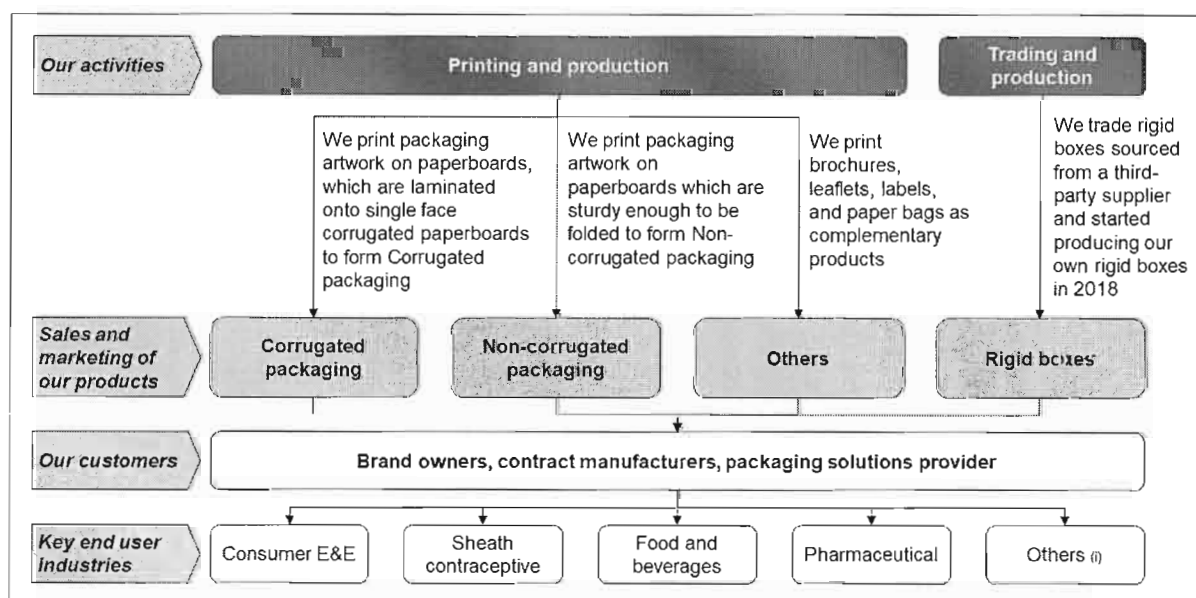
Set out below is our group structure after the Acquisitions:



Further details of our Group are set out in Section 4.2 of this Prospectus.

1.3 PRINCIPAL ACTIVITIES AND BUSINESS MODEL

The chart below illustrates the overview of our business model:



Note:

- (i) Other end user industries include consumer products, kitchenware, automotive spare parts and air conditioner spare parts, amongst others.

1. PROSPECTUS SUMMARY (CONT'D)

Our Group's revenue contribution by product and geographical location for the FY Under Review are as follows:

(i) Revenue by product

	Audited					
	FYE 2018		FYE 2019		FYE 2020	
	RM'000	%	RM'000	%	RM'000	%
Printing and production						
- Corrugated packaging	28,095	43.63	29,954	36.23	25,167	24.87
- Non-corrugated packaging	32,031	49.74	33,055	39.98	31,482	31.11
- Others ⁽ⁱ⁾	4,258	6.61	4,442	5.37	4,567	4.51
Rigid boxes						
- Trading	11	0.02	15,087	18.25	38,667	38.21
- Production	-	-	143	0.17	1,320	1.30
Total	64,395	100.00	82,681	100.00	101,203	100.00

Note:

- (i) Comprises brochures, leaflets, labels and paper bags which are complementary to our paper-based packaging.

(ii) Revenue by geographical location

	Audited					
	FYE 2018		FYE 2019		FYE 2020	
	RM'000	%	RM'000	%	RM'000	%
Local						
Malaysia	60,259	93.58	78,019	94.36	73,309	72.44
Overseas						
Singapore	1,812	2.81	1,489	1.80	1,278	1.26
Thailand	2,034	3.16	2,386	2.89	5,616	5.55
Philippines	-	-	-	-	19,437	19.20
Others ⁽ⁱ⁾	290	0.45	787	0.95	1,563	1.55
	4,136	6.42	4,662	5.64	27,894	27.56
Total	64,395	100.00	82,681	100.00	101,203	100.00

Note:

- (i) Comprises sales from Myanmar, USA, Germany and Taiwan.

Further details on our Group's principal activities and business model are set out in Section 4.10 of this Prospectus.

1. PROSPECTUS SUMMARY (CONT'D)

1.4 COMPETITIVE POSITION

The following competitive positions have driven our past business performance and will support our future growth:

- (i) Our technical knowledge in packaging printing allows us to provide customised products to meet evolving requirements for packaging printing;
- (ii) We serve a customer base covering various end user industries;
- (iii) We maintain long term relationships with our customers and suppliers; and
- (iv) We have an experienced key senior management team.

Further details on our competitive position are set out in Section 4.15 of this Prospectus.

1.5 BUSINESS STRATEGIES AND FUTURE PLANS

- (i) We intend to increase our printing capacity by acquiring 2 additional standard format printing machines;
- (ii) We intend to continue to expand our rigid box business by acquiring an additional rigid box production line; and
- (iii) We intend to expand our reach to a wider customer base in local and overseas markets by increasing our marketing initiatives.

Further details on our business strategies and future plans are set out in Section 4.25 of this Prospectus.

1.6 RISK FACTORS

There are risks associated with investing in our Shares. Set out below are the key risks faced by us in our business operations and industry:

- (i) We are dependent on our top 2 major customers;
- (ii) We are dependent on Group of Companies A as our sales agent;
- (iii) We are dependent on the Consumer E&E industry as our major source of revenue;
- (iv) Our Group's GP margin is largely dependent on our product mix;
- (v) We are exposed to unexpected disruptions in our business operations caused by factors such as machinery and equipment failures, accidents, outbreak of diseases and natural disasters;
- (vi) We are subject to regulatory requirements for our business operations;
- (vii) We rely on our Group Managing Director, Executive Director and key senior management for our business continuity;
- (viii) Our future growth depends on our ability to execute our business strategies and future plans;
- (ix) We are dependent on skilled printing machine operators for the operation of our printing machines;
- (x) We rely on the availability of foreign workers for general works in our factories;

1. PROSPECTUS SUMMARY (CONT'D)

- (xi) We face credit risk and default/ delay in payments by our customers;
- (xii) We are exposed to the fluctuations in foreign exchange rate;
- (xiii) We are subject to the risk of inadequate insurance coverage;
- (xiv) Our printing activities may cause environmental concerns;
- (xv) We are exposed to political, economic and regulatory risks;
- (xvi) We face competition within the packaging printing industry;
- (xvii) We are susceptible to shortage in the supply of raw materials; and
- (xviii) We are susceptible to the price fluctuation of paper.

Further details on the risks faced by our business operations, industry and Shares are set out in Section 5 of this Prospectus.

1.7 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and key senior management are as follows:

(i) Directors

Name	Designation
Lau Tee Tee @ Lau Kim Wah	Non-Independent Non-Executive Chairman
Kok Hon Seng	Executive Director / Group Managing Director
Ng Soh Hoon	Executive Director / Procurement Manager
Philip Goh Teck Siang	Independent Non-Executive Director
Choo Chee Beng	Independent Non-Executive Director
Lee Chong Leng	Independent Non-Executive Director

(ii) Key Senior Management

Name	Designation
Kok Hon Seng	Executive Director / Group Managing Director
Ng Soh Hoon	Executive Director / Procurement Manager
Tan Kian Siong @ Chen Kian Siong	Chief Operating Officer
Mah Chen Wah	Chief Financial Officer
Ng Soh Moy	Administration & Human Resource Manager
Teng Tiang Chia	Production Manager
Lee Kuei Yong	Pre-press Manager
Subramaniam A/L Mogan	Quality Control Manager
Nur Syafiqah Binti Hassan	Quality Assurance Manager

Further details on our Directors and key senior management are set out in Section 3 of this Prospectus.

1. PROSPECTUS SUMMARY (CONT'D)

1.8 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

Our Promoters and substantial shareholders' shareholdings in our Company before our IPO and after our IPO are as follows:

Name	Nationality / Country of incorporation	Before our IPO			After our IPO			
		Direct		Indirect	Direct		Indirect	
		No. of Shares	(i)%		No. of Shares	(ii)%		No. of Shares
Promoters and substantial shareholders								
Aurora Meadow	Malaysia	200,895,630	67.02	-	-	200,895,630	51.72	-
Kok Hon Seng	Malaysian	23,091,528	7.70	(iii)224,800,295	74.99	23,091,528	5.94	(iii)214,800,295
Lau Tee Tee @ Lau Kim Wah	Malaysian	7,688,268	2.57	(iv)212,847,837	71.01	7,688,268	1.98	(iv)207,847,837
Ng Soh Hoon	Malaysian	23,904,665	7.97	(v)223,987,158	74.72	13,904,665	3.58	(v)223,987,158
Chong Fea Chin	Malaysian	11,952,207	3.99	(vi)208,583,898	69.59	6,952,207	1.79	(vi)208,583,898
Substantial shareholder								
Ang Poh Geok	Malaysian	32,228,702	10.75	-	-	27,228,702	7.01	-

Notes:

- (i) Based on the issued share capital of 299,761,000 Shares after the Acquisitions. Further details of the Acquisitions are set out in Section 4.3 of this Prospectus.
- (ii) Based on the enlarged issued share capital of 388,430,000 Shares after our IPO.
- (iii) Deemed interest by virtue of his and his spouse, Ng Soh Hoon's interest in Aurora Meadow and Ng Soh Hoon's direct interest in HPP Holdings pursuant to Section 8 of the Act.

1. PROSPECTUS SUMMARY (CONT'D)

- (iv) Deemed interest by virtue of his and his spouse, Chong Fea Chin's interest in Aurora Meadow and Chong Fea Chin's direct interest in HPP Holdings pursuant to Sections 8 and 59 of the Act.
- (v) Deemed interest by virtue of her and her spouse, Kok Hon Seng's interest in Aurora Meadow and Kok Hon Seng's direct interest in HPP Holdings pursuant to Section 8 of the Act.
- (vi) Deemed interest by virtue of her and her spouse, Lau Tee Tee @ Lau Kim Wah's interest in Aurora Meadow and Lau Tee Tee @ Lau Kim Wah's direct interest in HPP Holdings pursuant to Section 8 of the Act.

Further details on the Promoters and substantial shareholders are set out in Section 3 of this Prospectus.

1.9 USE OF PROCEEDS

We expect to raise gross proceeds of approximately RM31.92 million from the Public Issue and intend to use the proceeds in the following manner:

Details of utilisation	Amount RM'000	Percentage of gross proceeds %	Estimated timeframe for utilisation after Listing
Capital expenditure and expansion	13,031	40.82	Within 24 months
Repayment of bank borrowings	7,783	24.38	Within 12 months
Working capital	5,207	16.31	Within 24 months
Sales and marketing expenses	2,000	6.27	Within 36 months
Estimated listing expenses	3,900	12.22	Within 3 months
Total	31,921	100.00	

Further details on the use of proceeds are set out in Section 2.7 of this Prospectus.

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1. PROSPECTUS SUMMARY (CONT'D)**1.10 FINANCIAL HIGHLIGHTS**

The table below sets out financial highlights based on our audited combined financial statements for the FY Under Review:

	Audited		
	FYE 2018 RM'000	FYE 2019 RM'000	FYE 2020 RM'000
Revenue	64,395	82,681	101,203
Cost of sales	(42,032)	(58,282)	(80,506)
GP	22,363	24,399	20,697
Other income	1,077	1,254	1,368
PBT	16,910	18,152	12,433
PAT attributable to owners of our Group	14,933	13,336	8,233
PAT	14,933	13,668	8,815
GP margin (%) ⁽ⁱ⁾	34.73	29.51	20.45
EBITDA ⁽ⁱⁱ⁾	19,961	21,933	17,165
EBITDA margin (%) ⁽ⁱⁱⁱ⁾	31.00	26.53	16.96
PBT margin (%) ^(iv)	26.26	21.95	12.29
PAT margin (%) ^(v)	23.19	16.53	8.71
Basic EPS (sen) ^(vi)	3.84	3.43	2.12
Number of shares in issue after our IPO ('000)	388,430	388,430	388,430
NA	51,819	59,155	67,388
NA per Share (sen) ^(vii)	13.34	15.23	17.35
Key financial ratios			
Trade receivables turnover (days)	95	82	67
Trade payables turnover (days)	35	36	32
Inventory turnover period (days)	60	50	40
Current ratio (times)	4.35	3.33	3.97
Gearing ratio (times)	0.34	0.34	0.33

Notes:

- (i) GP margin is computed based on the GP over revenue.

1. PROSPECTUS SUMMARY (CONT'D)

(ii) EBITDA is computed based on the following:

	Audited		
	FYE 2018 RM'000	FYE 2019 RM'000	FYE 2020 RM'000
PAT	14,933	13,668	8,815
Add: Income tax expenses	1,977	4,484	3,618
Finance costs	714	998	1,146
Depreciation	2,381	2,957	3,783
Less: Interest income	(44)	(174)	(197)
EBITDA	19,961	21,933	17,165

(iii) EBITDA margin is computed based on the EBITDA over revenue.

(iv) PBT margin is computed based on the PBT over revenue.

(v) PAT margin is computed based on the PAT over revenue.

(vi) Basic EPS is computed based on PAT attributable to the owners of our Group divided by our enlarged issued share capital of 388,430,000 Shares after the IPO. Our Group does not have any outstanding convertible securities as at the LPD.

(vii) NA per Share is computed based on NA divided by our enlarged issued share capital of 388,430,000 Shares after the IPO.

Further details on our historical financial information are set out in Section 8.1 of this Prospectus.

1.11 DIVIDEND POLICY

As we are a holding company, our Company's income and ability to pay dividends are dependent upon the dividends received from our subsidiaries. The payment of dividends by our subsidiaries is dependent upon their distributable profits, financial performance and cash flow requirements for operations and capital expenditure as well as other factors.

It is the intention of our Board to recommend and distribute a dividend of at least 20% of our annual audited PAT attributable to the shareholders of our Company. Any dividend declared will be subject to the Act and recommendation of our Board and any final dividends declared will be subject to the approval of our shareholders at our AGM.

The dividends declared and paid by our Group for the FY Under Review are as follows:

	FYE 2018 RM'000	FYE 2019 RM'000	FYE 2020 RM'000
Hayan Prints	5,580	6,000	-

Subsequent to the FY Under Review and up to the LPD, there was no dividend declared or payable by our Group.

You should take note that this dividend policy merely describes our Group's current intention and shall not constitute legally binding statements in respect of our Group's future dividends that are subject to our Board's absolute discretion.

Further details on our dividend policy are set out in Section 8.6 of this Prospectus.

1. PROSPECTUS SUMMARY (CONT'D)**1.12 COVID-19 PANDEMIC**

In view of the MCO, we had on 18 March 2020 temporarily ceased our operations. However, approvals were subsequently obtained from MITI via its letters dated 28 March 2020 and 19 April 2020 to allow Hayan Prints and Envy Premium respectively, subject to certain conditions, to operate during the MCO period. Hence, Hayan Prints and Envy Premium resumed operations on a reduced capacity basis on 30 March 2020 and 20 April 2020 respectively. Subsequently, following the announcement by MITI that economic sectors which were allowed to operate during the MCO period are allowed to resume operations at full capacity starting from 29 April 2020, our Group fully resumed our operations since 29 April 2020.

Subsequent to the approvals from MITI, our Group had: (i) continued to fulfil existing orders which were received from customers prior to the MCO period; and (ii) accepted new orders from customers which were allowed to operate during the MCO period. In addition, we had to, among others, reorganise our production and delivery schedules as well as reallocate our reduced manpower resources to cater to the orders from our customers and to be in compliance with the conditions imposed by MITI.

As a result of the above, our Group recorded revenue (both from fulfilment of existing orders and acceptance of new orders) amounting to approximately RM15.66 million for the fourth quarter of the FYE 2020, as shown in the table below:

	Average monthly revenue from June 2019 to February 2020	March 2020	April 2020	May 2020	Total
Revenue (RM'million)	9.51	6.21	2.79	6.66	15.66
Change (%)	-	(34.70)*	(70.66)*	(29.97)*	-

Note:

* Compared to the average monthly revenue from June 2019 to February 2020 of approximately RM9.51 million.

Furthermore, we continued to incur fixed expenses such as labour cost, factory overheads and certain administrative expenses during the temporary cessation of our operations. This together with those reasons as detailed in Sections 8.3.1(iii) and 8.3.1(vii) of this Prospectus have resulted in a lower GP margin and subsequently lower PBT margin for the FYE 2020.

Despite operating at a lower capacity due to restrictions imposed during the MCO period as well as to be compliance with the standard operating procedures imposed by the Government, our Group was able to deliver all paper-based packaging orders within the timeframe agreed with the respective customers which were allowed to operate during the MCO period. Please refer to Section 4.27.4 of this Prospectus for further details on our printing and production capacity and utilisation rate of the machines.

During the MCO period, we did not experience any shortage in the supply of paper, price fluctuations for paper and/or delays in delivery lead time for paper orders placed with our current suppliers. Hence, there was no material disruption to the supply of paper or cost of paper as a result of the COVID-19 pandemic and imposition of the MCO or any form of movement and business operation restrictions for the FYE 2020.

Save as disclosed above, the interruption of the COVID-19 pandemic and imposition of the MCO did not have any material impact on our operations and financial performance for the FYE 2020.

Please refer to Sections 4.17, 5 and 8 of this Prospectus for further details relating to the impact of the COVID-19 pandemic on our Group, including fulfilment and delivery of orders, supply of raw materials as well as financial position and results.

2. OUR IPO

2.1 DETAILS OF OUR IPO

2.1.1 IPO

Our IPO consists of the Public Issue of 88,669,000 Issue Shares and Offer for Sale of 20,000,000 Offer Shares, totalling 108,669,000 IPO Shares are issued and/or offered at the IPO Price, payable in full on application and is subject to the terms and conditions of this Prospectus. The IPO Shares are expected to be allocated in the manner described below, subject to the underwriting and placement arrangement as set out in Section 2.1.3 of this Prospectus:

	Public Issue		Offer for Sale		Total IPO Shares	
	No. of Shares	(i)%	No. of Shares	(i)%	No. of Shares	(i)%
Malaysian Public (via balloting):						
- Bumiputera	9,710,800	2.50	-	-	9,710,800	2.50
- Non-Bumiputera	9,710,800	2.50	-	-	9,710,800	2.50
Eligible Parties	30,000,000	7.73	-	-	30,000,000	7.73
Private placement						
- Bumiputera Investors approved by MITI	19,421,600	5.00	20,000,000	5.15	39,421,600	10.15
- Selected Investors	19,825,800	5.10	-	-	19,825,800	5.10
Total	88,669,000	22.83	20,000,000	5.15	108,669,000	27.98

Note:

- (i) Based on the enlarged issued share capital of 388,430,000 Shares after our IPO.

2.1.1.1 Public Issue

Our Public Issue of 88,669,000 Issue Shares, representing approximately 22.83% of our enlarged issued share capital, is payable in full at the IPO Price upon application based on the terms and conditions of this Prospectus and shall be allocated in the following manner:

(i) Malaysian Public

19,421,600 Issue Shares, representing approximately 5.00% of our enlarged issued share capital will be made available for application by the Malaysian Public by way of balloting as follows:

- (a) 9,710,800 Issue Shares, representing approximately 2.50% of our enlarged issued share capital will be made available to the Bumiputera Malaysian Public; and
- (b) 9,710,800 Issue Shares, representing approximately 2.50% of our enlarged issued share capital will be made available to the Malaysian Public.

2. OUR IPO (CONT'D)**(ii) Eligible Parties**

30,000,000 Issue Shares, representing approximately 7.73% of our enlarged issued share capital will be reserved for application by the Eligible Parties as follows:

Eligible Parties	No. of person/ companies	Aggregate number of Issue Shares allocated
Directors of our Group ⁽ⁱ⁾	4	3,000,000
Employees and other business associates who have contributed to the success of our Group ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	200	27,000,000
Total	204	30,000,000

Notes:

- (i) The allocation to eligible directors of our Group is based on, among others, their respective roles, responsibilities and contributions to our Group. The proposed allocation of Issue Shares to eligible directors of our Group are as follows:

Name	Designation	Aggregate no. of Pink Form Allocation
HPP Holdings		
Philip Goh Teck Siang	Independent Non-Executive Director	400,000
Choo Chee Beng	Independent Non-Executive Director	400,000
Lee Chong Leng	Independent Non-Executive Director	400,000
Envy Premium		
Lim Soon Guan ^(a)	Director	1,800,000
Total		3,000,000

Note:

- (a) Lim Soon Guan has been a director and substantial shareholder of Envy Premium since its incorporation on 11 December 2017. He is also one of the founding shareholders of Envy Premium and was involved in the setting up of the operations of Envy Premium. As at the LPD, he is not involved in the operations of Envy Premium as Envy Premium is now a subsidiary of Hayan Prints.

There will not be any Pink Form Allocation to be allocated to Lau Tee Tee @ Lau Kim Wah, Kok Hon Seng and Ng Soh Hoon, being our Non-Independent Non-Executive Chairman, Executive Director / Group Managing Director and Executive Director / Procurement Manager, respectively.

- (ii) The allocation to eligible employees under the Pink Form Allocation (as approved by our Board) are based on, among others, the following:
- (a) the eligible employee must be a full time and confirmed employee of our Group and is on our Group's payroll; and

2. OUR IPO (CONT'D)

(b) seniority, job grade, length of service, past performance and contributions to our Group and any other factors considered relevant by our Board.

(iii) The allocation to other business associates who have contributed to the success of our Group is based on, among others, their current and past contributions and support to our Group and as approved by our Board. This may include, among others, our customers and suppliers who have contributed to the success of our Group.

(iii) Private placement

39,247,400 Issue Shares, representing approximately 10.10% of our enlarged issued share capital will be made available by way of private placement in the following manner:

(a) Bumiputera Investors

19,421,600 Issue Shares, representing approximately 5.00% of our enlarged issued share capital will be made available for application by selected Bumiputera Investors approved by MITI.

(b) Selected Investors

19,825,800 Issue Shares, representing approximately 5.10% of our enlarged issued share capital will be made available for application by Selected Investors.

2.1.1.2 Offer for Sale

The Selling Shareholders will offer 20,000,000 Offer Shares, representing approximately 5.15% of our enlarged issued share capital, at the IPO Price, by way of private placement to Bumiputera Investors approved by MITI.

2.1.2 Price stabilisation mechanism

We will not be employing any price stabilisation mechanism (which is in accordance with the Capital Markets and Services (Price Stabilisation Mechanism) Regulations 2008) for our IPO.

2.1.3 Underwriting and placement arrangement

Our Sole Underwriter has fully underwritten the following:

- (i) 19,421,600 Issue Shares which are to be subscribed by the Malaysian Public; and
- (ii) 30,000,000 Issue Shares which are to be subscribed by the Eligible Parties by way of Pink Form Allocation.

Please refer to Section 2.9 of this Prospectus for the salient terms of the Underwriting Agreement.

The following IPO Shares which will be allocated by way of private placement will not be underwritten as irrevocable written undertakings from the respective investors have been or will be obtained by our Sole Placement Agent:

- (i) 20,000,000 Offer Shares to be acquired by Bumiputera Investors approved by MITI; and
- (ii) 39,247,400 Issue Shares to be subscribed by Selected Investors and Bumiputera Investors approved by MITI.

2. OUR IPO (CONT'D)

We and our Selling Shareholders will enter into a placement agreement with our Sole Placement Agent in relation to the private placement of 39,247,400 Issue Shares to be subscribed by Selected Investors and Bumiputera Investors approved by MITI as well as the private placement of 20,000,000 Offer Shares to be acquired by Bumiputera Investors approved by MITI, subject to the clawback and reallocation provisions as set out in Section 2.1.4 of this Prospectus. We and our Selling Shareholders will be requested, on a several basis, to give various representations, warranties and undertakings, and to indemnify our Sole Placement Agent against certain liabilities in connection with our IPO.

2.1.4 Clawback and reallocation

Our IPO shall be subject to the following clawback and reallocation provisions:

(i) Malaysian Public

In the event of under-subscription of the Issue Shares by the Malaysian Public, and subject to a corresponding over-subscription by the Eligible Parties or Selected Investors under the private placement, the remaining portion will be clawed back and reallocated to the Eligible Parties and/or offered to the Selected Investors under the private placement.

Any further Issue Shares not subscribed for will be subscribed by our Sole Underwriter in accordance with the terms of the Underwriting Agreement.

(ii) Eligible Parties

In the event of under-subscription of the Issue Shares by the Eligible Parties under the Pink Form Allocation, the unsubscribed Issue Shares will be reallocated to other Eligible Parties who have applied for excess Issue Shares (if any) ("**Excess Shares**") in addition to their pre-determined allocation. Such Excess Shares will be allocated to the Eligible Parties who have applied for Excess Shares on a fair and equitable basis in the following manner:

- (a) firstly, allocation on a proportionate basis based on the number of Excess Shares they applied for; and
- (b) secondly, to minimise odd lots.

Our Board reserves the right to allocate to the Eligible Parties who have applied for Excess Shares in addition to their pre-determined allocation at the discretion of our Board in such manner as it deems fit and expedient in the best interest of our Company. Our Board also reserves the right to accept or reject any Excess Shares application, in full or in part, without assigning any reason.

In the event of under-subscription by the other Eligible Parties (after reallocation of Excess Shares to other Eligible Parties), and subject to a corresponding over-subscription by the Malaysian Public or Selected Investors under the private placement, the remaining portion will be clawed back and reallocated to the Malaysian Public and/or offered to the Selected Investors under the private placement.

Thereafter, any remaining Issue Shares not subscribed for will be subscribed by our Sole Underwriter in accordance with the terms of the Underwriting Agreement.

2. OUR IPO (CONT'D)

(iii) Private Placement – Bumiputera Investors

In the event of under-subscription of the Issue Shares by Bumiputera Investors approved by MITI and subject to a corresponding over-subscription by institutional investors, Malaysian Public or Selected Investors under the private placement, the remaining portion will be clawed back and reallocated to institutional investors, followed by Bumiputera Malaysian Public, and thereafter Malaysian Public and/or offered to the Selected Investors under the private placement and if still under-subscribed, such Issue Shares will be made available for subscription by the Eligible Parties.

In the event of an under-subscription of the Offer Shares by Bumiputera Investors approved by MITI and subject to a corresponding over-subscription by institutional investors, Malaysian Public or Selected Investors, the remaining portion will be clawed back and reallocated to institutional investors, followed by Bumiputera Malaysian Public, and thereafter Malaysian Public and/or offered to the Selected Investors under the private placement and if still under-subscribed, such Offer Shares will be made available for subscription by the Eligible Parties.

(iv) Private placement – Selected Investors

In the event of under-subscription of the Issue Shares by the Selected Investors under the private placement and subject to a corresponding over-subscription by the Malaysian Public or Eligible Parties, the remaining portion will be clawed back and reallocated to the Malaysian Public and/or offered to the Eligible Parties.

The clawback and reallocation provisions will not apply in the event there is an over-subscription in all of the allocations of our IPO Shares at the closing date of our IPO.

The allocation of our IPO Shares shall be on a fair and equitable manner and shall take into account the desirability of distributing our IPO Shares to a reasonable number of applicants with a view of broadening our Company's shareholding base to meet the public shareholding spread requirements of Bursa Securities and to establish a liquid market for our Shares. There is no over-allotment or "greenshoe" option that will result in an increase in the number of IPO Shares.

2.1.5 Minimum level of subscription

There is no minimum level of subscription in terms of the proceeds to be raised by us for the IPO.

However, we will need to comply with the public spread requirements of Bursa Securities where we must have at least 25% of our total number of issued Shares held by a minimum of 200 public shareholders holding not less than 100 Shares each. This is the minimum subscription level in terms of number of Shares.

Our Company may not be permitted to proceed with the Listing if the public spread requirement is not met. In such event, we will return all monies paid for the applications in full and without interest. Further, if such monies are not returned in full within 14 days after our Company becomes liable to do so, the provision of Section 243(2) of the CMSA shall apply accordingly.

2. OUR IPO (CONT'D)

2.2 OFFER FOR SALE

The Selling Shareholders are offering 20,000,000 Offer Shares, representing approximately 5.15% of our enlarged issued share capital, at the IPO Price by way of private placement to Bumiputera Investors approved by MITI and subject to the clawback and reallocation provisions as set out in Section 2.1.4(iii) of this Prospectus. The details of the Selling Shareholders, their relationship with our Group and details of their shareholdings in our Company are as follows:

Name and address	Material relationship with our Group within the past 3 years prior to the LPD	As at 30 November 2020		Offer Shares offered		Immediately after the IPO	
		No. of Shares	(i)%	No. of Shares	(ii)%	No. of Shares	(iii)%
Ng Soh Hoon 12, Jalan PP 1 Taman Pandan Perdana 75250 Melaka	<u>HPP Holdings</u> Director, Promoter, substantial shareholder and key senior management <u>Subsidiaries</u> Director of Hayan Packaging and Big Tree Realty	23,904,665	7.97	10,000,000	2.57	13,904,665	3.58
Chong Fea Chin 12A, Jalan PRI 16 Taman Paya Rumput Indah 76460 Melaka	<u>HPP Holdings</u> Promoter and substantial shareholder <u>Subsidiary</u> Director of Hayan Packaging	11,952,207	3.99	5,000,000	1.29	6,952,207	1.79
Ang Poh Geok 15, Jalan Cempaka 6 Taman Raya Rumput Perdana 76450 Melaka	<u>HPP Holdings</u> Substantial shareholder	32,228,702	10.75	5,000,000	1.29	27,228,702	7.01

Notes:

- (i) Based on the issued share capital of 299,761,000 Shares before the IPO.
- (ii) Based on the enlarged issued share capital of 388,430,000 Shares after our IPO.

The proceeds of RM7.20 million arising from the Offer for Sale will accrue entirely to the Selling Shareholders. All expenses relating to the Offer for Sale will be fully borne by the Selling Shareholders. The Offer Shares will not be underwritten by our Sole Underwriter.

2. OUR IPO (CONT'D)**2.3 SHARE CAPITAL**

	No. of Shares	RM
Issued share capital after the Acquisitions	299,761,000	59,952,201.60
Shares to be issued under the Public Issue	88,669,000	31,920,840.00
Enlarged issued share capital upon Listing	388,430,000	91,873,041.60
Shares to be offered under Offer for Sale	20,000,000	7,200,00.00
IPO Price per Share		0.36
Market capitalisation upon Listing (based on the IPO Price and enlarged number of issued shares after our IPO)		139,834,800
Pro forma NA per Share (based on the pro forma consolidated statement of financial position as at 31 May 2020)		⁽ⁱ⁾ 0.25

Note:

- (i) Based the pro forma NA after our IPO and adjusting for the use of proceeds from our Public Issue of approximately RM97.29 million and the enlarged issued share capital of 388,430,000 Shares after our IPO.

The Offer for Sale would not have any effect on our issued share capital as the Offer Shares are already in existence prior to our IPO.

2.4 BASIS OF ARRIVING AT THE IPO PRICE

The IPO Price was determined and agreed upon by our Directors, Promoters, Selling Shareholders, Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent after taking into account, amongst others, the following factors:

- (i) our Group's EPS of approximately 2.12 sen based on our consolidated PAT attributable to the owners of our Group of approximately RM8.23 million for the FYE 2020 and our enlarged issued share capital of 388,430,000 Shares which translate into a PE multiple of approximately 16.98 times for the FYE 2020;
- (ii) our pro forma NA per Share of RM0.25 as at 31 May 2020 based on the pro forma NA, upon Listing and after the use of proceeds from our Public Issue, of approximately RM97.29 million and our enlarged issued share capital of 388,430,000 Shares;
- (iii) our competitive position as set out in Section 4.15 of this Prospectus;
- (iv) our business strategies and future plans as set out in Section 4.25 of this Prospectus; and
- (v) the overview and prospects of our industry based on the IMR Report as set out in Section 4.32 of this Prospectus.

You should also note that the market price of our Shares upon Listing is subject to the uncertainties of market forces and other factors, which may affect the price of our Shares being traded. You are reminded to consider the risk factors as set out in Section 5 of this Prospectus before deciding to invest in our Shares.

2. OUR IPO (CONT'D)

2.5 PURPOSE OF OUR LISTING

The purpose of our Listing is as follows:

- (i) to enhance our corporate profile and stature to gain recognition through our listing status which is expected to enhance our reputation and market credibility and to assist us to attract and retain talents;
- (ii) to provide our Group after the Listing with financial flexibility to access the capital market to raise funds for our future business expansion and growth, as and when they arise;
- (iii) to enable our Group to raise funds for the purposes set out in Section 2.7 of this Prospectus; and
- (iv) to allow the investing community, including the Malaysian Public and Eligible Parties to participate in our continuing growth by way of equity participation.

2.6 DILUTION

Dilution is the amount by which the IPO Price paid by the applicants for our Shares exceeds the pro forma combined NA per Share of our Group immediately after our IPO.

The following table illustrates such dilution on a per Share basis:

	RM
IPO Price	0.36
Pro forma NA per Share as at 31 May 2020 after the Acquisitions but before our IPO and the intended use of proceeds from our Public Issue	⁽ⁱ⁾ 0.22
Pro forma NA per Share as at 31 May 2020 after the Acquisitions, our IPO and intended use of proceeds from our Public Issue	⁽ⁱⁱ⁾ 0.25
Increase in the pro forma NA per Share to the existing shareholders	0.03
Dilution in the pro forma NA per Share to new investors	0.11
Dilution in the pro forma NA per Share to new investors as a percentage of the IPO Price	30.56%

Notes:

- (i) Based on the pro forma NA of approximately RM67.39 million divided by the issued share capital of 299,761,000 prior to our Listing.
- (ii) Based on the pro forma NA of approximately RM97.29 million divided by the enlarged issued share capital of 388,430,000 prior to our Listing.

2. OUR IPO (CONT'D)

Summarised below is the total number of Shares acquired by the directors of our Group, Promoters, key senior management, substantial shareholders and/or persons connected with them, the total consideration paid by them and the average cost per Share to them and the IPO Shares subscribed by the new investors pursuant to our IPO:

	No. of Shares held after the Acquisitions and before our IPO	No. of Shares from our IPO	Total Consideration RM	Average cost per Share RM
Promoter and substantial shareholder				
Aurora Meadow	200,895,630	-	40,179,126.00	0.20
Directors, Promoters, substantial shareholders and key senior management				
Kok Hon Seng	⁽ⁱ⁾ 23,091,528	-	4,618,305.60	0.20
Ng Soh Hoon	⁽ⁱ⁾ 23,904,665	-	4,780,933.00	0.20
Director, Promoter and substantial shareholder				
Lau Tee Tee @ Lau Kim Wah	⁽ⁱ⁾ 7,688,268	-	1,537,653.60	0.20
Directors				
Philip Goh Teck Siang	-	⁽ⁱⁱⁱ⁾ 400,000	144,000.00	0.36
Choo Chee Beng	-	⁽ⁱⁱⁱ⁾ 400,000	144,000.00	0.36
Lee Chong Leng	-	⁽ⁱⁱⁱ⁾ 400,000	144,000.00	0.36
Director of Envy Premium				
Lim Soon Guan	-	⁽ⁱⁱⁱ⁾ 1,800,000	648,000.00	0.36
Substantial shareholder				
Ang Poh Geok	⁽ⁱⁱ⁾ 32,228,702	-	6,445,740.40	0.20
Promoter, substantial shareholder and person connected with Director				
Chong Fea Chin	⁽ⁱ⁾ 11,952,207	-	2,390,441.40	0.20
Key Senior Management				
Mah Chen Wah	-	⁽ⁱⁱⁱ⁾ 200,000	72,000.00	0.36
Tan Kian Siong @ Chen Kian Siong	-	⁽ⁱⁱⁱ⁾ 800,000	288,000.00	0.36
Teng Tiang Chia	-	⁽ⁱⁱⁱ⁾ 300,000	108,000.00	0.36
Lee Kuei Yong	-	⁽ⁱⁱⁱ⁾ 200,000	72,000.00	0.36
Subramaniam A/L Mogan	-	⁽ⁱⁱⁱ⁾ 3,000	1,080.00	0.36
Nur Syafiqah Binti Hassan	-	⁽ⁱⁱⁱ⁾ 3,000	1,080.00	0.36
Key senior management and person connected with Director				
Ng Soh Moy	-	⁽ⁱⁱⁱ⁾ 500,000	180,000.00	0.36

2. OUR IPO (CONT'D)

	No. of Shares held after the Acquisitions and before our IPO	No. of Shares from our IPO	Total Consideration RM	Average cost per Share RM
Person connected with Director, Promoter, substantial shareholder and key senior management				
Ng Kok Wah ^(iv)	-	(iii)100,000	36,000.00	0.36
Ng Kok Keong ^(iv)	-	(iii)100,000	36,000.00	0.36
Ng Soh Geok ^(iv)	-	(iii)100,000	36,000.00	0.36
Chiang Siew Hong ^(v)	-	(iii)100,000	36,000.00	0.36
Ang Kim Loo ^(vi)	-	(iii)100,000	36,000.00	0.36
Lim Tau Teng ^(vii)	-	(iii)100,000	36,000.00	0.36
Person connected with substantial shareholder				
Teng Chee Koon ^(viii)	-	(iii)90,000	32,400.00	0.36
Person connected with Director, Promoter and substantial shareholder				
Law Kim Sang ^(ix)	-	(iii)100,000	36,000.00	0.36
New investors from our IPO				
Public Issue	-	88,669,000	31,920,840.00	0.36
Offer for Sale	-	20,000,000	7,200,000.00	0.36

Notes:

- (i) Including subscribers' Shares for the incorporation of HPP Holdings and after the Acquisitions. Please refer to Section 4.3 of this Prospectus for further details on the Acquisitions.
- (ii) After the Acquisitions. Please refer to Section 4.3 of this Prospectus for further details on the Acquisitions.
- (iii) Assuming full subscription of their respective entitlements under the Pink Form Allocations.
- (iv) Ng Kok Wah, Ng Kok Keong and Ng Soh Geok who are business associates of our Group, are also the siblings of Ng Soh Hoon and Ng Soh Moy.
- (v) Chiang Siew Hong who is a business associate of our Group, is also the spouse of Ng Kok Wah, the brother of Ng Soh Hoon and Ng Soh Moy.
- (vi) Ang Kim Loo who is a business associate of our Group, is also the mother of Ng Soh Hoon and Ng Soh Moy.
- (vii) Lim Tau Teng who is a business associate of our Group, is also the brother-in-law of Ng Soh Hoon and spouse of Ng Soh Moy.
- (viii) Teng Chee Koon is our printing operator line leader, is also the son of Ang Poh Geok.
- (ix) Law Kim Sang who is a business associate of our Group, is also the brother of Lau Tee Tee @ Lau Kim Wah.

Save for the above, there has been no acquisition and/or subscription of any existing Shares in our Company by the directors of our Group, Promoters, key senior management, substantial shareholders and/or persons connected with them nor had any rights to acquire any Shares since the incorporation of our Company up to the date of this Prospectus.

2. OUR IPO (CONT'D)

Our Independent Non-Executive Directors and key senior management intend to subscribe for the Issue Shares through their entitlements under the Pink Form Allocation. Our key senior management may be subscribing for the Issue Shares through the application by the Malaysian Public and their entitlements under the Pink Form Allocation.

Save for the above, it is not known to our Company as to whether any of the directors of our Group, Promoters, key senior management, substantial shareholders and/or persons connected with them has intention to subscribe for the IPO Shares. Our Company is also not aware as to whether there is any person who intends to subscribe for more than 5% of the IPO Shares.

2.7 USE OF PROCEEDS

We expect to raise gross proceeds of approximately RM31.92 million from the Public Issue and intend to use the proceeds in the following manner:

Details of utilisation	Section	Amount RM'000	Percentage of gross proceeds %	Estimated timeframe for utilisation after Listing
Capital expenditure and expansion	2.7.1	13,031	40.82	Within 24 months
Repayment of bank borrowings	2.7.2	7,783	24.38	Within 12 months
Working capital	2.7.3	5,207	16.31	Within 24 months
Sales and marketing expenses	2.7.4	2,000	6.27	Within 36 months
Estimated listing expenses	2.7.5	3,900	12.22	Within 3 months
Total		31,921	100.00	

As stated above, we intend to use most of our Public Issue proceeds for our expansion plans where we increase our printing capacity to cater for growing demand from our customers.

Further details of the utilisation are set out below whilst our business strategies and future plans are set out in Section 4.25 of this Prospectus.

The current allocated utilisation is based on the respective estimated costs as at the LPD. Hence, if the allocated proceeds are insufficient to fund the final amount, we will fund the shortfall from our working capital and/or bank borrowings (where relevant). Similarly, any surplus from the allocated proceeds will be used for general working capital purposes.

Pending the eventual use of the proceeds raised from the Public Issue, the proceeds will be placed in interest bearing short-term deposits or money market instruments with licensed financial institutions.

Our Company will not receive any proceeds from the Offer for Sale. The gross proceeds from the Offer for Sale amounting to RM7.20 million will accrue entirely to the Selling Shareholders.

The Selling Shareholders will bear their own placement fee in respect of our IPO, which is estimated to be approximately RM0.16 million.

2. OUR IPO (CONT'D)**2.7.1 Capital expenditure and business expansion**

We intend to allocate approximately RM13.03 million, representing approximately 40.82% of gross proceeds from the Public Issue for acquisition of the machines as follows:

Details	Note	RM'000
2 standard format printing machines	(a)	12,292
1 die-cutting machine	(b)	739
Total		13,031

(a) Standard format printing machines

We are facing capacity constraints as the utilisation rate of our standard format printing machines is approximately 88.44% as at 31 May 2020. In order to keep abreast with our customers' evolving requirements, we will progressively invest in new printing machines to replace our existing printing machines.

As at the LPD, we have a total of 6 standard format printing machines, 5 of which are being used for printing and production and 1 for training purposes. Based on our FYE 2020 production schedule, our annual printing capacity is 86,068,125 pieces, assuming that we were operating 5 standard format printing machines throughout the FYE 2020 and that there were no disruptions to Hayan Prints' operations due to the MCO.

We intend to acquire 2 standard format printing machines by utilising approximately RM12.29 million from the Public Issue proceeds. This amount was arrived at based on price quotations and cost of purchase of similar machines.

One of the standard format printing machines is intended to increase our annual printing capacity. The other standard format printing machine will not contribute to an increase in annual printing capacity as is intended to replace one of our existing standard format printing machines which is 10 years in age and to be disposed thereafter. The drying unit of this existing printing machine was previously damaged by a fire in April 2017 and was subsequently repaired and continued to be used for production.

Subsequent to the aforementioned acquisition and disposal, we will have a total of 7 standard format printing machines (6 of which are to be used for printing and production and 1 for training purposes). Our annual printing capacity is expected to increase by approximately 20.00% to 103,281,750 pieces, based on 6 standard format printing machines which are being used for printing and production and our FYE 2020 production schedule.

These new standard format printing machines are equipped with online coating features which allow us to print artwork on paperboards or art papers of sizes up to 730mm x 1,020mm. Further, the new standard format printing machines will have more advanced features, such as integrated control systems, colour management and automatic register adjustment as well as automatic blanket cylinder cleaners and is expected to increase our printing capacity, improve printing quality and colour accuracy, reduce printing defects and wastage and will automate blanket cleaning, amongst others.

2. OUR IPO (CONT'D)

We have paid cash deposits of approximately RM0.60 million for the acquisition of a new standard format printing machine which cost JPY153.00 million (equivalent to approximately RM6.04 million based on the actual exchange rate of RM3.95: JPY100 on the transaction date) in August 2020. The remaining balance for the acquisition of this standard format printing machine amounting to approximately RM5.44 million is expected to be paid by end of 2020 to facilitate the delivery and installation of this printing machine by first quarter of 2021. In the event of any potential delay in our Listing, we will draw down a term loan to pay for the said remaining balance ("**Bridging Loan**") and upon receipt of the proceeds raised from the Public Issue, the amount allocated for the acquisition of this standard format printing machine will be utilised to repay the Bridging Loan.

(b) Die-cutting machine

We intend to acquire another automatic die-cutting machine with stripping features to be partly financed by approximately RM0.74 million from the Public Issue proceeds. This amount was arrived at based on price quotations and cost of purchase of similar machines.

This die-cutting machine will be used to create folding lines to form packaging, cut excess edges, and to remove and strip the unwanted edges from printed paperboards, art papers or laminated corrugated cardboards. This machine is capable of die-cutting up to sizes of 1,650mm x 1,200mm.

2.7.2 Repayment of bank borrowings

As at the LPD, our total bank borrowings amounting to approximately RM23.06 million. We intend to allocate approximately RM7.78 million, representing approximately 24.38% of gross proceeds from the Public Issue, to repay bank borrowings as set out in the table below:

Banking facility	Purpose	Interest rate/ Maturity date	Outstanding amount as at the LPD RM'000	Proposed repayment RM'000
United Overseas Bank (Malaysia) Berhad – Term loan	Acquisition of factory on Lot 4799	3.07%/ October 2029	3,778	3,778
CIMB Bank Berhad – Term loan	Acquisition of land on Lot 4754 and Lot 4763	3.60%/ August 2032	1,484	1,484
Malayan Banking Berhad – Term loan (Refinance)	Repayment of banker acceptance	4.20%/ May 2031	1,033	1,033
CIMB Islamic Bank Berhad (" CIMB Islamic ") – Term loan	Acquisition of die cutting machine and gluing machine	5.10%/ January 2023	746	746
CIMB Islamic	Acquisition of large format printing machine	5.10%/ May 2023	3,834	⁽ⁱ⁾ 568
CIMB Islamic	Acquisition of pile turner machine	5.10%/ January 2023	94	94
CIMB Islamic	Acquisition of laminating machine	5.10%/ April 2023	80	80
Total			11,049	7,783

2. OUR IPO (CONT'D)

Note:

- (i) Our Group intends to make partial repayment for this banking facility via the proceeds raised from the Public Issue.

The repayment of the abovementioned bank borrowings is expected to have a positive financial impact on our Group with interest savings of approximately RM1.93 million based on the existing prevailing interests rate per annum for each of the banking facilities mentioned above. The final redemption sum will be determined based on the date of repayment and the actual interest savings may vary depending on the then applicable interest rate.

In the event the proceeds for actual repayment of bank borrowings are lower than estimated, the excess will be used for repayment of our other bank borrowings apart from those listed above and/or working capital purposes.

2.7.3 Working capital

We intend to allocate approximately RM5.21 million, representing approximately 16.31% of gross proceeds from the Public Issue to finance our Group's working capital for purchase of raw materials and payment for factory overheads such as upkeep and maintenance of 2 new standard format printing machines to be purchased.

Our working capital requirements are expected to increase in line with the increase of our printing capacity. As at the LPD, we have a total of 6 standard format printing machines, 5 of which are being used for printing and production and 1 for training purposes. As set out in Section 2.7.1 of this Prospectus, we will acquire 2 new standard format printing machines using Public Issue proceeds (one of the machines is intended to replace one of our existing standard format printing machines). Premised on this, we expect our printing capacity to increase by approximately 20.00%.

Raw material is the largest component of our cost of sales, representing 66.27%, 48.94% and 33.49% of our cost of sales for the FYE 2018, FYE 2019 and FYE 2020 respectively. In addition, as part of our strategy to deliver our products on time, we will normally keep sufficient stock of paperboards, art papers and chipboards after taking into account our printing and production needs and the long lead time for importing these raw materials. Further, we purchase most of our paper-based raw materials on cash terms in order to secure better pricing. In view of the foregoing, we have earmarked up to RM5.21 million from the Public Issue proceeds for our working capital requirements for purchase of raw materials. This amount was arrived at based on additional raw materials to be stocked up assuming the additional capacity from our capital expenditure and business expansion as detailed in Section 2.7.1 of this Prospectus is fully utilised.

The additional working capital is expected to enhance our Group's liquidity and cash flow and will place us in a better position to accept more printing orders. As the prices for certain types of raw material such as paper may fluctuate depending on the demand and supply conditions and other factors such as production cost of papers, any excess from the amount earmarked for purchase of raw materials will then be utilised for upkeep and maintenance of our new standard format printing machines which represent the largest expense of our factory overheads.

2.7.4 Sales and marketing expenses

Currently, we secure printing orders through referrals from our existing customers and sales agent and we have only participated in some exhibitions in Malaysia to meet potential customers to secure printing orders.

2. OUR IPO (CONT'D)

However, we anticipate that there are opportunities in the global markets and other regions in Malaysia given our packaging printing experience and our track record. As such, we intend to begin our local and overseas marketing initiatives to increase exposure and promote awareness of Hayan Group to brand owners, contract manufacturers and packaging solutions providers in the local and overseas markets. We plan to participate in local and overseas tradeshows and exhibitions where we would be able to network, present and pitch ourselves to various end user industries such as Consumer E&E, pharmaceutical, sheath contraceptive and food and beverage, as well as packaging solutions providers.

We intend to allocate RM2.00 million, representing approximately 6.27% of gross proceeds from the Public Issue to finance our future sales and marketing expenses. This amount was arrived at based on the estimated expenses for rental of floor space/ booths, installation and dismantling of booths as well as traveling and accommodation expenses.

Further details of our sales and marketing initiatives are set out in Section 4.25.3 of this Prospectus.

2.7.5 Estimated listing expenses

We intend to allocate approximately RM3.90 million, representing approximately 12.22% of gross proceeds from the Public Issue to pay for the estimated listing expenses of our IPO as follows:

Details	Estimated amount RM'000
Professional fees ⁽ⁱ⁾	2,500
Regulatory fees	80
Underwriting, placement and brokerage fees	720
Printing and advertisement	200
Contingencies ⁽ⁱⁱ⁾	400
Total	3,900

Notes:

- (i) Includes advisory fees for, among others, the Principal Adviser, Financial Adviser, Solicitors, Auditors, Reporting Accountants and IMR.
- (ii) Being incidental and related expenses in connection with our IPO.

If the actual listing expenses are higher than estimated, the deficit will be funded out of our working capital. However, if the actual expenses are lower than estimated, the excess will be used for general working capital requirements of our Group.

2.8 UNDERWRITING COMMISSION, BROKERAGE AND PLACEMENT FEES

2.8.1 Brokerage fee

We will pay the brokerage fee for the 49,421,600 Issue Shares under the Public Issue at the rate of 1.00% on the IPO Price in respect of successful applications bearing the stamp of either Affin Hwang IB, other participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association or the Issuing House.

2. OUR IPO (CONT'D)

2.8.2 Underwriting commission

Our Sole Underwriter has entered into the Underwriting Agreement on 1 December 2020 with our Company for the underwriting of 49,421,600 Issue Shares, which are available for application by the Malaysian Public and our Eligible Parties ("**Underwritten Shares**"), subject to the clawback and reallocation provision as set out in Section 2.1.4 of this Prospectus. We will pay an underwriting commission at the rate of 2.25% of the value of Underwritten Shares based on the IPO Price to our Sole Underwriter.

2.8.3 Placement fee

Our Sole Placement Agent has agreed to place out 59,247,400 of IPO Shares, comprising 39,247,400 Issue Shares and 20,000,000 Offer Shares as set out in Sections 2.1.1.1(iii) and 2.1.1.2 of this Prospectus. We will pay a placement fee at the rate of up to 2.25% of the value of 39,247,400 Issue Shares reserved under the private placement for the Bumiputera Investors approved by MITI and Selected Investors based on the IPO Price to our Sole Placement Agent.

The placement fee incurred by the Selling Shareholders will be paid by the Selling Shareholders to our Sole Placement Agent vide proceeds raised from the Offer for Sale.

2.9 UNDERWRITING AGREEMENT

Pursuant to the Underwriting Agreement, our Sole Underwriter has agreed to underwrite 49,421,600 Issue Shares under the Public Issue, subject to clawback and reallocation provisions set out in Section 2.1.4 of this Prospectus and upon the terms of the Underwriting Agreement.

The salient terms of the Underwriting Agreement are extracted as follows:

- 2.9.1 The obligations of the Sole Underwriter under the Underwriting Agreement are conditional on certain conditions precedent being satisfied or fulfilled unless waiver by the Sole Underwriter;
- 2.9.2 The Sole Underwriter may terminate, cancel and withdraw its commitment to underwrite the Underwritten Shares, at any time before the last date and time for the receipt of the applications and payment for the Issue Shares in accordance with the Prospectus or such later date as the Company and the Sole Underwriter may mutually agree upon in writing, subject to the prior written approval of the relevant authorities, if required ("**Closing Date**") or the extended Closing Date which will be notified in a widely circulated Bahasa Malaysia and English daily newspaper in Malaysia, if:
- (a) the approval of Bursa Securities and other relevant authorities for the Listing is revoked, withdrawn or procured but subject to the conditions not acceptable to the Sole Underwriter; or
 - (b) there is any material breach by the Company of any of the representations, warranties, covenants or undertakings contained in the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated in the notice given to the Company; or
 - (c) there is a material failure on the part of the Company to perform any of its obligations contained in the Underwriting Agreement; or
 - (d) there is withholding of information of a material nature by the Company which is required to be disclosed pursuant to the Underwriting Agreement which, in the reasonable opinion of the Sole Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of the Group, the success of the Public Issue, or the distribution or sale of the Issue Shares; or

2. OUR IPO (CONT'D)

- (e) there shall have occurred, or happened any material and adverse change in the business or financial condition of the Group or the occurrence of any event rendering any of the representations and warranties of the Company under the Underwriting Agreement inaccurate, untrue or incorrect at the relevant date; or
- (f) the imposition of any moratorium, suspension or material restriction on trading in securities generally on Bursa Securities the effect of which, is in the sole opinion of the Sole Underwriter after consultation with the Company, would have or can reasonably be expected to have, a material adverse effect on the business or operations of the Group, the success of the Public Issue, or the distribution or sale of the Issue Shares; or
- (g) a material adverse change in the stock market condition occurs, and for the purposes of this clause, a material adverse change in the stock market condition shall be deemed to have occurred if the FTSE Bursa Malaysia KLCI Index ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:
 - (i) on or after the date of the Underwriting Agreement; and
 - (ii) prior to the close of the offering of the Public Issue,

lower than 85.00% of the level of Index at the last close of normal trading on Bursa Securities on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least 3 consecutive Market Days or any other adverse change in the market conditions which the parties mutually agree to be sufficiently material and adverse to render it to be a terminating event; or
- (h) the placement agreement entered into between our Selling Shareholders and the Sole Placement Agent in relation to the private placement of 59,247,400 IPO Shares shall have been terminated in accordance with its terms; or
- (i) there shall have occurred, or happened any of the following events:
 - (i) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or
 - (ii) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of the Sole Underwriter (including without limitation, acts of God, pandemic, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents); or
 - (iii) any change or development in Malaysian tax laws materially and adversely affecting the Company, the IPO Shares or transfer thereof or an announcement of such change or development, in each case the effect of which is, in the sole opinion of the Sole Underwriter, after consultation with the Company, to the extent reasonably practicable, is reasonably likely to prejudice materially the offer, sale or delivery of the IPO Shares on the terms and in the manner contemplated in the Prospectus and other documents (if any) attached or any relevant application forms,

2. OUR IPO (CONT'D)

which is in the sole opinion of the Sole Underwriter, after consultation with the Company to the extent reasonably practicable, would have or can reasonably be expected to have, a material adverse effect on, and/or materially prejudice the business or the operations of the Group as a whole, the success of the Public Issue or the Listing which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms.

- 2.9.3 In the event that the Underwriting Agreement is terminated pursuant to Section 2.9.2 above, the Sole Underwriter and the Company may confer with a view to deferring the Public Issue by amending the terms of the Underwriting Agreement and entering into a new underwriting agreement accordingly, but neither the Sole Underwriter nor the Company shall be under any obligation to enter into a fresh agreement.
- 2.9.4 Upon any such notice(s) being given pursuant to Section 2.9.2 above, the Sole Underwriter shall be released and discharged from its obligations under the Underwriting Agreement without prejudice to any of its right under the Underwriting Agreement whereupon the following shall take place within 3 Market Days of the receipt of such notice:
- (a) the Company shall make payment of underwriting commission calculated at the rate of 2.25% of the total value of the Underwritten Shares at the IPO Price ("**Underwriting Commission**") to the Sole Underwriter; and
 - (b) each party shall return all other monies (in the case of the Underwriting Commission due and owing to the Sole Underwriter under the Underwriting Agreement) paid to the other under the Underwriting Agreement (except for monies paid by the Company for the payment of the expenses as provided under the Underwriting Agreement),

and thereafter, the Underwriting Agreement shall be terminated and of no further force and effect and none of the parties shall have a claim against the other save and except in respect of any antecedent breach.

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3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

3.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

3.1.1 Promoters' and substantial shareholders' shareholdings

Our Promoters' and substantial shareholders' shareholdings in our Company before our IPO and after our IPO are as follows:

Name	Nationality / Country of incorporation	Before our IPO			After our IPO			
		Direct		Indirect	Direct		Indirect	
		No. of Shares	(i)%	No. of Shares	(i)%	No. of Shares	(ii)%	
Promoters and substantial shareholders								
Aurora Meadow	Malaysia	200,895,630	67.02	-	-	200,895,630	51.72	-
Kok Hon Seng	Malaysian	23,091,528	7.70	(iii)224,800,295	74.99	23,091,528	5.94	(iii)214,800,295
Lau Tee Tee @ Lau Kim Wah	Malaysian	7,688,268	2.57	(iv)212,847,837	71.01	7,688,268	1.98	(iv)207,847,837
Ng Soh Hoon	Malaysian	23,904,665	7.97	(v)223,987,158	74.72	13,904,665	3.58	(v)223,987,158
Chong Fea Chin	Malaysian	11,952,207	3.99	(vi)208,583,898	69.59	6,952,207	1.79	(vi)208,583,898
Substantial shareholder								
Ang Poh Geok	Malaysian	32,228,702	10.75	-	-	27,228,702	7.01	-

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Notes:

- (i) Based on the issued share capital of 299,761,000 Shares after the Acquisitions. Further details of the Acquisitions are set out in Section 4.3 of this Prospectus.
- (ii) Based on the enlarged issued share capital of 388,430,000 Shares after our IPO.
- (iii) Deemed interest by virtue of his and his spouse, Ng Soh Hoon's interest in Aurora Meadow and Ng Soh Hoon's direct interest in HPP Holdings pursuant to Section 8 of the Act.
- (iv) Deemed interest by virtue of his and his spouse, Chong Fea Chin's interest in Aurora Meadow and Chong Fea Chin's direct interest in HPP Holdings pursuant to Sections 8 and 59 of the Act.
- (v) Deemed interest by virtue of her and her spouse, Kok Hon Seng's interest in Aurora Meadow and Kok Hon Seng's direct interest in HPP Holdings pursuant to Section 8 of the Act.
- (vi) Deemed interest by virtue of her and her spouse, Lau Tee Tee @ Lau Kim Wah's interest in Aurora Meadow and Lau Tee Tee @ Lau Kim Wah's direct interest in HPP Holdings pursuant to Section 8 of the Act.

Our Promoters and substantial shareholders do not hold Shares that have different voting rights from our other shareholders.

Save as set out above, we are not aware of any other person(s) who directly or indirectly, jointly or severally, exercise control over us. Further, we are not aware of any arrangement of which may result in a change in control of our Company at a subsequent date.

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3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

3.1.2 Profiles of Promoters and substantial shareholders

The profiles of our Promoters and substantial shareholders are as follows:

(i) Aurora Meadow

Aurora Meadow was incorporated on 21 April 2017 as a private limited company in Malaysia under the Act. As at the LPD, the issued share capital of Aurora Meadow is RM40,179,514 comprising 40,179,514 ordinary shares. Aurora Meadow is an investment holding company principally involved in holding properties and investment in Hayan Group. Currently, Aurora Meadow owns some residential properties, which are tenanted to Hayan Prints for its foreign workers' accommodation as set out in Section 6.1 of this Prospectus.

The directors and substantial shareholders of Aurora Meadow and their shareholdings as at the LPD are as follows:

Name	Nationality	Direct		Indirect	
		No. of shares	%	No. of shares	%
Directors and substantial shareholders					
Kok Hon Seng	Malaysian	21,008,776	52.29	⁽ⁱ⁾ 8,110,676	20.19
Lau Tee Tee @ Lau Kim Wah	Malaysian	7,004,724	17.43	⁽ⁱⁱ⁾ 4,055,338	10.09
Ng Soh Hoon	Malaysian	8,110,676	20.19	⁽ⁱⁱⁱ⁾ 21,008,776	52.29
Substantial shareholder					
Chong Fea Chin	Malaysian	4,055,338	10.09	^(iv) 7,004,724	17.43

Notes:

- (i) Deemed interest by virtue of his spouse, Ng Soh Hoon's interest in Aurora Meadow pursuant to Section 8 of the Act.
- (ii) Deemed interest by virtue of his spouse, Chong Fea Chin's interest in Aurora Meadow pursuant to Sections 8 and 59 of the Act.
- (iii) Deemed interest by virtue of her spouse, Kok Hon Seng's interest in Aurora Meadow pursuant to Section 8 of the Act.
- (iv) Deemed interest by virtue of her spouse, Lau Tee Tee @ Lau Kim Wah's interest in Aurora Meadow pursuant to Section 8 of the Act.

(ii) Kok Hon Seng

Kok Hon Seng, a Malaysian, aged 63, is our Promoter and substantial shareholder. He is also our Executive Director / Group Managing Director. He was appointed to our Board on 29 November 2018.

He has 30 years of experience in the packaging printing industry with knowledge in full colour offset printing technology and printing processes involving pre-press, press and post-press.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

In 1969, he completed his primary education at SJK (C) Chong Eng, Johor. In 1970, he began his apprenticeship with a goldsmith where he learnt the skills of jewellery making. In 1973, he completed his apprenticeship and became a jewellery craftsman. In 1983, he resigned to work as an assistant chef at a restaurant in Melaka until July 1990.

In August 1990, he co-founded Risoprint (Malaysia) Sdn Bhd, a company that was involved in the printing business. He assumed his role as the Managing Director and was involved in overseeing the business of Risoprint (Malaysia) Sdn Bhd, including administration, procurement, business development and operations. In February 1996, he resigned from Risoprint (Malaysia) Sdn Bhd after selling his entire stake to a third party.

In April 1996, he incorporated Hayan Prints and assumed his role as the Managing Director. He is responsible for overseeing all aspects of our business functions, particularly the business development strategies and growth direction of our business. He also drives and implements sales and marketing strategies as well as develops business relationships with our customers. As our Group Managing Director, he continues to assume the aforementioned roles and responsibilities.

Under his leadership over the years, our Group has successfully secured customers such as Kotra Pharma (M) Sdn Bhd, Karex group of companies and Beryl's group of companies which have remained as our customers as at the LPD. He has also led our business expansion over the years in terms of increase in factory space, production capacity and product range as he saw opportunities in supplying to customers from different industries. In 1999, he spearheaded our Group's overseas sales and marketing activities which have led us to secure our first packaging printing order from a Singaporean food manufacturing company, and subsequently secured more packaging printing orders from other overseas markets.

Save as disclosed in Section 3.2.1.1(ii) of this Prospectus, he does not hold any directorship in any other public listed companies or private limited companies in Malaysia.

(iii) Lau Tee Tee @ Lau Kim Wah

Lau Tee Tee @ Lau Kim Wah, a Malaysian, aged 71, is our Promoter and substantial shareholder. He is our Non-Independent Non-Executive Chairman. He was appointed to our Board on 29 November 2018.

He has 37 years of experience in business administration which involves overseeing business operations, finance, sales and marketing.

In 1968, he completed his secondary education at SMK Gajah Berang, Melaka. He took a break after his graduation before starting his career in 1970 as a sales representative in a book publishing company in Kuala Lumpur. He was involved in promoting and selling books published by the company. He resigned in 1975 and took a career break thereafter.

In 1976, he joined Emporium Melaka Sdn Bhd, a company involved in the operation of a supermarket selling groceries and consumer goods. He was a Personnel Officer and was responsible for human resource matters. He resigned in 1982.

In 1983, he joined Lian Fatt Supermarket Sdn Bhd, a company involved in the operation of a supermarket selling groceries and consumer goods. He was the General Manager and was responsible for overseeing all aspects of the company, including operations and administration. He resigned in 1991 and took a career break thereafter.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

In 1992, he co-founded Gardenic (M) Sdn Bhd, a company that was involved in the manufacturing and sales of agrochemicals and fertilisers. He assumed his role as the Managing Director and was responsible for business development and overseeing the day-to-day operations of the company. In June 1998, he sold his entire stake in Gardenic (M) Sdn Bhd to one of the shareholders of the company and left the business.

In 1996, he joined Hayan Prints as a Director in a non-executive capacity. In January 1998, he joined Cadeon Marketing Sdn Bhd, a company that was involved in the sales of consumer products through catalogues. He was a director and was responsible for business development, procurement and sourcing of products as well as overseeing the administrative functions of the company, such as human resource and finance functions. He resigned in 2006.

Save as disclosed in Section 3.2.1.1(i) of this Prospectus, he does not hold any directorship in any other public listed companies or private limited companies in Malaysia.

(iv) Ng Soh Hoon

Ng Soh Hoon, a Malaysian, aged 47, is our Promoter and substantial shareholder. She is our Executive Director and Procurement Manager. She was appointed to our Board on 10 December 2018.

In 1991, she completed her secondary education at SMK Tun Tuah, Melaka. She continued her education and was awarded a pass in Accounting – Third Level by the London Chamber of Commerce and Industry Examinations Board in 1998.

In 1992, she began her career as an Accounts Clerk at a tea house in Melaka, and was responsible for overseeing accounts and administrative-related tasks. She resigned in April 1993.

In May 1993, she joined Risoprint (Malaysia) Sdn Bhd as an Accounts Clerk, and was responsible for overseeing accounts and administrative-related tasks. She resigned in 1995.

In 1996, she joined our Group as an Accounts Clerk and was responsible for overseeing accounts and administrative-related tasks. Subsequently, she was tasked with the responsibility of liaising with suppliers as well as managing procurement activities to ensure the required raw materials are made available at our warehouses in time for production. In 2005, she assumed the position of Procurement Manager.

Save as disclosed in Section 3.2.1.1(iii) of this Prospectus, she does not hold any directorship in any other public listed companies or private limited companies in Malaysia.

(v) Chong Fea Chin

Chong Fea Chin, a Malaysian, aged 61, is our Promoter and substantial shareholder.

In 1977, she completed her secondary education at SMJK Notre Dame Convent, Melaka. From 1978 to 1982, she worked in her family business, which was involved in the supply and distribution of spectacle frames.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

In 1983, she began working with Lian Fatt Textile Sdn Bhd* as an Accounting Assistant where she assisted the Accountant in documenting, processing and recording transactions. In the same year, she was transferred to Lian Fatt Supermarket Sdn Bhd* and assumed her role as a Personnel Assistant. She was responsible for human resource matters and performed various clerical and administrative tasks. She resigned in April 1985.

In May 1985, she joined Kose Cosmetic (M) Sdn Bhd as a beauty adviser and was responsible for providing advisory services to customers, including product application instructions and demonstrations. She resigned in 1995 and became a housewife.

In 2009, she joined HGM Marketing Sdn Bhd and was responsible for the procurement of overseas goods. She resigned in 2012 and became a housewife.

In September 2011, she joined Hayan Packaging as a Director in a non-executive capacity.

Note:

* At the time of Chong Fea Chin's employment with Lian Fatt Textile Sdn Bhd and Lian Fatt Supermarket Sdn Bhd, both the companies were related.

(vi) Ang Poh Geok

Ang Poh Geok, a Malaysian, aged 56, is our substantial shareholder.

In 1981, she completed her secondary education at SMJK Notre Dame Convent, Melaka.

In 1984, she began her career with Graphart & Designs Sdn Bhd, a company principally involved in the development of graphic drawings and designs and the production of printing films and plates for printed advertisements, brochures and magazines. She was involved in the end-to-end computer-to-film-to-plate printing plate production process, involving colour separation, film output (a process of imprinting image onto transparency films), masking (a process of aligning and securing film to a mask), and production of printing plates. Subsequently, she led a team of operators to produce printing plates and thereafter, was responsible for overseeing the printing plate production process and the arrangement of production schedules as supervisor. She resigned from Graphart & Designs Sdn Bhd in 2001 and became a housewife. She was appointed as a director of Graphart & Designs Sdn Bhd in November 2006. Subsequently, she resumed her previous responsibilities as supervisor in 2010.

She left her role as supervisor in August 2015. She ceased to be a director of Graphart & Designs Sdn Bhd in July 2019.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

3.1.3 Significant changes in the shareholdings of our Promoters and substantial shareholders in our Company since incorporation

The significant changes in the shareholdings of our Promoters and substantial shareholders in our Company since incorporation are as follows:

Name	As at 29 November 2018 (date of incorporation)			Before our IPO			After our IPO			
	Direct No. of Shares	Indirect No. of Shares	(i)%	Direct No. of Shares	Indirect No. of Shares	(ii)%	Direct No. of Shares	Indirect No. of Shares	(iii)%	
										(i)%
Promoters and substantial shareholders										
Aurora Meadow	-	-	-	200,895,630	-	67.02	200,895,630	-	51.72	-
Kok Hon Seng	1	-	50.00	23,091,528	(vi)224,800,295	7.70	23,091,528	(vii)214,800,295	5.94	55.30
Lau Tee Tee @ Lau Kim Wah	1	-	50.00	7,688,268	(viii)212,847,837	2.56	7,688,268	(ix)207,847,837	1.98	53.51
Ng Soh Hoon	-	(iv)1	50.00	23,904,665	(viii)223,987,158	7.97	23,904,665	(viii)223,987,158	3.60	57.66
Chong Fea Chin	-	(v)1	50.00	11,952,207	(ix)208,583,898	3.99	6,952,207	(ix)208,583,898	1.79	53.70
Substantial shareholder										
Ang Poh Geok	-	-	-	32,228,702	-	10.75	27,228,702	-	7.01	-

Notes:

- (i) Based on the total number of 2 Shares.
- (ii) Based on the issued share capital of 299,761,000 Shares after the Acquisitions. Further details of the Acquisitions are set out in Section 4.3 of this Prospectus.
- (iii) Based on the enlarged issued share capital of 388,430,000 Shares after our IPO.
- (iv) Deemed interest by virtue of her spouse, Kok Hon Seng's direct interest in HPP Holdings pursuant to Section 8 of the Act.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (v) Deemed interest by virtue of her spouse, Lau Tee Tee @ Lau Kim Wah's direct interest in HPP Holdings pursuant to Section 8 of the Act.
- (vi) Deemed interest by virtue of his and his spouse, Ng Soh Hoon's interest in Aurora Meadow and Ng Soh Hoon's direct interest in HPP Holdings pursuant to Section 8 of the Act.
- (vii) Deemed interest by virtue of his and his spouse, Chong Fea Chin's interest in Aurora Meadow and Chong Fea Chin's direct interest in HPP Holdings pursuant to Sections 8 and 59 of the Act.
- (viii) Deemed interest by virtue of her and her spouse, Kok Hon Seng's interest in Aurora Meadow and Kok Hon Seng's direct interest in HPP Holdings pursuant to Section 8 of the Act.
- (ix) Deemed interest by virtue of her and her spouse, Lau Tee Tee @ Lau Kim Wah's interest in Aurora Meadow and Lau Tee Tee @ Lau Kim Wah's direct interest in HPP Holdings pursuant to Section 8 of the Act.

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3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

3.1.4 Amount or benefits paid or intended to be paid or given

Save for the following, there are no other amount or benefits paid or intended to be paid or given to our Promoters and/or substantial shareholders within 2 years preceding the date of this Prospectus:

- (i) dividends paid for the FYE 2019 amounting to RM6.00 million to our Promoters and/or substantial shareholders are as follows:

	FYE 2019 RM'000
Promoters and substantial shareholders	
Lau Tee Tee @ Lau Kim Wah	950
Kok Hon Seng	2,850
Ng Soh Hoon	1,100
Chong Fea Chin	550
Substantial shareholder	
Ang Poh Geok	550
Total	6,000

No dividend was paid to our Promoters and/or substantial shareholders for the FYE 2020.

- (ii) issuance of Shares by our Company as consideration for the Acquisitions; and
- (iii) aggregate remuneration and material benefits in-kind paid or proposed to be paid to certain Promoters and/or substantial shareholders, namely Kok Hon Seng, Lau Tee Tee @ Lau Kim Wah and Ng Soh Hoon, who are also our Directors, for services rendered to our Group in all capacities for the FYE 2020 and FYE 2021 as set out in Section 3.4 of this Prospectus.

3.2 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and key senior management are as follows:

(i) Directors

Name	Designation
Lau Tee Tee @ Lau Kim Wah	Non-Independent Non-Executive Chairman
Kok Hon Seng	Executive Director / Group Managing Director
Ng Soh Hoon	Executive Director / Procurement Manager
Philip Goh Teck Siang	Independent Non-Executive Director
Choo Chee Beng	Independent Non-Executive Director
Lee Chong Leng	Independent Non-Executive Director

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(ii) Key Senior Management

Name	Designation
Kok Hon Seng	Executive Director / Group Managing Director
Ng Soh Hoon	Executive Director / Procurement Manager
Tan Kian Siong @ Chen Kian Siong	Chief Operating Officer
Mah Chen Wah	Chief Financial Officer
Ng Soh Moy	Administration & Human Resource Manager
Teng Tiang Chia	Production Manager
Lee Kuei Yong	Pre-press Manager
Subramaniam A/L Mogan	Quality Control Manager
Nur Syafiqah Binti Hassan	Quality Assurance Manager

3.2.1 Directors

Other than the profiles of Kok Hon Seng, Lau Tee Tee @ Lau Kim Wah and Ng Soh Hoon which are set out in Section 3.1.2 of this Prospectus, the profiles of our Independent Non-Executive Directors are set out below:

(i) Philip Goh Teck Siang

Philip Goh Teck Siang, a Malaysian, aged 60, is our Independent Non-Executive Director. He is also the Chairman of our Audit and Risk Management Committee and a member of our Remuneration Committee and Nomination Committee. He was appointed to our Board on 18 November 2019.

He has 29 years of experience in strategic business planning and execution, business transformation and turnaround management, mergers and acquisition and financial management in Malaysia and overseas.

He obtained other professional qualifications and was admitted as:

- Member of The Malaysian Institute of Certified Public Accountants (previously known as The Malaysian Association of Certified Public Accountants) in November 1984;
- Member of Malaysian Institute of Accountants since September 1985; and
- Chartered Accountant of Malaysian Institute of Accountants since June 2001.

He began his career with Azman, Wong, Salleh & Co as an Articled Clerk in 1980 and was promoted to Audit Senior in 1984, where he was responsible in carrying out audit assignments. Subsequently, he resigned and joined Arab-Malaysian Insurance Berhad as a Financial Accountant in 1985. He was responsible for preparing statutory accounts and reports, budgeting, handling accounts. Subsequently, he resigned and joined Malaysian Tobacco Company Berhad as an Internal Auditor in 1987, and was promoted to Finance Accountant in 1989. He led internal audits and was involved in the financial functions of the company. He resigned in 1990 and took a career break.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

In 1991, he joined PT. Dwi Satria Utama, Indonesia as the Group Management Accountant and was promoted to General Manager of Finance in 1993. He was also the Executive Secretary to the Board Executive Committee. He was responsible for the business turnaround management of the company and the execution of the board's decisions. He received the President Director's Award for Exemplary Leadership; for bringing about a change in work culture, and high impact contribution to the quality and profitability of the business. He resigned in January 1997. In February 1997, he joined Westport Holdings Sdn Bhd as the Head of Finance and Corporate Finance and was appointed as the Director and Chairman of Audit Committee of Diperdana Holdings Berhad in 1998 upon the acquisition of Diperdana Holdings Berhad by Westport Holdings Sdn Bhd. He was responsible for overseeing the company's accounting, financial reporting, and mergers and acquisition matters. He resigned in 1999. In 2000, he joined Kolej Tuanku Ja'afar as a Bursar and was responsible for the financial affairs of the college. He resigned in May 2001.

In June 2001, he joined Alliance Bank Malaysia Berhad as a Senior General Manager of the Corporate Planning & Branches Operation. He was appointed as Senior General Manager of the Group Support Services & Corporate Planning Head in 2004, and subsequently as the Executive Vice President/ Group Chief Financial Officer of Alliance Bank Malaysia Berhad and its group of companies in 2005. He was responsible for the overall finance function of the bank and was also involved in the bank's merger and acquisition exercises, interim management of the credit card division and investor relations related matters. He resigned in June 2009.

In July 2009, he joined Kaliandra Sejati Foundation as the Chief Executive Officer. The principal activity of Kaliandra Sejati Foundation is to develop a sustainable, financially independent, social enterprise and primarily focus in providing the social services involved with improving the socio-economic welfare of village communities, preservation and promotion of their local cultural heritage and conservation efforts of water catchment areas and natural habitats around Mount Arjuna. He was responsible for the strategic direction, business development and operations for the businesses under the foundation, and led the successful transformation of the foundation from its reliance on charities into a social enterprise. He resigned in April 2014.

In 2012, he founded Natures Remedies Sdn Bhd for the distribution of Japanese enzyme products. He was responsible for overseeing all aspects of the company's operations. He is a shareholder and director of Natures Remedies Sdn Bhd, which remains active to date. In May 2014, he founded Natural Rejuvenation Sdn Bhd (now known as Natures Rejuvenation Sdn Bhd), a wellness centre providing Japanese enzyme therapy and other holistic therapies. He was the shareholder and held the position of a general manager where his responsibilities included running of the business and daily operations. In February 2017, he sold his entire stake in Natures Rejuvenation Sdn Bhd to a third party and left the business. He has been on a career break since February 2017. He is not actively involved in Natures Remedies Sdn Bhd or has not been seeking any employment since February 2017.

Save as disclosed in Section 3.2.1.1(iv) of this Prospectus, he does not hold any directorship in any other public listed companies or private limited companies in Malaysia.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*CONT'D*)

(ii) Choo Chee Beng

Choo Chee Beng, a Malaysian aged 50, is our Independent Non-Executive Director. He is also the Chairman of our Remuneration Committee and a member of our Audit and Risk Management Committee, and Nomination Committee. He was appointed to our Board on 18 November 2019.

He has 26 years of experience in finance related functions, involving financial and tax planning, corporate exercise managements, turnaround management, cash flow and fund management, amongst others.

In 1993, he graduated with a Bachelor of Science in Economics and Accounting from University of Bristol, United Kingdom. He has since obtained other professional qualifications and was admitted as:

- Member of the Association of Chartered Certified Accountants since October 2001;
- Chartered Accountant and Member of Malaysian Institute of Accountants since January 2002; and
- Fellow of the Association of Chartered Certified Accountants since March 2005.

He began his career in 1994 as an Audit Assistant at Coopers & Lybrand (now known as PricewaterhouseCoopers), where he was involved in carrying out audit assignments. In 1995, he was promoted to Audit Semi-Senior and was responsible in carrying out audits and providing advisory in audit assignments. He resigned in 1996.

In July 1996, he joined Aseambankers (M) Berhad (now known as Maybank Investment Bank Berhad) as a Corporate Finance Senior Officer, and assisted in the preparation of documents required for various corporate exercises, including fund raising through bonds and shares, initial public offerings, corporate restructuring exercises, mergers and acquisitions, and general offers. In 1997, he was promoted to Corporate Finance Assistant Manager and assisted in overseeing the execution and completion of corporate exercises assigned to him. He resigned in February 2000.

In February 2000, he joined Farlim Group (M) Berhad as a Corporate Finance Manager, and was responsible for managing corporate exercises and overseeing the preparation of statutory reports to be in compliance with relevant rules and regulations. In 2001, he was promoted to Assistant General Manager, and was responsible for assisting the General Manager to coordinate, direct and plan daily business operations. He resigned in October 2002.

In October 2002, he joined Country Heights Holdings Berhad as the Group Financial Controller and was responsible for the company's accounting, budgeting, reporting and investment evaluation related matters. In 2006, he was promoted to Chief Financial Officer and was responsible for overseeing the execution of corporate exercises as well as the finance, tax and accounting functions of the company. He was the Director of the company from April 2003 to March 2008. He resigned in March 2008.

In March 2008, he joined OSK Holdings Berhad as the Group Chief Financial Officer. He was also the Group Chief Financial Officer for OSK Investment Bank Berhad, OSK Property Holdings Berhad and OSK Ventures International Berhad. He was responsible for overseeing the overall finance function of the company, involving financial and tax reporting and planning, establishing banking relationships, fund management, and financial governance, amongst others. He resigned in February 2011.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

In February 2011, he joined Destination Resorts and Hotels Sdn Bhd (formerly known as Pantai Sabak Ventures Sdn Bhd) as the Director/Group Chief Financial Officer. He was responsible for overseeing the overall finance function of the company, involving financial and tax reporting and planning, establishing banking relationships, fund management and financial governance. He resigned in October 2012.

In October 2012, he joined Dijaya Corporation Berhad (now known as Tropicana Corporation Berhad) as the Group Chief Financial Officer/ Senior General Manager. He was responsible for overseeing the overall finance function of the company, involving financial and tax planning, establishing banking relationships, fund raising and management of overseas property projects, and financial and feasibility of property projects. He resigned in January 2015.

In January 2015, he joined Naza TTDI Sdn Bhd as the Chief Financial Officer. He was responsible for overseeing the overall finance function of the company, involving cash flow management and establishing banking relationships, and was also in charge of the company's support functions and all operational matters. He resigned in December 2018.

In April 2019, he joined Big Bad Wolf Books Sdn Bhd as the Chief Financial Officer and is responsible for overseeing the overall finance function of the company, involving financial and tax planning, establishing banking relationships and fund raising. He resigned in December 2019.

In December 2019, he joined Skyworld Development Sdn Bhd as the Chief Financial Officer. He was responsible for overseeing the overall finance function of the company, including financial and tax planning, establishing banking relationships and fund raising. He resigned in June 2020 to join United Malayan Land Bhd as Group Director of Finance. He is responsible for overseeing the overall finance functions of the company, including financial and tax planning, establishing banking relationships and fund raising.

Save as disclosed in Section 3.2.1.1(v) of this Prospectus, he does not hold any directorship in any other public listed companies or private limited companies in Malaysia.

(iii) **Lee Chong Leng**

Lee Chong Leng, a Malaysian aged 39, is our Independent Non-Executive Director. He is also the Chairman of our Nomination Committee and a member of our Audit and Risk Management Committee, and Remuneration Committee. He was appointed to our Board on 16 November 2019.

He has 16 years of experience in tax advisory services, involving audit, tax and other corporate matters.

In 2003, he graduated with a Bachelor of Business (Accounting) from Monash University, Australia. He has since obtained other professional qualifications and was admitted as:

- Chartered Accountant and Member of Malaysian Institute of Accountants since November 2006;
- Approved tax agent by the Ministry of Finance since January 2014;
- Professional Member of the Institute of Internal Auditors Malaysia since March 2014;
- Fellow of the Chartered Tax Institute of Malaysia since May 2014;

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- Certified Company Secretary and Member of the Malaysian Association of Company Secretaries since June 2017;
- ASEAN Chartered Professional Accountant of ASEAN Chartered Professional Accountants Coordinating Committee since April 2018;
- Chartered Company Secretary and an Associate of the Malaysian Institute of Chartered Company Secretaries, since November 2018;
- Fellow of CPA Australia since December 2018; and
- Member of The Malaysian Institute of Certified Public Accountants since April 2020.

He began his career in 2004 as an Audit Officer at Anuarul Azizan Chew & Co, where he was responsible for handling the audit of small and medium sized companies, finalising the financial statements and files for review. He resigned in October 2005.

In October 2005, he joined Abd Halim KP Tan & Co. as an Audit and Tax Officer where he was responsible in carrying out audit assignments and tax reporting. He resigned in 2006.

In 2007, he co-founded Lee & Lim Tax Consultants Sdn Bhd* and assumed his role as the Managing Director. He is responsible for the overall strategic direction and he oversees the operations of the company. Lee & Lim Tax Consultants Sdn Bhd is principally involved in the provision of tax advisory services.

In September 2012, he co-founded Lee & Lim GST Consultants Sdn Bhd and assumed his role as the Managing Director. He was responsible for the overall strategic direction and he oversaw the operations of the company. Lee & Lim GST Consultants Sdn Bhd was principally involved in the provision of GST-related tax advisory services. Upon the zero-rating of GST in June 2018, the company ceased its GST-related tax advisory business and changed its principal activity to the business of providing accounting services, preparation of financial and management accounts, business advisory services and consultants on issues pertaining to management services and investment holding company of property.

Note:

- * Lee & Lim Tax Consultants Sdn Bhd and Lee & Lim GST Consultants Sdn Bhd are related to each other as both companies are wholly-owned by Lee Chong Leng. He is also the director of these 2 companies.

Save as disclosed in Section 3.2.1.1(vi) of this Prospectus, he does not hold any directorship in any other public listed companies or private limited companies in Malaysia.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

3.2.1.1 Principal directorships or principal business activities outside our Group

Save as disclosed below, none of our Directors has any principal business activities performed outside our Group (including principal directorship in the past 5 years prior to the LPD) as at the LPD:

(i) Lau Tee Tee @ Lau Kim Wah

Company	Principal business activities	Involvement in business activities	Equity interest	
			Direct %	Indirect %
Malaysia Present directorships / shareholdings / other business involvement outside our Group Aurora Meadow	Investment holding company principally involved in holding of properties and investment in Hayan Group	Director / Shareholder	17.43	⁽ⁱ⁾ 10.09
Maestro Lab Holdings Sdn Bhd ("Maestro Lab") Malaysia Past directorship Hayan Packaging International Sdn Bhd	Investment holding in manufacturer and dealers of hair care and cosmetic products Dissolved ⁽ⁱⁱⁱ⁾	Shareholder Ceased directorship on 9 August 2019	⁽ⁱⁱ⁾ 3.57	-

Notes:

- (i) Deemed interest by virtue of his spouse, Chong Fea Chin's direct interest in Aurora Meadow pursuant to Sections 8 and 59 of the Act.
- (ii) Hayan Prints was proposed to be part of the group of companies under the initial public offering of Maestro Lab on the ACE Market of Bursa Securities in February 2010 ("Proposed Maestro Listing") which did not eventually proceed. Under the Proposed Maestro Listing, Lau Tee Tee @ Lau Kim Wah received Maestro Lab shares as consideration.

The agreements entered into between Lau Tee Tee @ Lau Kim Wah and Ng Chet Luk make no reference to any contractual obligation to return the Maestro Lab shares held by Lau Tee Tee @ Lau Kim Wah after the unsuccessful Proposed Maestro Listing. However, as he did not intend to benefit from retaining the Maestro Lab shares after the unsuccessful Proposed Maestro Listing, he, in good faith, decided to return his Maestro Lab shares. This is also consistent with the underlying understanding, spirit and/or intention between all parties to restore status quo in the event the Proposed Maestro Listing is unsuccessful. In this regard, he had, vide letters dated 6 September 2011 and 31 October 2011 to Maestro Lab, requested for the Form of Transfer of Securities to be provided to him for the transfer of Maestro Lab shares.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

On 14 November 2012, Lau Tee Tee @ Lau Kim Wah had delivered the Form of Transfer of Securities executed by him and share certificate in relation to 8,972,000 ordinary shares of Maestro Lab which was registered under his name to the company secretary of Maestro Lab. The transfer has not been effected/ registered with the Companies Commission of Malaysia by Maestro Lab. Following the termination of the services of the then company secretary of Maestro Lab, the said Form of Transfer of Securities and share certificate were then forwarded to Maestro Lab on 22 May 2015 and were duly acknowledged and received by a director of Maestro Lab. The transfer was again not effected/ registered with the Companies Commission of Malaysia by Maestro Lab.

As such, he continues to appear as a registered shareholder of Maestro Lab. However, he has ceased to exercise any rights of a member, is not involved in any business or affairs of Maestro Lab and has not received any benefits from Maestro Lab since 14 November 2012.

(iii) This company was dissolved on 9 August 2019. Prior to dissolution, Hayan Packaging International Sdn Bhd intended to trade paper-based packaging. In view of the Listing and since this company has not commenced business, the company was dissolved.

(ii) Kok Hon Seng

Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
Malaysia Present directorships / shareholdings / other business involvement outside our Group				
Aurora Meadow	Investment holding principally involved in holding of properties and investment in Hayan Group	Director / Shareholder	52.29	⁽ⁱ⁾ 20.19
Maestro Lab	Investment holding in manufacturer and dealers of hair care and cosmetic products	Shareholder	⁽ⁱⁱ⁾ 7.10	-
Australia Past directorship				
Hayan Packaging (Australia) Pty Ltd	Deregistered ⁽ⁱⁱⁱ⁾	Ceased directorship on 23 August 2017	-	-

Notes:

- (i) Deemed interest by virtue of his spouse, Ng Soh Hoon's direct interest in Aurora Meadow pursuant to Section 8 of the Act.
- (ii) Hayan Prints was proposed to be part of the group of companies under the Proposed Maestro Listing which did not eventually proceed. Under the Proposed Maestro Listing, Kok Hon Seng received Maestro Lab shares as consideration.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

The agreements entered into between Kok Hon Seng and Ng Chet Luk make no reference to any obligation to return the Maestro Lab shares held by Kok Hon Seng after the unsuccessful Proposed Maestro Listing. However, as he did not intend to benefit from retaining the Maestro Lab shares, he, in good faith, decided to return his Maestro Lab shares after the unsuccessful Proposed Maestro Listing. This is also consistent with the underlying understanding, spirit and/or intention between all parties to restore status quo in the event the Proposed Maestro Listing is unsuccessful. In this regard, he had, vide letters dated 6 September 2011 and 31 October 2011 to Maestro Lab, requested for the Form of Transfer of Securities to be provided to him for the transfer of Maestro Lab shares.

On 14 November 2012, Kok Hon Seng had delivered the Form of Transfer of Securities executed by him and share certificate in relation to 17,850,000 ordinary shares of Maestro Lab which was registered under his name to the company secretary of Maestro Lab. The transfer has not been effected/ registered with the Companies Commission of Malaysia by Maestro Lab. Following the termination of the services of the then company secretary of Maestro Lab, the said Form of Transfer of Securities and share certificate were then forwarded to Maestro Lab on 22 May 2015 and were duly acknowledged and received by a director of Maestro Lab. The transfer was again not effected/ registered with the Companies Commission of Malaysia by Maestro Lab.

As such, he continues to appear as a registered shareholder of Maestro Lab. However, he has ceased to exercise any rights of a member, is not involved in any business or affairs of Maestro Lab and has not received any benefits from Maestro Lab since 14 November 2012.

(iii) The company was incorporated on 8 August 2016. In view of the Listing and the company has not commenced business since incorporation, the company was deregistered on 23 August 2017.

(iii) Ng Soh Hoon

Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
Malaysia Present directorships / shareholdings / other business involvement outside our Group Aurora Meadow	Investment holding principally involved in holding of properties and investment in Hayan Group	Director / Shareholder	20.19	⁽ⁱ⁾ 52.29

Note:

(i) Deemed interest by virtue of her spouse, Kok Hon Seng's direct interest in Aurora Meadow pursuant to section 8 of the Act.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(iv) Philip Goh Teck Siang

Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
Malaysia Present directorships / shareholdings / other business involvement outside our Group				
Natures Remedies Sdn Bhd	Dealing in enzyme health care products	Director / Shareholder	52.00	-
Malaysia Past directorships				
Natures Rejuvenation Sdn Bhd	Dealing in Japanese enzyme detox and wellness spa	Ceased directorship on 8 August 2018	-	-
Phoenix Wellness Sdn Bhd	Dissolved ⁽ⁱ⁾	Ceased directorship on 6 February 2018	-	-
Rothputra Nominees (Tempatan) Sdn Bhd	Dissolved ⁽ⁱⁱ⁾	Ceased directorship on 28 February 2018	-	-

Notes:

- (i) The company was dissolved on 6 February 2018 before commencement of business. Prior to dissolution, the company intended to, amongst other, provide wellness services and health therapy.
- (ii) This company was dissolved on 28 February 2018 after it became a dormant company. Prior to dissolution, the company was involved in providing nominee services.

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3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(v) Choo Chee Beng

Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
Cayman Islands Present directorships / shareholdings / other business involvement outside our Group Rainforest Fund Limited	Investment fund	Director ⁽ⁱ⁾	-	-
Malaysia Present directorships / shareholdings / other business involvement outside our Group Alpine Return Sdn Bhd	Property development and related activities	Alternate Director	-	-
Avenue Ambience Sdn Bhd	Food and beverage and related activities	Director	-	-
Excellent Meadow Sdn Bhd	Proprietor of restaurants, food and beverage related activities; and general trading	Director	-	-
Exquisite Skyline Sdn Bhd	Property development and related activities and operating of serviced residence	Director	-	-
Triple Vision City Sdn Bhd	Other accommodation	Director	-	-
UML Lifestyle Sdn Bhd	Investment holding; proprietor of restaurants, food and beverage related activities and provision of management services	Director	-	-
Malaysia Past directorships KL Midtown Sdn Bhd	Property development	Ceased alternate directorship on 31 December 2018	-	-

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
Little Genius Sdn Bhd	Dissolved ⁽ⁱ⁾	Ceased directorship on 2 November 2017	-	-
Park Rite Sdn Bhd	Provision of parking management services	Ceased directorship on 24 December 2018	-	-

Notes:

- (i) He joined Rainforest Fund Limited as an Independent Non-Executive Director. He is responsible for providing check and balances function on the act of the management, monitoring the performance of the funds, integrity of the financial information, financial controls and risk management.
- (ii) The company was dissolved on 2 November 2017 after disposing the franchise licence to third party. Prior to dissolution, the company was a franchisee which ran children enrichment programme - Kiddo Science.

(vi) Lee Chong Leng

Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
Malaysia Present directorships / shareholdings / other business involvement outside our Group				
Authentic Musang King Durian Sdn Bhd	Investment holding, growing of durian, wholesale of a variety of goods	Director / Shareholder / Secretary	33.33	-
Bertam Impian Sdn Bhd	Investment holding, wholesale of a variety of goods and business management consultancy services	Director / Shareholder / Secretary	100.00	-
Corporate Land Sdn Bhd	Investment holding of property investment	Director / Shareholder / Secretary	⁽ⁱ⁾ 100.00	-

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
Golden Arches Sdn Bhd	Wholesale of a variety of goods, business management consultancy services, investment holding, constructors, builders, developers, financiers of housing estates and projects and for government	Director / Shareholder / Secretary	75.00	-
Gula Melaka Village Sdn Bhd	Investment holding of property investment	Director / Shareholder / Secretary	⁽¹⁾ 100.00	-
HSR Land Sdn Bhd	Business management consultancy services, activities of holding companies, wholesale of a variety of goods	Director / Shareholder / Secretary	70.00	⁽¹⁾ 30.00
Jonker Street Heritage Sdn Bhd	Investment holding of property investment	Director / Shareholder / Secretary	⁽¹⁾ 100.00	-
KT Lee Setia Development Sdn Bhd	Activities of holding companies, construction of buildings, development of building projects for own operation, namely for renting of space in these buildings	Shareholder	5.00	-
Lee & Company	Dormant	Partner	-	-
Lee & Lim	Dormant	Sole proprietor	-	-
Lee & Lim Accounting Consultants Sdn Bhd	Investment holding property investment	Director / Shareholder / Secretary	⁽¹⁾ 100.00	-
Lee & Lim GST Consultants Sdn Bhd	The business of providing accounting services, preparation of financial and management accounts, business advisory services and consultants on issues pertaining to management services and investment holding company of property	Director / Shareholder / Secretary	100.00	-

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
Lee & Lim Tax Consultants Sdn Bhd	Management and tax consultants	Director / Shareholder / Secretary	100.00	-
Lee KLCA Sdn Bhd	Dormant	Director / Shareholder / Secretary	50.00	(iii)50.00
One Belt One Road Business Consultants Sdn Bhd	Investment holding of property investment	Director / Shareholder / Secretary	100.00	-
Organic Durian Farm Sdn Bhd	Growing of durian, activities of holding companies, wholesale of a variety of goods	Director / Shareholder / Secretary	100.00	-
Pavilion Embassy Sdn Bhd	Activities of holding companies, wholesale of a variety of goods, business management consultancy services	Director / Shareholder / Secretary	100.00	-
Satay Development Sdn Bhd	Dormant	Director / Shareholder / Secretary	50.00	-
Topplus Diversified Sdn Bhd	Investment holding of property investment	Director / Shareholder / Secretary	50.00	-
TRX Assets Sdn Bhd	Investment holding of property investment	Director / Shareholder / Secretary	100.00	-

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
Malaysia Past directorships APFT Berhad	Investment holding whilst its subsidiaries are involved in investment holding, aircraft charter services, maintenance repair and overhaul services for aircrafts, renting of pilot training aircraft and unscheduled commercial air transport operation	Ceased directorship on 3 June 2019	-	-
Corporate Recovery Consultancy Sdn Bhd	Property investment	Ceased directorship on 3 August 2017	-	-
Gula Melaka Farm Sdn Bhd	Dissolved ⁽ⁱⁱⁱ⁾	Ceased directorship on 29 December 2017	-	-
Insight Travel & Tours Sdn Bhd	Dissolved ^(iv)	Ceased directorship on 6 February 2018	-	-
Jonker Street Vintage Sdn Bhd	Investment holding of property investment	Ceased directorship on 3 May 2016	-	-
SP Victory Development Sdn Bhd	Housing developers and contractors	Ceased directorship on 2 September 2016	-	-
Vista Kirana Land Sdn Bhd	Dissolved ^(v)	Ceased directorship on 29 December 2017	-	-
Vista Kirana Sdn Bhd	Dissolved ^(vi)	Ceased directorship on 20 September 2018	-	-

Notes:

- (i) The remaining share held by the other shareholder is negligible.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (ii) Deemed interested by virtue of his spouse's interest.
- (iii) This company was dissolved on 29 December 2017 after the company ceased business operations. Prior to dissolution, Gula Melaka Farm Sdn Bhd was a property agency company.
- (iv) The company was dissolved on 6 February 2018 and has not commenced any business since its incorporation. Prior to dissolution, the company intended to provide travel and tour related services.
- (v) The company was dissolved on 29 December 2017 after the company ceased business operations. Prior to dissolution, Vista Kirana Land Sdn Bhd was a property agency company.
- (vi) The company was dissolved on 20 September 2018 and has not commenced any business since its incorporation. Prior to dissolution, the company intended to be an investment holding company for properties.

The involvement of our Executive Directors in other directorships or business activities are not expected to affect their contributions to our Group as they are principally involved in our Group's day-to-day operations. Their involvement in other directorships or business activities do not require significant amount of time; hence, will not negatively impact their ability to act as our Directors. The involvement of our Non-Executive Directors in other directorships or business activities outside our Group are not expected to affect their contribution to our Group as they are not involved in our Group's day-to-day operations.

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3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*CONT'D*)

3.2.2 Key Senior Management

The profiles of Kok Hon Seng and Ng Soh Hoon, who are also our key senior management, are set out in Section 3.1.2 of this Prospectus.

(i) **Tan Kian Siong @ Chen Kian Siong**

Tan Kian Siong @ Chen Kian Siong, a Malaysian, aged 54, is our Chief Operating Officer.

In 1988, he obtained the Third Level Group Diploma in Accounting from The London Chamber of Commerce Examinations Board. Subsequently, he furthered his studies at Charles Sturt University, Australia where he graduated in April 2002 with a Master of Business Administration.

In 1989, he began his career at Tylon (M) Sdn Bhd as a Production Control Executive. He was involved in the supply chain management and customer service division. He was promoted to Assistant Manager in 1991, Manager in 1997, and subsequently Senior Manager in 2000. He was responsible for overseeing the production control, logistics, sales, engineering and quality assurance departments. He was also the main liaison between the company and authorities such as the Royal Malaysian Customs Department and the MITI. He resigned in March 2002.

In March 2002, he joined PT. Heng Huat Industries, Indonesia as a General Manager. He was involved in the change and restructuring of the operational management system as well as the supply chain management system of the company. He also led the business development activities of the company to venture into new markets. He resigned in January 2007.

Upon resignation, he joined Superior Precision Engineering (Wuxi) Co., Ltd as a General Manager where he was involved in the operational strategy planning and management, corporate resources planning and international business development. He resigned in November 2007.

In January 2008, he joined Lo Hong Ka Sdn Bhd as Deputy General Manager where he was responsible for international business development, securing franchisees and e-commerce implementation. He resigned in the same year.

In October 2008, he co-founded Mobipro Enterprise Sdn Bhd and assumed his role as the Director of Operations. He was responsible for the operational management, business strategy planning, business and product development. Mobipro Enterprise Sdn Bhd was principally involved in the provision of development, sourcing and trading of architectural products. He resigned as the Director of Operations in November 2015.

In December 2015, he joined PT. Lung Cheong Brothers Industrial, Indonesia, as the Managing Director and was responsible for the operational management, marketing, supply chain management, customer relationship management and business strategy planning. He resigned in November 2017.

In January 2018, he returned to Mobipro Enterprise Sdn Bhd as a director where he was responsible for management consultation, focusing in business strategies planning and implementation. He resigned in August 2018. Mobipro Enterprise Sdn Bhd was dissolved in August 2018. He joined our Group in March 2019 as Chief Operating Officer and is responsible for overseeing our Group's production operations including identification of any new licences, permits and approvals required for our business as well as the expiry dates of all our existing licences, permits and approvals and ensure compliance of these licences, permits and approvals.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(ii) Mah Chen Wah

Mah Chen Wah, a Malaysian, aged 45, is our Chief Financial Officer.

In August 1999, he graduated with a Bachelor of Accounting from Universiti Putra Malaysia. He is a member of the Malaysian Institute of Accountants since March 2004.

In July 1999, he began his career with Sim & Teo PLT as an Audit Associate, and was responsible in carrying out audits on small and medium-sized enterprises ("**SME**"). In 2002, he was promoted to Audit Senior and was responsible in carrying out audits and providing tax advisory to medium-sized companies. He resigned in March 2002.

In April 2002, he joined Pang Fee Yoon & Co as an Audit Senior and was responsible for auditing, reviewing audited accounts and providing corporate advisory to SMEs and medium-sized companies as well as preparing company taxation. In 2007, he was promoted to Audit Manager and was responsible for overseeing an audit team in the company. He resigned in September 2009.

In October 2009, he joined our Group as an Accountant and was responsible for reviewing our Group's financial results, corporate planning, providing tax advisory and handling our Group's grants related matters. In August 2019, he was promoted to Chief Financial Officer and is responsible for overseeing our Group's finance function of, involving financial and tax reporting and planning, loan applications and establishing banking relationships as well as being the liaison person with the relevant authorities in relation to our Group's licences, permits and approvals related matters. In addition, he is also responsible in monitoring the compliance, application and renewal of such licences, permits and approvals as well as overseeing administrative and human resource functions of our Group.

He holds 11,158 ordinary shares in Envy Premium, representing 0.84% of the issued share capital of Envy Premium.

(iii) Ng Soh Moy

Ng Soh Moy, a Malaysian aged 56, is our Administration & Human Resource Manager.

In 1984, she began her career with Kekma Development Sdn Bhd as an Account Administrator and was responsible for reviewing and reconciling accounts, liaising with customers and suppliers for payment, record keeping and collating of documents.

In 1985, she resigned from Kekma Development Sdn Bhd and worked as a provisional teacher in SRJK (C) Tanjung Sepat, Selangor and was responsible for preparing teaching and learning materials.

In 1986, she resigned from SRJK (C) Tanjung Sepat, Selangor and joined Chang & Co., as an intern and assisted in handling tax, audit and secretarial matters.

In 1987, she resigned from Chang & Co. and joined Kotra (M) Sdn Bhd (now known as Kotra Pharma (M) Sdn Bhd) as an Account Assistant and was responsible for assisting the Accountant in account-related tasks.

In 1988, she resigned from Kotra (M) Sdn Bhd (now known as Kotra Pharma (M) Sdn Bhd) and joined Jolly Wood Sdn Bhd as an Account Administrator and was responsible for handling account-related tasks. She resigned in 1992.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

In 1993, she joined Kasturi Corporation Sdn Bhd as an Account Administrator, and was responsible for handling account-related tasks. She resigned in 2000.

In 2001, she joined our Group as an Accounts Clerk and was responsible for overseeing accounts and administrative-related tasks.

In 2005, she assumed the position of Administration & Human Resource Manager where she is responsible for leading, implementing and maintaining our human resources procedures and policies as well as handling of payrolls and trainings.

She is also an insurance agent for MSIG Insurance (Malaysia) Bhd and her licence is valid until 30 September 2021.

(iv) Teng Tiang Chia

Teng Tiang Chia, a Malaysian, aged 43, is our Production Manager.

In 1993, he completed his Penilaian Menengah Rendah from Sekolah Menengah Katholik, Melaka.

In 1994, he began his career with Risoprint (Malaysia) Sdn Bhd as an Apprentice Production Operator where he assisted the Production Operators in setting up machinery, preparing and allocating of raw materials before executing the printing orders. He resigned in November 1995.

In December 1995, he joined Teckwah Paper Products Sdn Bhd as an Assistant Production Operator and was involved in setting up and operating machinery, and preparing and allocating raw materials before executing the printing orders. He resigned in August 1996.

In September 1996, he joined our Group as a Production Supervisor and was responsible for overseeing, planning and organising production and maintenance schedules. In 2010, he assumed the position of Production Manager where he is responsible for managing and overseeing the planning and operations of all production and maintenance activities to ensure smooth production operations and timely fulfilment of printing orders.

(v) Lee Kuei Yong

Lee Kuei Yong, a Malaysian, aged 38, is our Pre-press Manager.

In 2004, she graduated with a Diploma in Mass Communication (Graphic Design) from Tunku Abdul Rahman College. In July 2020, she obtained the certification for Colour Management Professional Fundamentals from IDEAlliance, a non-profit association in graphic communications industry ("IDEAlliance"). In September 2020, she obtained another certification for Colour Management Professional Offset from IDEAlliance.

In 2003, she began her career with Digitpress Sdn Bhd as a Graphic Designer cum Desktop Publishing Artist and was involved in creating visual concepts, developing overall layout and design of product packaging using computer software. In 2006, she was promoted to Pre-press Executive and was involved in editing artwork and preparation of samples to ensure all pre-press requirements are fulfilled. She resigned in January 2007.

In February 2007, she joined Heng Graphic Sdn Bhd as Graphic Designer cum Desktop Publishing Artist, where she was involved in creating visual concepts using computer software. She resigned in the same year.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Subsequently in the same year, she joined our Group as a Graphic Designer and was responsible for editing customers' artwork and preparation of samples to ensure that the formats, appearance and layout of text and images were in place. In August 2019, she assumed the position of Pre-press Manager where she is responsible for leading and overseeing all pre-press activities.

She holds 14,878 ordinary shares in Envy Premium, representing 1.11% of the issued share capital of Envy Premium.

(vi) Subramaniam A/L Mogan

Subramaniam A/L Mogan, a Malaysian, aged 32, is our Quality Control Manager.

In October 2013, he graduated with a Bachelor of Electrical Engineering (Power Electronics and Drives) with Honours from Universiti Teknikal Malaysia Melaka.

In November 2013, he began his career with Dominant Opto Technologies Sdn Bhd as a Quality Assurance ("QA") Engineer where he was responsible for assessing product quality specifications and implementing corrective procedures in the light-emitting diode ("LED") production lines. In July 2015, he was promoted to Senior QA Engineer where he led the assessment of product quality specifications and the implementation of corrective procedures in the LED production lines. In July 2016, he was promoted to QA Section Head where he led a team of QA engineers and was responsible for the development of corrective and preventive actions in the LED production process to ensure adherence to products quality standards. He resigned in August 2018.

In August 2018, he joined Vishay Semiconductor Malaysia Sdn Bhd as a Senior Quality Engineer where he led a QA team to ensure the effectiveness and conformity of quality standards at production milestones. He also led line audits and coordinated customer audits periodically. He resigned in October 2019.

In November 2019, he joined our Group as QA Manager. He oversees the QC team within the quality assurance and control department that handles QC checks throughout our printing and production process, to ensure that our paper-based packaging adhere to the required quality standards. In addition, he is also responsible for the development of corrective and preventive measures to rectify product defects, development of QC processes and design of quality specifications for new paper-based packaging. In October 2020, he was re-designated to QC Manager to reflect his current responsibilities.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(vii) Nur Syafiqah Binti Hassan

Nur Syafiqah Binti Hassan, a Malaysian, aged 30, is our Quality Assurance Manager.

In October 2015, she graduated with a Bachelor of Chemical Engineering Technology (Honours) in Process from Universiti Kuala Lumpur.

In October 2015, she began her career with Carjen Food Sdn Bhd as a QC Inspector where she monitored the quality of raw materials and ensured that they adhered to the required specifications. She left Carjen Food Sdn Bhd in February 2016.

In February 2016, she joined Modeltech Sdn Bhd as a QC Chemist where she was responsible for performing laboratory tests on raw materials, semi-finished and finished products, as well as performing research and development experiments. She resigned in April 2017.

In May 2017, she joined our Group as a QA Assistant where she assisted in monitoring our Group's ISO documentations, handling internal audits as well as coordinating external audits and customer audits. In October 2020, she was promoted to the position of QA Manager where she oversees the QA team within the quality assurance and control department in ensuring that our Group complies with current ISO standards. In addition, she also leads and conducts internal audits, coordinates external audits and customer audits.

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3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

3.2.2.1 Principal directorships or principal business activities outside our Group

The involvement of Kok Hon Seng and Ng Soh Hoon, who are also our key senior management, in other business activities outside our Group are set out in Sections 3.2.1.1(ii) and 3.2.1.1(iii) of this Prospectus, respectively. Save as disclosed below, none of our key senior management has any principal business activities performed outside our Group (including principal directorships in the past 5 years prior to the LPD) as at the LPD:

(i) Tan Kian Siong @ Chen Kian Siong

Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
Malaysia Present directorships / shareholdings / other business involvement outside our Group				
Mobipro Enterprise	Trading in petroleum products, palm oil products and mineral products and stationery and management services ⁽ⁱ⁾	Sole proprietor	-	-
Past directorship				
Mobipro Enterprise Sdn Bhd	Dissolved ⁽ⁱⁱ⁾	Ceased directorship on 29 August 2018	-	-

Notes:

- (i) Tan Kian Siong @ Chen Kian Siong's involvement in the business of Mobipro Enterprise is not expected to affect his contribution to the Group as Mobipro Enterprise is not an active business.
- (ii) The company was dissolved on 29 August 2018 after the company had ceased business operation.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(ii) Ng Soh Moy

Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
Malaysia Present directorships / shareholdings / other business involvement outside our Group				
Ng Soh Moy	General insurance agent ⁽ⁱ⁾	Sole proprietor	-	-

Note:

- (i) Ng Soh Moy's involvement as an insurance agent for MSIG Insurance (Malaysia) Bhd is not expected to affect her contribution to our Group as she is not an active insurance agent. She does not sell insurance policies to other parties except to our Group and certain of her family members. Further, she is also a full-time employee of our Group.

(iii) Teng Tiang Chia

Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
Malaysia Present directorships / shareholdings / other business involvement outside our Group				
Maestro Lab	Investment holding in manufacturing and dealers of hair care and cosmetic products	Shareholder	0.16	-

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(iv) Subramaniam A/L Mogan

Company	Principal business activities	Involvement in business activities	Equity interest held	
			Direct %	Indirect %
Malaysia Past directorship Alshaheen Global Travel & Tours Sdn Bhd	Travel and tour agents transportation	Ceased directorship on 9 January 2017	-	-

The involvement of our key senior management in other business activities is not expected to affect their contributions to our Group as they are full time employees of our Group and principally involved in our Group's day-to-day operations. As their involvement in other business activities is not expected to affect their contributions to our Group, it will not negatively impact their ability as our key senior management.

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3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

3.2.3 Family relationship and association

Save as disclosed below, there is no other family relationship and/or association between our Promoters, substantial shareholders, Directors and key senior management as at the LPD:

Name	Position/ capacity	Relationship
Kok Hon Seng	Promoter, substantial shareholder and Executive Director / Group Managing Director	<ul style="list-style-type: none"> Spouse to Ng Soh Hoon Brother-in-law to Ng Soh Moy
Lau Tee Tee @ Lau Kim Wah	Promoter, substantial shareholder and Non-Independent Non-Executive Chairman	<ul style="list-style-type: none"> Spouse to Chong Fea Chin
Ng Soh Hoon	Promoter, substantial shareholder and Executive Director / Procurement Manager	<ul style="list-style-type: none"> Spouse to Kok Hon Seng Sibling to Ng Soh Moy
Chong Fea Chin	Promoter and substantial shareholder	<ul style="list-style-type: none"> Spouse to Lau Tee Tee @ Lau Kim Wah
Ng Soh Moy	Key senior management	<ul style="list-style-type: none"> Sibling to Ng Soh Hoon Sister-in-law to Kok Hon Seng

3.3 BOARD PRACTICES

According to our Constitution, all the Directors shall retire from office at our Company's first AGM. At the AGM in every subsequent year, an election of Directors shall take place and 1/3 of the Directors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest to 1/3 shall retire from office and be eligible for re-election provided always that all Directors shall retire from office at least once in every 3 years but shall be eligible for re-election.

The Directors to retire in every year shall be the Directors who have been longest in office since the Directors' last election, but as between persons who became Directors on the same day, the Directors to retire shall be determined by lot, unless they otherwise agreed among themselves. A retiring Director shall be eligible for re-election at the AGM.

The Directors shall have power from time to time to appoint any person to be a Director to fill a casual vacancy and as an addition to the existing Directors, subject to the total number of Directors not exceeding the maximum number fixed by or in accordance with our Constitution.

The Board will oversee the anti-bribery and corruption policy in accordance with our Group's Code of Conduct and Ethics, which was adopted on 25 November 2019.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

3.3.1 Directors' term of office

The date of appointment and the date of expiration of the current term of office of our Directors are set out below:

Director	Date of appointment	No. of years in office as at the LPD	Date of expiration of the current term of office
Lau Tee Tee @ Lau Kim Wah	29 November 2018	⁽ⁱ⁾ Approximately 2 years	At the 5 th AGM to be held in year 2023
Kok Hon Seng	29 November 2018	⁽ⁱ⁾ Approximately 2 years	At the 5 th AGM to be held in year 2023
Ng Soh Hoon	10 December 2018	⁽ⁱ⁾ Approximately 2 years	At the 3 rd AGM to be held in year 2021
Philip Goh Teck Siang	18 November 2019	⁽ⁱ⁾ Approximately 1 year	⁽ⁱⁱ⁾ At the 3 rd AGM to be held in year 2021
Choo Chee Beng	18 November 2019	⁽ⁱ⁾ Approximately 1 year	⁽ⁱⁱ⁾ At the 4 th AGM to be held in year 2022
Lee Chong Leng	18 November 2019	⁽ⁱ⁾ Approximately 1 year	⁽ⁱⁱ⁾ At the 4 th AGM to be held in year 2022

Notes:

- (i) Our Company was incorporated on 29 November 2018.
- (ii) According to the Constitution of our Company, an election of Directors shall take place each year. At the AGM in every subsequent year, 1/3 of the Directors for the time being, or, if their number is not 3 or multiple of 3, then the number nearest to 1/3 shall retire from office. The Directors to retire in every year shall be the Directors who have been longest in office since the Directors' last election. However, for persons who became Directors on the same day, the Directors to retire shall be determined by lot, unless they otherwise agreed among themselves. As such, Philip Goh Teck Siang has agreed that the expiration date of his current term of office to be effective at the 3rd AGM to be held in year 2021 while the expiration date of Choo Chee Beng's and Lee Chong Leng's current term of office are to be effective at the 4th AGM to be held in year 2022.

3.3.2 Board Committees

3.3.2.1 Audit and Risk Management Committee

The members of our Audit and Risk Management Committee are as follows:

Director	Designation	Directorship
Philip Goh Teck Siang	Chairman	Independent Non-Executive Director
Choo Chee Beng	Member	Independent Non-Executive Director
Lee Chong Leng	Member	Independent Non-Executive Director

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

The terms of reference of our Audit and Risk Management Committee are, amongst others, the following:

Matters relating to external audit

- (i) recommend appointment or reappointment of external auditors and their audit fees;
- (ii) monitor the effectiveness of the external auditors' performance and their independence and objectivity;
- (iii) review and discuss with the external auditors on the following and report the same to our Board:
 - (a) audit plan;
 - (b) audit report;
 - (c) evaluations of the system of internal controls;
 - (d) the assistance given by the employees to the external auditors;
 - (e) external auditors' report of deficiencies in internal control and management's response thereto;
 - (f) any significant audit findings, reservations, difficulties encountered or material weaknesses reported by the external auditors; and
 - (g) the annual evaluation of the performance of the external auditors, including the suitability, objectivity and independence of the external auditors which takes into consideration the following:
 - the competence, audit quality and resource capacity of the external auditors in relation to the audit;
 - the nature and extent of the non-audit services tendered and the appropriateness of the level of fees; and
 - written assurance from the external auditors confirming that they are, and have been independent through the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

Matters relating to internal audit

- (i) review with the internal auditors on the following and report the same to our Board:
 - (a) annual audit plan which is risk-based and focused on significant risk areas to ensure adequate scope and comprehensive coverage over the activities of our Group;
 - (b) effectiveness of the internal audit processes as well as the adequacy of resources, competency and the necessary authority for the internal audit function;

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (c) internal audit report containing the internal audit findings, commentaries and recommendations and to follow-up on remedial actions;
 - (d) ensure the internal audit function is independent of the activities it audits and the internal auditors report directly to our Audit and Risk Management Committee. The internal auditors will be responsible for the regular review and/or appraisal of the effectiveness of risk management, internal control and governance processes within our Group; and
 - (e) approve any appointment, termination or change of senior staff members of the internal audit function.
- (ii) review the appraisal or assessment of performance of the internal auditors.

Matters relating to risk management and internal control

- (i) review the annual statement of Risk Management and Internal Control to be published in the annual report and report the same to our Board;
- (ii) review and assess the adequacy and effectiveness of internal control systems and risk management policies and framework in identifying, measuring, monitoring and controlling risk and the extent to which these are operating effectively;
- (iii) assess the adequacy of the business recovery / disaster recovery procedures; and
- (iv) assess processes and procedures to ensure compliance with all laws, rules and regulations, directives and guidelines established by the relevant regulatory bodies.

Matters relating to related party transactions

- (i) review related party transactions entered into by our Company or our Group and to determine if such transactions are undertaken on an arm's length basis and normal commercial terms and on terms not more favourable to the related parties than those generally available to the public, and to ensure that our Board reports such transactions annually to the shareholders via the annual report; and
- (ii) review conflict of interest situation that may arise within our Company or our Group, including any transaction, procedure or course of conduct that raises questions of management's integrity.

Overseeing financial reporting

- (i) review and deliberate the quarterly results and year-end financial statements before submission to our Board, focusing particularly on:
 - (a) any changes in or implementation of major accounting policies and practices;
 - (b) significant or material adjustments with financial impact arising from the audit;
 - (c) significant matters highlighted including financial reporting issues, significant judgments made by the management, significant and unusual events or transactions, and how these matters are addressed;

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (d) going concern assumption;
 - (e) the appropriateness of management's selection of accounting policies and disclosures in compliance with approved accounting standards and other regulatory requirements;
 - (f) litigation that could affect the results materially; and
 - (g) compliance applicable financial reporting standards.
- (ii) monitor the integrity of the financial statements of our Group; and
 - (iii) assess whether the financial reports represent a true and fair view of our Group's performance and ensure compliance with the regulatory requirements.

3.3.2.2 Remuneration Committee

The members of our Remuneration Committee are as follows:

Director	Designation	Directorship
Choo Chee Beng	Chairman	Independent Non-Executive Director
Philip Goh Teck Siang	Member	Independent Non-Executive Director
Lee Chong Leng	Member	Independent Non-Executive Director

The terms of reference of our Remuneration Committee are, amongst others, the following:

- (i) review and recommend to our Board the remuneration package of our Executive Directors and if applicable, senior management, which should be aligned with the business strategies and long-term objectives of our Group, and drawing from experts, if necessary;
- (ii) review annually the performance of our Directors and recommend to our Board specific adjustments in remuneration and/or reward payments;
- (iii) formulate policies, guidelines and set criteria for remuneration packages for our Directors and to ensure that our Directors are fairly and appropriately remunerated according to the general market sentiments or conditions;
- (iv) review and recommend to our Board the compensation payable to our Directors in connection with any loss or termination of their office or appointment or arrangements relating to dismissal or removal for misconduct and to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for our Group;
- (v) consider the appointment of the service of such advisers or consultants as it deems necessary to fulfil its functions;
- (vi) review any major changes in remuneration policy and employee benefit structures throughout our Company or Group, and if thought fit, recommend them to our Board for adoption;

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (vii) consider and review any renewal of service contracts of our Executive Directors as and when due, as well as any service contracts and remuneration package for newly appointed Executive Directors and Independent Directors prior to their appointment; and
- (viii) review and recommend to our Board regarding any proposed employees' share option scheme to be given to the employees of our Group and/or amendments to the existing scheme.

3.3.2.3 Nomination Committee

The composition of our Nomination Committee are as follows:

Director	Designation	Directorship
Lee Chong Leng	Chairman	Independent Non-Executive Director
Philip Goh Teck Siang	Member	Independent Non-Executive Director
Choo Chee Beng	Member	Independent Non-Executive Director

The terms of reference of our Nomination Committee are, amongst others, the following:

- (i) assess and recommend to our Board, nominees for all directorships and committee members. In making its recommendations, the Nomination Committee should consider the candidates' skills, knowledge, expertise and experience, professionalism, integrity and in the case of candidates for the position of Independent Non-Executive Directors, our Nomination Committee should also evaluate the candidates' ability to discharge such responsibilities / functions as expected from Independent Non-Executive Directors;
- (ii) consider in making its recommendations, candidates for directorship proposed by the Executive Director / Managing Director and, within the bounds of practicability, by any other senior executive or any Director or shareholder;
- (iii) assess and evaluate, on an annual basis, or as required, the desirability of the overall composition of our Board and the balance amongst executive, non-executive and independent directors and to ensure the board composition is in compliance with the provision of the guidelines as prescribed by the relevant authorities;
- (iv) establish a mechanism for annual assessment on the performance and effectiveness of our Board as a whole and the contribution of each Director to the performance of our Group. Such annual assessment should be based on objective performance criteria, which is in line with established key performance indicators, as approved by our Board; and
- (v) review and recommend to our Board the required mix of skills and experience and other qualities our Board requires in order to function completely and efficiently.

3.3.3 Service Contracts

There are no existing and proposed service contract between our Group and our Directors and key senior management, which provide for benefits upon termination of employment.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

3.3.4 Shareholdings in our Company

(i) Directors

Our Directors' shareholdings in our Company before our IPO and after our IPO are as follows:

Name	Designation	Nationality	Before our IPO			After our IPO				
			Direct No. of Shares	(i)%	Indirect No. of Shares	(ii)%	Direct No. of Shares	(iii)%	Indirect No. of Shares	(iv)%
Lau Tee Tee @ Lau Kim Wah	Non-Independent Non-Executive Chairman	Malaysian	7,688,268	2.56	(iii)212,847,837	71.01	7,688,268	1.98	(iii)207,847,837	53.51
Kok Hon Seng	Executive Director / Group Managing Director	Malaysian	23,091,528	7.70	(iv)224,800,295	74.99	23,091,528	5.94	(iv)214,800,295	55.30
Ng Soh Hoon	Executive Director / Procurement Manager	Malaysian	23,904,665	7.97	(v)223,987,158	74.72	13,904,665	3.58	(v)223,987,158	57.67
Philip Goh Teck Siang	Independent Non-Executive Director	Malaysian	-	-	-	-	(vi)400,000	0.10	-	-
Choo Chee Beng	Independent Non-Executive Director	Malaysian	-	-	-	-	(vi)400,000	0.10	-	-
Lee Chong Leng	Independent Non-Executive Director	Malaysian	-	-	-	-	(vi)400,000	0.10	-	-

Notes:

- (i) Based on the issued share capital of 299,761,000 Shares after the Acquisitions. Further details of the Acquisitions are set out in Section 4.3 of this Prospectus.
- (ii) Based on the enlarged issued share capital of 388,430,000 Shares after our IPO.
- (iii) Deemed interest by virtue of his and his spouse, Chong Fea Chin's interest in Aurora Meadow and Chong Fea Chin's direct interest in HPP Holdings pursuant to Sections 8 and 59 of the Act.
- (iv) Deemed interest by virtue of his and his spouse, Ng Soh Hoon's interest in Aurora Meadow and Ng Soh Hoon's direct interest in HPP Holdings pursuant to Section 8 of the Act.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (v) Deemed interest by virtue of her and her spouse, Kok Hon Seng's interest in Aurora Meadow and Kok Hon Seng's direct interest in HPP Holdings pursuant to Section 8 of the Act.
- (vi) Assuming full subscription of the Issue Shares reserved under the Pink Form Allocation.

(ii) Key Senior Management

The shareholdings of Kok Hon Seng and Ng Soh Hoon, who are also our key senior management, are set out in Section 3.3.4(i) of this Prospectus.

The other key senior management's shareholdings in our Company before our IPO and after our IPO are as follows:

Name	Designation	Nationality	Before our IPO		After our IPO			
			Direct		Indirect			
			No. of Shares	(i)%	No. of Shares	(ii)%	No. of Shares	(ii)%
Tan Kian Siong @ Chen Kian Siong	Chief Operating Officer	Malaysian	-	-	(iii)800,000	0.21	-	-
Mah Chen Wah	Chief Financial Officer	Malaysian	-	-	(iii)200,000	0.05	-	-
Ng Soh Moy	Administration & Human Resource Manager	Malaysian	-	-	(iii)500,000	0.13	-	-
Teng Tiang Chia	Production Manager	Malaysian	-	-	(iii)300,000	0.08	-	-
Lee Kuei Yong	Pre-press Manager	Malaysian	-	-	(iii)200,000	0.05	-	-
Subramaniam A/L Mogan	Quality Control Manager	Malaysian	-	-	(iii)3,000	(iv)	-	-
Nur Syafiqah Binti Hassan	Quality Assurance Manager	Malaysian	-	-	(iii)3,000	(iv)	-	-

Notes:

- (i) Based on the issued share capital of 299,761,000 Shares after the Acquisitions. Further details of the Acquisitions are set out in Section 4.3 of this Prospectus.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (ii) Based on the enlarged issued share capital of 388,430,000 after our IPO.
- (iii) Assuming full subscription of the Issue Shares reserved under the Pink Form Allocation.
- (iv) Negligible.

3.4 REMUNERATION OF DIRECTORS AND KEY SENIOR MANAGEMENT

The aggregate remuneration and material benefits-in-kind (including contingent or deferred remuneration) paid and proposed to be paid to our Directors for services rendered in all capacities to our Group for the FYE 2019, FYE 2020 and FYE 2021 are as follows:

(i) Directors

(a) FYE 2019

Name	Fixed and non-deferred remuneration			Variable and non-deferred remuneration		Total RM'000
	Directors' Fee RM'000	Salary RM'000	Other emolument ⁽ⁱ⁾ RM'000	Bonus RM'000	Benefits-in-kind RM'000	
Lau Tee Tee @ Lau Kim Wah	60	-	-	-	-	60
Kok Hon Seng	64	452	116	127	24	783
Ng Soh Hoon	-	89	26	45	-	160
Philip Goh Teck Siang	-	-	-	-	-	-
Choo Chee Beng	-	-	-	-	-	-
Lee Chong Leng	-	-	-	-	-	-

Note:

- (i) Includes employer's contributions to EPF, SOCSO and EIS (where applicable).

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(b) FYE 2020

Name	Fixed and non-deferred remuneration			Variable and non-deferred remuneration			Total RM'000
	Directors' Fee RM'000	Salary RM'000	Other emolument ⁽ⁱ⁾ RM'000	Bonus RM'000	Benefits-in-kind RM'000		
Lau Tee Tee @ Lau Kim Wah	60	-	-	-	-	60	
Kok Hon Seng	62	490	135	218	24	929	
Ng Soh Hoon	-	98	29	49	-	176	
Philip Goh Teck Siang ⁽ⁱⁱ⁾	35	-	-	-	-	35	
Choo Chee Beng ⁽ⁱⁱ⁾	21	-	-	-	-	21	
Lee Chong Leng ⁽ⁱⁱ⁾	21	-	-	-	-	21	

Notes:

- (i) Includes employer's contribution to EPF, SOCSO and EIS (where applicable).
- (ii) Appointed as our Independent Non-Executive Directors on 18 November 2019 and hence, the total is computed on a pro rata basis.

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3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(c) Proposed for the FYE 2021

Name	Fixed and non-deferred remuneration			Variable and non-deferred remuneration		Total RM'000
	Directors' Fee RM'000	Salary RM'000	Other emolument ⁽ⁱ⁾ RM'000	Bonus ⁽ⁱⁱ⁾ RM'000	Benefits-in-kind RM'000	
Lau Tee Tee @ Lau Kim Wah ⁽ⁱ⁾	100	-	-	-	-	100
Kok Hon Seng ⁽ⁱ⁾	100	492	133	205	24	954
Ng Soh Hoon ⁽ⁱ⁾	40	98	29	49	-	216
Philip Goh Teck Siang ⁽ⁱ⁾	60	-	-	-	-	60
Choo Chee Beng ⁽ⁱ⁾	36	-	-	-	-	36
Lee Chong Leng ⁽ⁱ⁾	36	-	-	-	-	36

Notes:

- (i) Includes Directors' fee from 1 June 2020 up to the LPD, which has been paid.
- (ii) Includes employer's contribution to EPF, SOCSO and EIS (where applicable).
- (iii) Estimated bonus for the FYE 2021 based on past record of bonus payout which ranged from 3 to 5 months. The actual payout is determined by job performance of the individual and financial results of our Group for the FYE 2021.

The remuneration of our Directors, which includes Directors' fees, bonus and such other allowances as well as other benefits, must be considered and recommended by our Nomination Committee and Remuneration Committee and subsequently approved by our Board. Our Directors' fees must be further approved / endorsed by our shareholders at a general meeting.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(ii) Key Senior Management

The aggregate remuneration and material benefits-in-kind (including contingent or deferred remuneration) paid and proposed to be paid to Kok Hon Seng and Ng Soh Hoon, who are also our key senior management, for the FYE 2019, FYE 2020 and FYE 2021 are set out in Sections 3.4(i)(a), 3.4(i)(b) and 3.4(i)(c) of this Prospectus, respectively. The aggregate remuneration and material benefits-in-kind (including contingent or deferred remuneration) paid and proposed to be paid to the key senior management for services rendered in all capacities to our Group for the FYE 2019, FYE 2020 and FYE 2021 are as follows:

(a) FYE 2019

Name	Fixed and non-deferred remuneration			Variable and non-deferred remuneration		Total RM'000
	Salary RM'000	Other emolument ⁽ⁱ⁾ RM'000	Bonus RM'000	Benefits-in-kind RM'000		
Tan Kian Siong @ Chen Kian Siong ⁽ⁱⁱ⁾	51-100	0-50	-	0-50	51-100	
Mah Chen Wah	101-150	0-50	0-50	-	151-200	
Ng Soh Moy	51-100	0-50	0-50	-	151-200	
Teng Tiang Chia	101-150	0-50	0-50	0-50	151-200	
Lee Kuei Yong	51-100	0-50	0-50	-	51-100	
Subramaniam A/L Mogan ⁽ⁱⁱⁱ⁾	-	-	-	-	-	
Nur Syafiqah Binti Hassan	0-50	0-50	0-50	-	0-50	

Notes:

- (i) Includes employer's contribution to EPF, SOCSO and EIS.
- (ii) Tan Kian Siong @ Chen Kian Siong, our Chief Operating Officer, only joined our Group on 1 March 2019. Hence, the total was computed on a pro rata basis.
- (iii) Subramaniam A/L Mogan, our Quality Control Manager, only joined our Group on 1 November 2019.

3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(b) FYE 2020

Name	Fixed and non-deferred remuneration		Variable and non-deferred remuneration		Total RM'000
	Salary RM'000	Other emolument ⁽ⁱ⁾ RM'000	Bonus RM'000	Benefits-in-kind RM'000	
Tan Kian Siong @ Chen Kian Siong	151-200	0-50	-	0-50	151-200
Mah Chen Wah	101-150	0-50	51-100	-	151-200
Ng Soh Moy	51-100	0-50	0-50	-	151-200
Teng Tiang Chia	101-150	0-50	51-100	0-50	201-250
Lee Kuei Yong	51-100	0-50	0-50	-	51-100
Subramaniam A/L Mogan ⁽ⁱⁱ⁾	0-50	0-50	-	-	51-100
Nur Syafiqah Binti Hassan	0-50	0-50	0-50	-	0-50

Notes:

- (i) Includes employer's contribution to EPF, SOCSO and EIS.
- (ii) Subramaniam A/L Mogan, our Quality Control Manager, only joined our Group on 1 November 2019. Hence, the total was computed on a pro rata basis.

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3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

(c) Proposed for the FYE 2021

Name	Fixed and non-deferred remuneration		Variable and non-deferred remuneration		Total RM'000
	Salary RM'000	Other emolument ⁽ⁱ⁾ RM'000	Bonus ⁽ⁱⁱ⁾ RM'000	Benefits-in-kind RM'000	
Tan Kian Siong @ Chen Kian Siong	201-250	0-50	0-50	0-50	251-300
Mah Chen Wah	101-150	0-50	51-100	-	151-200
Ng Soh Moy	51-100	0-50	0-50	-	151-200
Teng Tiang Chia	101-150	0-50	51-100	0-50	201-250
Lee Kuej Yong	51-100	0-50	0-50	-	51-100
Subramaniam A/L Mogan	51-100	0-50	0-50	-	101-150
Nur Syafiqah Binti Hassan	0-50	0-50	0-50	-	0-50

Notes:

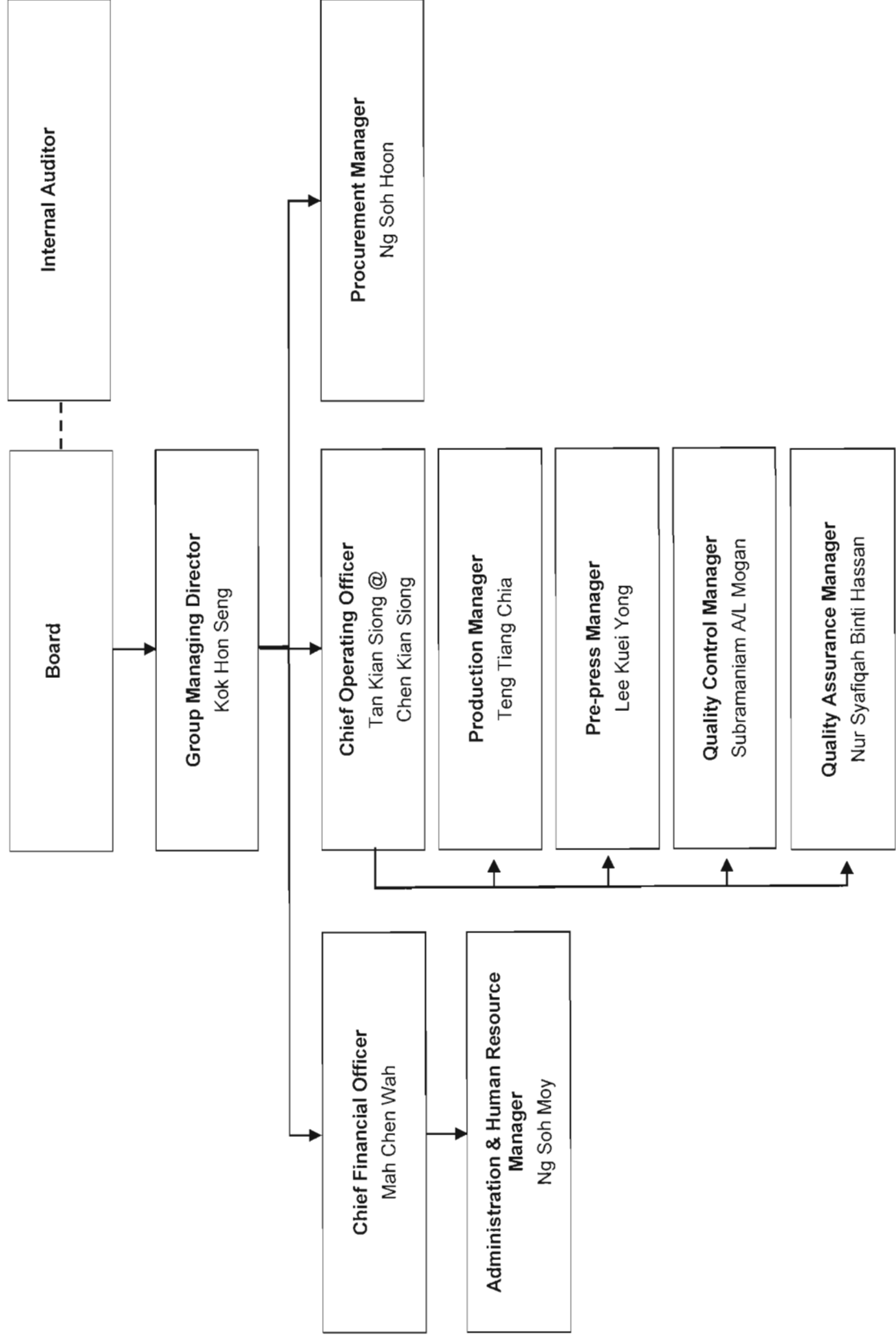
- (i) Includes employer's contribution to EPF, SOCSO and EIS.
- (ii) Estimated bonus for the FYE 2021 based on past record of bonus payout which ranged from 3 to 5 months. The actual payout is determined by job performance of the individual and financial results of our Group for the FYE 2021.

We do not have any profit-sharing plan for our Directors and key senior management as at the LPD.

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3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

3.5 MANAGEMENT REPORTING STRUCTURE



3. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Our Group does not have any management succession plan in place as at the LPD. However, our Group recognises the importance of attracting and retaining employees and to have in place, amongst others, competitive compensation package and continuous training and development programmes for all employees in key functions of our Group's operations to ensure sustainability in our Group's business.

3.6 DECLARATION BY EACH PROMOTER, DIRECTOR AND MEMBER OF KEY SENIOR MANAGEMENT

None of our Promoters, Directors or key senior management is or has been involved in any of the following events (whether in or outside Malaysia):

- (i) a petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership of which he was a partner or any corporation of which he was a director or member of key senior management in the last 10 years;
- (ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (iii) charged or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding in the last 10 years;
- (iv) any judgment was entered against him, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his part, involving a breach of any law or regulatory requirement that relates to the capital market in the last 10 years;
- (v) the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his part that relates to the capital market in the last 10 years;
- (vi) the subject of any order, judgement or ruling of any court, government, or regulatory authority or body temporarily enjoining him from engaging in any type of business practice or activity;
- (vii) the subject of any current investigation or disciplinary proceeding, or in the last 10 years has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; or
- (viii) whether there is any unsatisfied judgment against him.

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4. INFORMATION ON OUR GROUP

4.1 OUR COMPANY

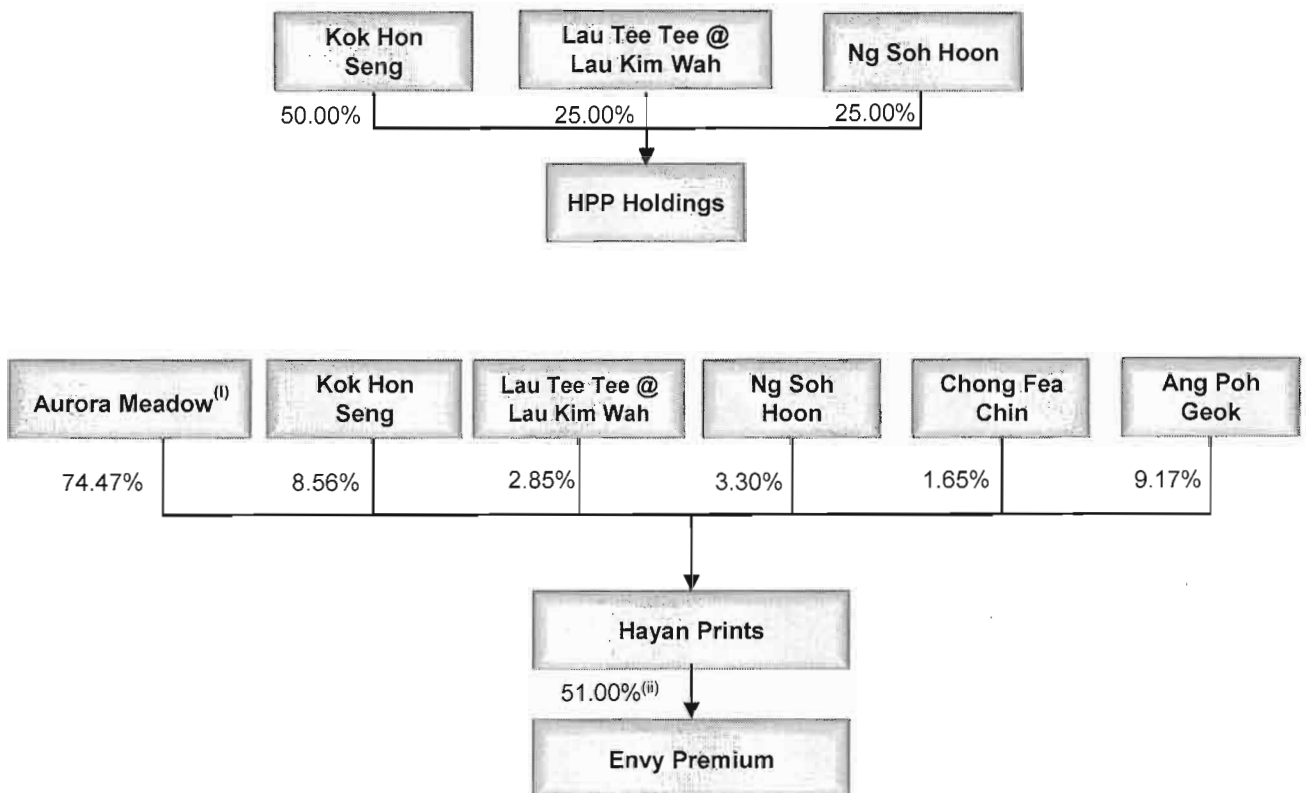
HPP Holdings was incorporated on 29 November 2018 as a private limited company in Malaysia under the Act under the name of HPP Holdings Sdn Bhd. Our Company was subsequently converted to a public limited company on 15 November 2019 and since then, assumed the current name of HPP Holdings Berhad to embark on our Listing.

Our principal activity is investment holding. Through our subsidiaries, we are principally involved in the printing and production as well as sales and marketing of paper-based packaging, both Corrugated and Non-corrugated, and trading and production of rigid boxes. Our paper-based packaging is printed with full colour offset printing technology.

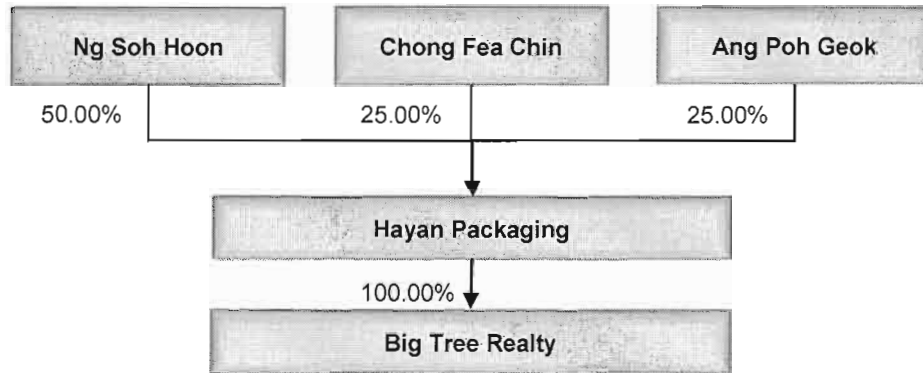
4.2 OUR GROUP

Our Group structure before the Acquisitions and after the Acquisitions and our IPO is as follows:

Before the Acquisitions



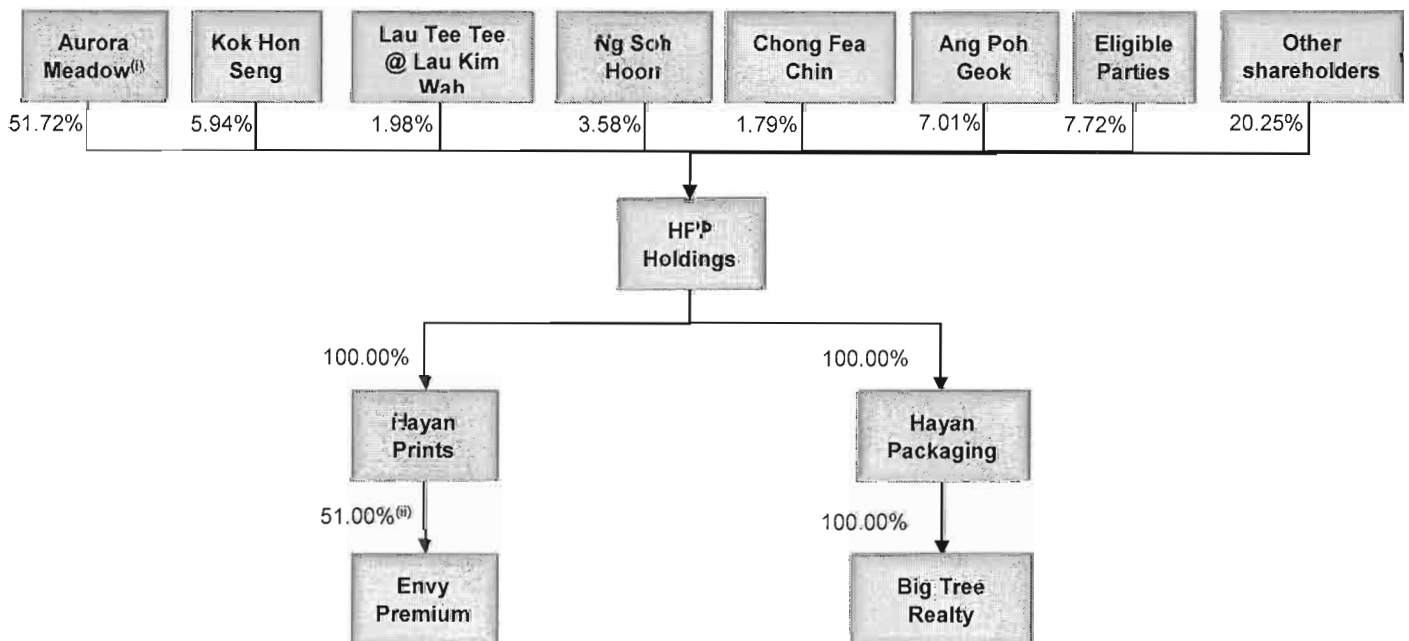
4. INFORMATION ON OUR GROUP (CONT'D)



Notes:

- (i) Aurora Meadow is owned by Kok Hon Seng (52.29%), Ng Soh Hoon (20.19%), Lau Tee Tee @ Lau Kim Wah (17.43%) and Chong Fea Chin (10.09%).
- (ii) The remaining 49.00% equity interest in Envy Premium is owned by Lim Soon Guan (40.09%), Ng Peng Hup (5.57%), Lim Ze Wei (1.11%), Lee Kuei Yong (1.11%), Mah Chen Wah (0.84%) and Siew Choon Moi (0.28%). Save for Lim Ze Wei, who is the son of Ng Soh Moy (our Administration & Human Resource Manager), Mah Chen Wah, who is our Chief Financial Officer and Lee Kuei Yong, who is our Pre-press Manager, none of the other individual shareholders of Envy Premium are persons connected to the Promoters, substantial shareholders, directors and/or key senior management of the Company pursuant to Chapter 1 of the Listing Requirements.

After the Acquisitions and our IPO



Notes:

- (i) Aurora Meadow is owned by Kok Hon Seng (52.29%), Ng Soh Hoon (20.19%), Lau Tee Tee @ Lau Kim Wah (17.43%) and Chong Fea Chin (10.09%).

4. INFORMATION ON OUR GROUP (CONT'D)

- (ii) The remaining 49.00% equity interest in Envy Premium is owned by Lim Soon Guan (40.09%), Ng Peng Hup (5.57%), Lim Ze Wei (1.11%), Lee Kuei Yong (1.11%), Mah Chen Wah (0.84%) and Siew Choon Moi (0.28%). Save for Lim Ze Wei, who is the son of Ng Soh Moy (our Administration & Human Resource Manager), Mah Chen Wah, who is our Chief Financial Officer and Lee Kuei Yong, who is our Pre-press Manager, none of the other individual shareholders of Envy Premium are persons connected to the Promoters, substantial shareholders, directors and/or key senior management of the Company pursuant to Chapter 1 of the Listing Requirements.

4.3 ACQUISITIONS

To formalise our listing group in preparation for our Listing, we have undertaken the Acquisitions. HPP Holdings had on 11 November 2019 entered into 2 separate conditional share sale agreements with Hayan Prints Vendors and Hayan Packaging Vendors to acquire the entire equity interest of Hayan Prints and Hayan Packaging for an aggregate consideration of RM59,952,000, which were supplemented by 2 separate letters dated 7 August 2020 to the Vendors to extend the condition period to 31 January 2021 for fulfilment of the conditions precedent for the Acquisitions. The Acquisitions were completed on 30 November 2020. Thereafter, Hayan Prints and Hayan Packaging became our wholly-owned subsidiaries.

Further details of the Acquisitions are as follows:

(i) Hayan Prints Acquisition

On 11 November 2019, HPP Holdings had entered into an agreement to acquire the entire equity interest of Hayan Prints comprising 3,000,000 ordinary shares for a total purchase consideration of RM53,951,000, which was supplemented by a letter dated 7 August 2020 to Hayan Prints Vendors to extend the condition period to 31 January 2021 for fulfilment of the conditions precedent for the Hayan Prints Acquisition. The Hayan Prints Acquisition was completed on 30 November 2020. The said purchase consideration was arrived based on the audited consolidated NA of Hayan Prints as at 31 May 2019, after capitalisation of shareholders' and director's advances and subscription of ordinary shares in Envy Premium, of RM53,951,519.

The purchase consideration was satisfied by the allotment and issuance of 269,755,000 Shares at an issue price of RM0.20 per Share to Hayan Prints Vendors as follows:

Hayan Prints Vendors	No. of shares acquired	%	Purchase consideration RM	No. of Shares issued
Aurora Meadow	2,234,201	74.47	40,179,126.00	200,895,630
Kok Hon Seng	256,800	8.56	4,618,205.60	23,091,028
Lau Tee Tee @ Lau Kim Wah	85,500	2.85	1,537,603.60	7,688,018
Ng Soh Hoon	99,000	3.30	1,780,383.00	8,901,915
Chong Fea Chin	49,500	1.65	890,191.40	4,450,957
Ang Poh Geok	274,999	9.17	4,945,490.40	24,727,452
Total	3,000,000	100.00	53,951,000.00	269,755,000

4. INFORMATION ON OUR GROUP (CONT'D)**(ii) Hayan Packaging Acquisition**

On 11 November 2019, HPP Holdings had entered into an agreement to acquire the entire equity interest of Hayan Packaging comprising 2,500,000 ordinary shares for a total purchase consideration of RM6,001,000, which was supplemented by a letter dated 7 August 2020 to Hayan Packaging Vendors to extend the condition period to 31 January 2021 for fulfilment of the conditions precedent for the Hayan Packaging Acquisition. The Hayan Packaging Acquisition was completed on 30 November 2020. The said purchase consideration was arrived based on the audited consolidated NA of Hayan Packaging as at 31 May 2019 of RM6,001,296.

The purchase consideration was satisfied by the allotment and issuance of 30,005,000 Shares at an issue price of RM0.20 per Share to Hayan Packaging Vendors as follows:

Hayan Packaging Vendors	No. of shares acquired	%	Purchase consideration RM	No. of Shares issued
Ng Soh Hoon	1,250,000	50.00	3,000,500.00	15,002,500
Chong Fea Chin	625,000	25.00	1,500,250.00	7,501,250
Ang Poh Geok	625,000	25.00	1,500,250.00	7,501,250
Total	2,500,000	100.00	6,001,000.00	30,005,000

4.4 SHARE CAPITAL

As at the LPD, our issued share capital is RM59,952,201.60 comprising 299,761,000 Shares, all of which have been issued and fully paid-up. Upon listing, our enlarged issued share capital will be RM91,873,041.60 comprising 388,430,000 Shares.

The changes in our issued share capital since the date of our incorporation up to the LPD are as follows:

Date of allotment	No. of Shares allotted	Type of issue/ Consideration	Cumulative issued share capital	
			No. of Shares	RM
29 November 2018	2	Subscribers' Shares/ Cash	2	2.00
17 December 2018	998	Allotment of Shares/ Cash	1,000	201.60
17 November 2020	299,760,000	Consideration for the Acquisitions/ Otherwise than cash for Shares issued	299,761,000	59,952,201.60

There were no discounts, special terms or instalment payment terms given in consideration for the above allotments. The allotment and issuance of Shares pursuant to the Acquisitions was based on the respective share sale agreements, the basis of which are set out in Section 4.3 of this Prospectus.

4. INFORMATION ON OUR GROUP (CONT'D)**4.5 INFORMATION ON OUR SUBSIDIARIES AND ASSOCIATE COMPANY**

The details of our subsidiaries are as below:

Name / Registration No.	Date and country of incorporation	Issued share capital RM	Equity interest %	Principal activities
Hayan Prints (199601010312 (382661-M))	6 April 1996 Malaysia	3,000,000.00	100.00	Printing and production of paper-based packaging, both Corrugated and Non-corrugated as well as trading of rigid boxes
Hayan Packaging (201101029332 (957467-P))	17 August 2011 Malaysia	2,500,000.00	100.00	Sales and marketing of paper-based packaging, both Corrugated and Non-corrugated
Held by Hayan Prints Envy Premium (201701045393 (1259566-H))	11 December 2017 Malaysia	1,898,783.60	51.00	Trading and production of rigid boxes
Held by Hayan Packaging Big Tree Realty (200901039679 (882820-A))	16 December 2009 Malaysia	100,000.00	100.00	Investment holding

As at the LPD, we do not have any associate company.

Further details of our subsidiaries are set out below.

4.5.1 Hayan Prints**(i) History and Business**

Hayan Prints was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 6 April 1996. It is principally involved in the printing and production of paper-based packaging, both Corrugated and Non-corrugated as well as trading of rigid boxes.

It has commenced business operations in 1996 and its principal place of business is in Taman Teknologi Cheng, Melaka.

Hayan Prints exclusively supplies mainly rigid boxes to Sony EMCS (Malaysia) Sdn Bhd as a designated Green Partner supplier. Hayan Prints only trades rigid boxes sourced from a third party supplier.

(ii) Share Capital

As at the LPD, the issued share capital of Hayan Prints is RM3,000,000 comprising 3,000,000 ordinary shares. There were no changes in the issued share capital of Hayan Prints during the FY Under Review.

None of Hayan Prints' ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Hayan Prints does not have any outstanding warrants, options, convertibles securities or uncalled capital.

4. INFORMATION ON OUR GROUP (CONT'D)

(iii) Shareholder

Hayan Prints is a wholly-owned subsidiary of our Company.

(iv) Directors

The Directors of Hayan Prints are Kok Hon Seng, Lau Tee Tee @ Lau Kim Wah and Teng Chee Kang. Teng Chee Kang is the son of Ang Poh Geok, our substantial shareholder.

(v) Subsidiary and Associate Company

Hayan Prints has 1 subsidiary, namely Envy Premium. Further details of Envy Premium are set out in Section 4.5.3 of this Prospectus.

As at the LPD, Hayan Prints does not have any associate company.

4.5.2 Hayan Packaging

(i) History and Business

Hayan Packaging was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 17 August 2011. It is principally involved in the sales and marketing of paper-based packaging, both Corrugated and Non-corrugated.

It has commenced business in 2011 and its principal place of business is in Taman Teknologi Cheng, Melaka.

(ii) Share Capital

As at the LPD, the issued share capital of Hayan Packaging is RM2,500,000 comprising 2,500,000 ordinary shares. There were no changes in the issued share capital of Hayan Packaging during the FY Under Review.

None of Hayan Packaging's ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Hayan Packaging does not have any outstanding warrants, options, convertibles securities or uncalled capital.

(iii) Shareholder

Hayan Packaging is a wholly-owned subsidiary of our Company.

(iv) Directors

The Directors of Hayan Packaging are Kok Hon Seng, Ng Soh Hoon, Chong Fea Chin and Teng Chee Kang.

(v) Subsidiary and Associate Company

Hayan Packaging has 1 wholly-owned subsidiary, namely Big Tree Realty. Further details of Big Tree Realty are set out in Section 4.5.4 of this Prospectus.

As at the LPD, Hayan Packaging does not have any associate company.

4. INFORMATION ON OUR GROUP (CONT'D)**4.5.3 Envy Premium****(i) History and Business**

Envy Premium was incorporated in Malaysia as a private limited company under the Act on 11 December 2017. It is principally involved in the trading and production of rigid boxes.

It has commenced business in 2018 and its principal place of business is in Taman Perindustrian Krubong, Melaka.

Envy Premium supplies rigid boxes to customers other than Sony EMCS (Malaysia) Sdn Bhd*. Envy Premium trades rigid boxes sourced from third party supplier(s) and also produces rigid boxes from a rented factory.

Note:

* Hayan Prints exclusively supplies mainly rigid boxes to Sony EMCS (Malaysia) Sdn Bhd as a designated Green Partner supplier.

(ii) Share Capital

As at the LPD, the issued share capital of Envy Premium is RM1,898,783.60 comprising 1,335,992 ordinary shares. The changes in the issued share capital of Envy Premium since incorporation up to the LPD are as follows:

Date of allotment	No. of shares allotted	Type of issue / Consideration	Cumulative issued share capital	
			No. of shares	RM
11 December 2017	1	Subscriber's shares/ Cash	1	1.00
2 April 2018	799,999	Allotment of shares/ Cash	⁽ⁱ⁾ 800,000	800,000.00
16 October 2019	214,632	Capitalisation of shareholders' and director's advances/ Cash	1,014,632	1,239,995.60
18 October 2019	⁽ⁱⁱ⁾ 321,360	Allotment of shares/ Cash	1,335,992	1,898,783.60

Notes:

- (i) The acquisition of 360,000 ordinary shares by Hayan Prints, representing 45.00% of the equity interest in Envy Premium, from the initial shareholders does not result in any changes in the issued share capital of Envy Premium.
- (ii) Pursuant to the subscription of 321,360 ordinary shares by Hayan Prints which resulted in Hayan Prints holding 51.00% of equity interest in Envy Premium.

None of Envy Premium's ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Envy Premium does not have any outstanding warrants, options, convertibles securities or uncalled capital.

4. INFORMATION ON OUR GROUP (CONT'D)**(iii) Shareholders**

The shareholders of Envy Premium and their respective shareholdings are as below:

Shareholders	No. of shares	%
Hayan Prints	681,360	51.00
Lim Soon Guan	535,609	40.09
Ng Peng Hup	74,390	5.57
Mah Chen Wah ⁽ⁱ⁾	11,158	0.84
Siew Choon Moi	3,719	0.28
Lee Kuei Yong ⁽ⁱⁱ⁾	14,878	1.11
Lim Ze Wei ⁽ⁱⁱⁱ⁾	14,878	1.11
Total	1,335,992	100.00

Notes:

- (i) Mah Chen Wah is our Chief Financial Officer. Further details on his profile is set out in Section 3.2.2(ii) of this Prospectus.
- (ii) Lee Kuei Yong is our Pre-press Manager. Further details on her profile is set out in Section 3.2.2(v) of this Prospectus.
- (iii) Lim Ze Wei is the son of Ng Soh Moy, who is our Administration & Human Resource Manager.

(iv) Directors

The Directors of Envy Premium are Kok Hon Seng, Lau Tee Tee @ Lau Kim Wah and Lim Soon Guan.

(v) Subsidiary and Associate Company

As at the LPD, Envy Premium does not have any subsidiary or associate company.

4.5.4 Big Tree Realty**(i) History and Business**

Big Tree Realty was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 16 December 2009. It is an investment holding company. It owns Lot 4775 which is currently tenanted by Hayan Packaging and part of Lot 4775 is subtenanted to Hayan Prints.

It has commenced business in 2009 and its principal place of business is in Taman Teknologi Cheng, Melaka.

4. INFORMATION ON OUR GROUP (CONT'D)**(ii) Share Capital**

As at the LPD, the issued share capital of Big Tree Realty is RM100,000 comprising 100,000 ordinary shares. There were no changes in the issued share capital of Big Tree Realty during the FY Under Review.

None of Big Tree Realty's ordinary shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, Big Tree Realty does not have any outstanding warrants, options, convertibles securities or uncalled capital.

(iii) Shareholder

Big Tree Realty is a wholly-owned subsidiary of Hayan Packaging, which in turn is a wholly-owned subsidiary of our Company.

(iv) Directors

The Directors of Big Tree Realty are Kok Hon Seng, Lau Tee Tee @ Lau Kim Wah, Ng Soh Hoon and Teng Chee Kang.

(v) Subsidiary and Associate Company

As at the LPD, Big Tree Realty does not have any subsidiary or associate company.

4.6 MATERIAL INVESTMENTS AND DIVESTITURES

Save as disclosed below, we do not have any other material investments and divestitures which were incurred in Malaysia for the FY Under Review and up to the LPD:

	FYE 2018 RM'000	FYE 2019 RM'000	FYE 2020 RM'000	1 June 2020 up to the LPD RM'000
Investments				
Property, plant and equipment:				
• Leasehold land and buildings	(ii)2,390	(iv)5,718	804	544
• Plant and machinery ⁽ⁱ⁾	9,988	2,525	9,788	502
• Motor vehicles	737	-	39	187
• Buildings under construction	(iii)1,175	(v)1,604	178	-
	14,290	9,847	10,809	1,233
Divestitures				
• Motor vehicles	381	-	-	-

Notes:

- (i) Plant and machinery comprise mainly various machineries and equipment such as printing machines, die-cutting machines, gluing machines, CTP machine and UV varnishing machine which are used in our printing and production of paper-based packaging.
- (ii) Being the purchase of Lot 4776.
- (iii) Being the construction cost of Lot 4754 amounting to approximately RM2.15 million and the remaining balance of approximately RM0.09 million was in relation to construction cost for Lot 4763.
- (iv) Being the purchase of Lot 4799.
- (v) Being the construction cost of Lot 4763.

4. INFORMATION ON OUR GROUP (CONT'D)

The increase in investments in plant and machinery during the FYE 2018 was attributed to the acquisition of a large format printing machine to cater to the growing demand for large format packaging printing by our customers in the Consumer E&E industry as detailed in Section 4.15 of this Prospectus.

The increase in investments in plant and machinery during the FYE 2020 was attributed to the acquisition of a standard format printing machine as the utilisation rate of the existing 4 standard format printing machines was 97.14% for the FYE 2019.

The material investments as set out above were mainly financed via a combination of internally generated funds and bank borrowings.

4.7 PUBLIC TAKE-OVER OFFER

During the FYE 2020 and up to the LPD, there were no:

- (i) public take-over offers by third parties in respect of our Shares; and
- (ii) public take-over offers by our Company in respect of other companies' shares.

4.8 LISTING SCHEME

4.8.1 IPO

Please refer to Sections 2.1 and 2.2 of this Prospectus for further details on our IPO.

4.8.2 Listing

Bursa Securities had on 17 November 2020, approved the admission of our Company to the Official List and the listing of and quotation for our entire enlarged issued share capital of RM91,873,041.60 comprising 388,430,000 Shares on the ACE Market of Bursa Securities.

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4. INFORMATION ON OUR GROUP (CONT'D)

4.9 HISTORY AND BACKGROUND

Our Group's history can be traced back to 6 April 1996 when our Group Managing Director, Kok Hon Seng founded Hayan Prints with 2 partners (who have since disposed all their shareholdings in Hayan Prints in 1999), to print and produce paper-based packaging in a rented factory in Malim Jaya Industrial Park, Melaka. We began with the printing of Non-corrugated packaging, which was mainly used in the food and beverage industries using offset printing technology with limited post-press processes.

Over the following years, we focused on growing our customer base to offer our products and services to wider end user industries. For example, in September 1996 we secured a packaging printing order from a pharmaceutical manufacturer, Kotra (M) Sdn Bhd (now known as Kotra Pharma (M) Sdn Bhd); in November 2000, we secured a packaging printing order from a confectionery manufacturer, Beryl's Chocolate & Confectionery Sdn Bhd; and in January 2002, we secured a packaging printing order from a sheath contraceptive manufacturer, Karex Industries Sdn Bhd. These companies have since become our long term customers.

In 2004, we were able to expand our printing capabilities to include the printing of Corrugated packaging when we purchased a laminating machine to laminate printed paperboards onto single face corrugated paperboards.

Upon acquisition of the lands at Lot 4770 and Lot 4771, Taman Teknologi Cheng, in 2003 and following the construction of our factory and office building on Lot 4770 and subsequent construction of our warehouse on Lot 4771 as well as obtaining the relevant CFs, we relocated to Lot 4770 and Lot 4771 in January 2005 and April 2005, respectively. With the larger space, we were able to expand our printing capacity and post-press production capacity by purchasing a new printing machine, a gluing machine and a die-cutting machine.

Our printing and post-press production capacity were further increased in 2006 when we purchased 3 new printing machines (one of which has online coating feature), a folding machine and another die-cutting machine. The online coating feature in the printing machine shortened our production time while the folding machine enables us to automate the folding of brochures and leaflets. In 2007, we began to provide pre-press services to our customers where we advised our customers on the packaging artwork designs and assist them to prepare and edit printing layouts, colours and formats to ensure their artwork designs were suitable for mass printing.

In August 2007, we secured a packaging printing order from a powdered milk products manufacturer, Group of Companies B. Group of Companies B was one of our major customers for FY Under Review.

In order to meet our customers' requirements for new packaging designs, we purchased our first 6-colour printing machine with online coating feature in 2008 which allowed us to print images with a wider range of colours, giving us better printing quality. This addition also enabled us to increase our production speed and eventually increase our printing capacity.

Hayan Prints was proposed to be part of the group of companies under the initial public offering of Maestro Lab Holdings Berhad on the ACE Market of Bursa Securities in February 2010 which did not eventually proceed.

In May 2010, we secured a packaging printing order from a dairy products manufacturer, Group of Companies C. Group of Companies C was one of our major customers for the FYE 2018 and FYE 2019.

4. INFORMATION ON OUR GROUP (CONT'D)

As our printing capacity increased, we were required to increase our storage space. Therefore, in September 2010, we acquired another land together with factory at Lot 4775, Taman Teknologi Cheng, Melaka to be used as a warehouse.

In August 2011, Hayan Packaging was incorporated to market paper-based packaging products locally, which was previously undertaken by Hayan Prints.

In November 2011, we achieved another milestone when we were certified compliant to the Food HACCP Codex Alimentarius Annex to CAC/RCP 1-1969 (2009) by Lloyd's Register of Shipping (M) Bhd for the management of a HACCP system in the printing and production of our paper-based packaging. This certificate of approval enables us to provide confidence to food and beverage manufacturers that our paper-based packaging is safe to be used for food and beverages.

In the course of 2015, we acquired a large format printing machine as well as further increased our printing and post-press production capacity by acquiring another 2 standard format printing machines, a die-cutting machine and a laminating machine. We also acquired our first CTP machine and printing plate processor used for preparing printing plates during pre-press, which enabled us to prepare printing plates in-house. More additions to our range of machineries, included a calibrated colour LCD monitor and a printer equipped with digital colour proof software for prototype printing. With these additions, we began to provide a more comprehensive suite of printing and production, which allowed us to maximise our control of the entire pre-press, press and post-press processes i.e. the designing, prototyping, printing and production of our paper-based packaging.

In September 2015, we secured a packaging printing order from Group of Companies A for its onward sale to a manufacturer of Consumer E&E products. Group of Companies A has since remained as one of our major customers up to the FYE 2020.

To cater for the growing demand of our paper-based packaging, we continued to expand our printing facility between 2016 and 2018 with the acquisition of lands at Lot 4754 and Lot 4763, Taman Teknologi Cheng, Melaka to construct our factories and office buildings. We also acquired lands together with factories at Lot 4776 and Lot 4799, Taman Teknologi Cheng, Melaka. We have obtained the CCC for Lot 4754 and Lot 4763 in May 2018 and August 2019, respectively. As at the LPD, we are using Lot 4776 as a warehouse and Lot 4799 as factory and warehouse. With the additional space, we were able to expand our printing capacity for large format and standard format printing by acquiring 1 additional large format printing machine and 1 standard format printing machine; our pre-press capacity with 1 CTP machine and printing plate processor; and our post-press capacity with 2 die-cutting machines, 4 gluing machines and 1 UV varnishing machine. Please refer to Section 4.27.1 of this Prospectus for the material properties owned by our Group.

In March 2018, we began sourcing for rigid boxes through Hayan Prints from a third-party supplier as and when required for onward sale to our customers. To meet the increasing demand for rigid boxes, we then acquired 45% equity interest in Envy Premium in December 2018 and began producing our own rigid boxes to offer diversified products and services to our customers. In October 2019, our equity interest in Envy Premium has increased to 51%.

While our business is predominantly focused on the local market, we have over the years, expanded our customer base overseas, to Singapore, Thailand, the Philippines, USA, Myanmar and Germany, among others. In addition, as some of our Malaysian-based customers expanded their businesses and manufacturing facilities overseas, we have continued to print and produce paper-based packaging for them to support their overseas operations.

4. INFORMATION ON OUR GROUP (CONT'D)

4.10 PRINCIPAL ACTIVITIES AND BUSINESS MODEL

4.10.1 Principal Business Activities

We are involved in the printing and production of paper-based packaging comprising Corrugated and Non-corrugated packaging, as well as others such as brochures, leaflets, labels and paper bags as well as trading and production of rigid boxes.

We specialise in full colour offset printing and our paper-based packaging is customisable in accordance to our customers' packaging design requirements. Our comprehensive suite of printing and production processes are as follows:

- (i) **Pre-press:** A preparation process of the artwork before printing where printing layouts, colours and formats are prepared and edited. Proofing is also done at this stage to ensure the design and content are as per our customers' desired outcome. We provide artwork layout and printing samples to our customers at this point as well as advise them on the packaging artwork design in order to improve the attractiveness and to reduce the overall packaging costs. Once the artwork is finalised, printing plates are prepared to be used during the press process.
- (ii) **Press:** This is the printing process. We provide our customers with full colour printing with basic coating (i.e. water-based/ matte-based) services using offset printing technology.
- (iii) **Post-press:** A finishing process that determines the final look, shape and feel of the paper-based packaging and to enhance the aesthetic values of the packaging. Post-press processes include folding, gluing, cutting, die-cutting, embossing and window patching. We outsource other finishing processes such as calendaring, gloss or matte laminating, UV varnishing and hot stamping to our subcontractors.

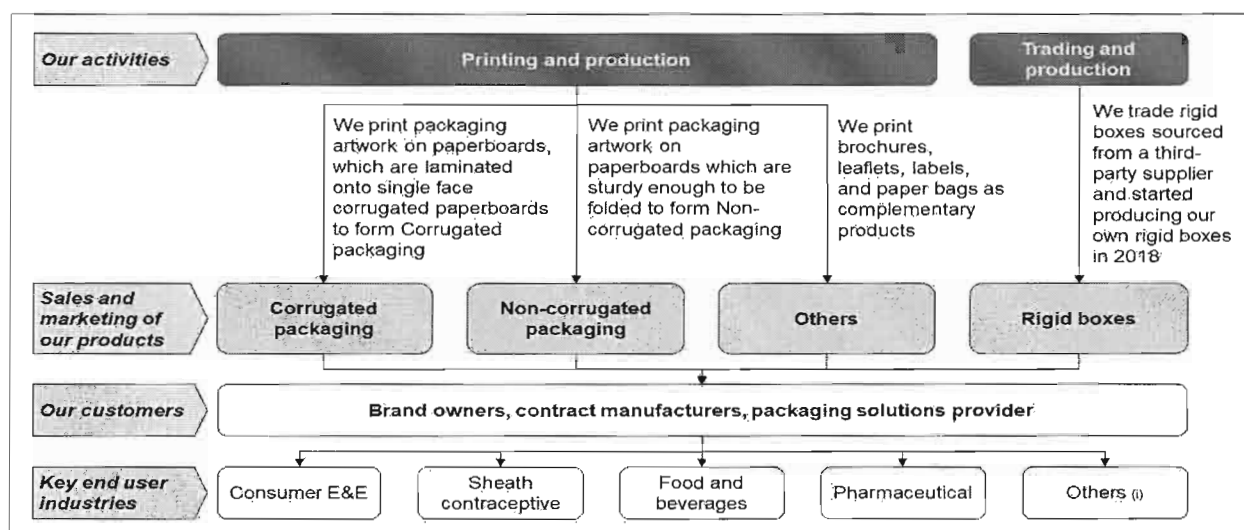
We trade rigid boxes which are sourced from a third-party supplier for onward sale to our customers. We began producing our own rigid boxes in December 2018. With our printing capabilities, we can print artwork on art papers which can then be laminated onto the rigid boxes, or print artwork on paperboards which can be made into sleeves to be wrapped around the rigid boxes, as per our customers' requirements.

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4. INFORMATION ON OUR GROUP (CONT'D)

4.10.2 Business Model

The chart below illustrates the overview of our business model:



Note:

- (i) Other end user industries include consumer products, kitchenware, automotive spare parts and air conditioner spare parts, amongst others.

4.10.3 Revenue Contribution by Product and Geographical Location

Our Group's revenue contribution by product and geographical location for the FY Under Review are as follows:

(i) Revenue by product

	Audited					
	FYE 2018		FYE 2019		FYE 2020	
	RM'000	%	RM'000	%	RM'000	%
Printing and production						
- Corrugated packaging	28,095	43.63	29,954	36.23	25,167	24.87
- Non-corrugated packaging	32,031	49.74	33,055	39.98	31,482	31.11
- Others ⁽ⁱ⁾	4,258	6.61	4,442	5.37	4,567	4.51
Rigid boxes						
- Trading	11	0.02	15,087	18.25	38,667	38.21
- Production	-	-	143	0.17	1,320	1.30
Total	64,395	100.00	82,681	100.00	101,203	100.00

Note:

- (i) Comprises brochures, leaflets, labels and paper bags which are complementary to our paper-based packaging.

4. INFORMATION ON OUR GROUP (CONT'D)**(ii) Revenue by geographical location**

	Audited					
	FYE 2018		FYE 2019		FYE 2020	
	RM'000	%	RM'000	%	RM'000	%
Local						
Malaysia	60,259	93.58	78,019	94.36	73,309	72.44
Overseas						
Singapore	1,812	2.81	1,489	1.80	1,278	1.26
Thailand	2,034	3.16	2,386	2.89	5,616	5.55
Philippines	-	-	-	-	19,437	19.20
Others ⁽ⁱ⁾	290	0.45	787	0.95	1,563	1.55
	4,136	6.42	4,662	5.64	27,894	27.56
Total	64,395	100.00	82,681	100.00	101,203	100.00

Note:

- (i) Comprises sales from Myanmar, USA, Germany and Taiwan.

Please refer to Section 8.3.1 of this Prospectus for the management's discussion and analysis on our revenue.

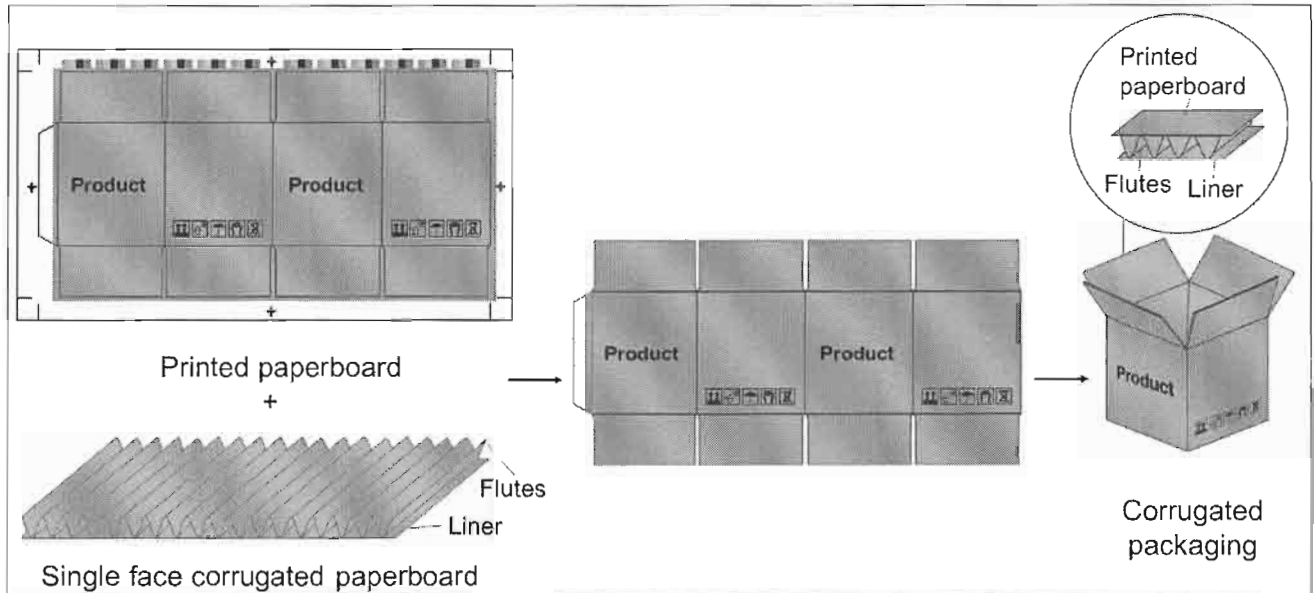
4.11 PRODUCTS**(i) Corrugated packaging**

We print our customers' packaging artwork using full colour offset printing on paperboards according to our customers' specifications. The printed paperboards are then laminated on the single face corrugated paperboards to form Corrugated packaging. Single face corrugated paperboard is made from a layer of flute laminated with a sheet of paperboard referred to as a liner.

Corrugated packaging is more rigid and sturdier than Non-corrugated packaging. It is shaped into a box and is generally used to package large and heavy products for shipping or storage. Corrugated packaging is widely used to package large high-end Consumer E&E products such as vacuum cleaners, television, stereo units and hair dryers.

4. INFORMATION ON OUR GROUP (CONT'D)

Illustration of a Corrugated packaging

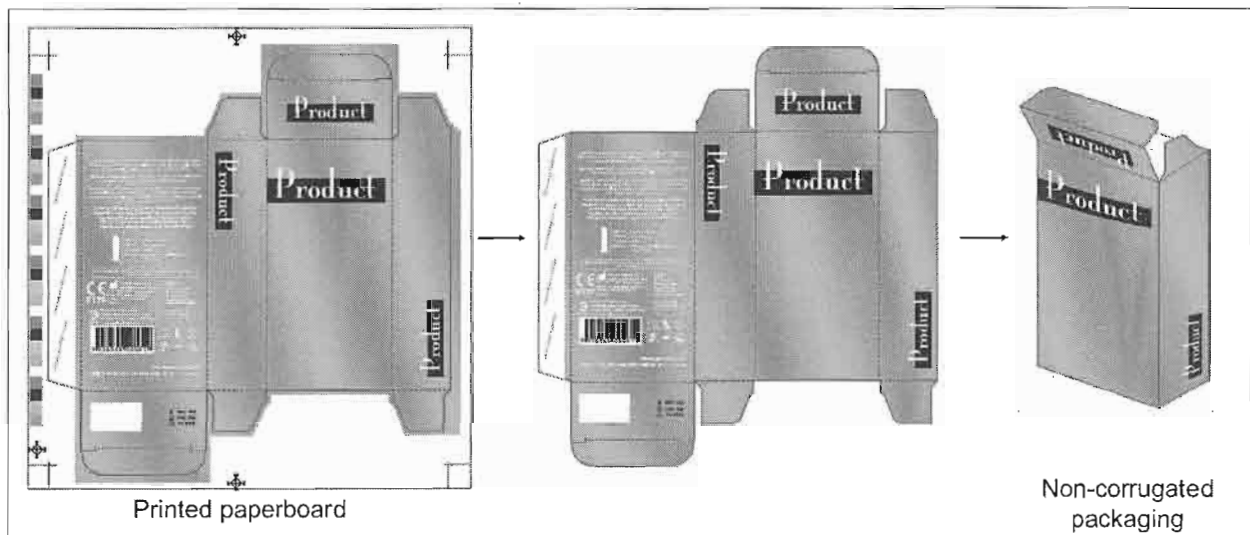


(ii) Non-corrugated packaging

We print our customers' packaging artwork using full colour offset printing on paperboards which are sturdy enough to be folded to form Non-corrugated packaging.

Non-corrugated packaging is generally lighter and more pliable, and can therefore be shaped into a box and used to package light products or as a sleeve to wrap around a rigid box.

Illustration of a Non-corrugated packaging



4. INFORMATION ON OUR GROUP (CONT'D)

(iii) Others

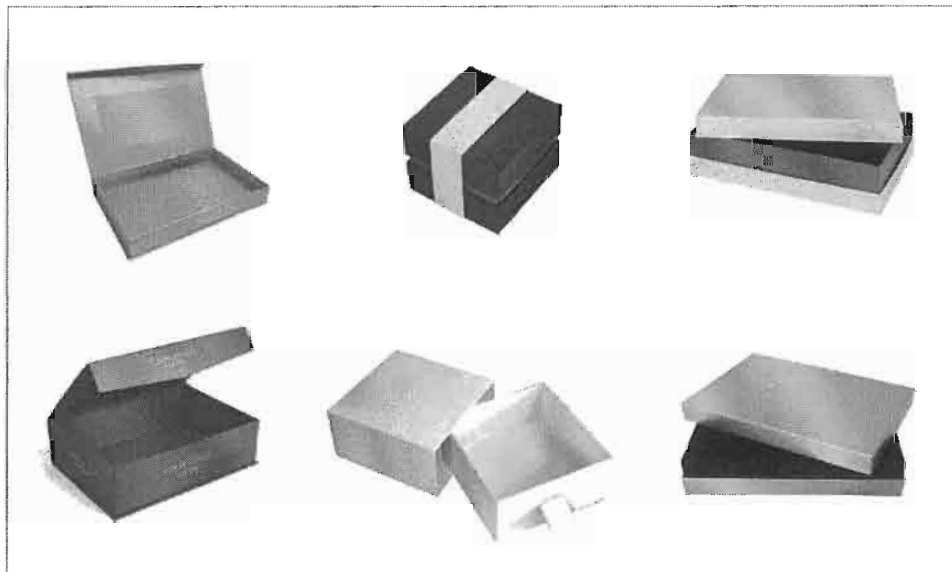
We print brochures, leaflets, labels and paper bags as complementary products to our paper-based packaging.

(iv) Rigid boxes

Rigid boxes are produced by mounting chipboards into the shape of a box and wrapping the box with blank or printed art papers. With our printing capabilities, we are able to print artwork on the art papers which can then be laminated onto the rigid boxes; or print artwork on paperboards which can then be made into sleeves to be wrapped around the rigid boxes, depending on our customers' requirements.

Rigid boxes are generally more rigid and sturdier than Corrugated packaging. It is often associated with premium products such as high-end Consumer E&E and health beverages. Rigid boxes are generally smaller in size compared to Corrugated packaging.

Examples of rigid boxes



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4. INFORMATION ON OUR GROUP (CONT'D)**4.12 CUSTOMERS AND END USER INDUSTRIES**

Our paper-based packaging is aesthetically more appealing than non-printed packaging as the packaging is in full colour and printed with graphics including images, text and logos. This has enabled us to serve a diversified customer base covering various end user industries, as follows:

End user industries	Types of paper-based packaging	Usage
Consumer E&E	Corrugated and Non-corrugated packaging and rigid boxes	Packaging for electronic devices, gadgets and home appliances
Sheath contraceptive	Corrugated and Non-corrugated packaging	Packaging for condoms
Food and beverages	Corrugated and Non-corrugated packaging and rigid boxes	<ul style="list-style-type: none"> • Packaging for powdered dairy products, snacks, biscuits, confectionery and other food packaging • Disposable paper food and beverage containers
Pharmaceutical	Non-corrugated packaging	Packaging for medicines, supplements and medicated oil
Others	Corrugated and Non-corrugated packaging	Packaging for other consumer products, kitchenware, automotive spare parts and air conditioner spare parts, amongst others

As the packaging design for each customer varies, we liaise directly with brand owners, contract manufacturers and packaging solutions providers for the packaging design requirements. We then deliver the finished paper-based packaging to the brand owners or contract manufacturers. Our list of customers also includes packaging solutions providers who act as intermediary engaged by brand owners to handle their packaging procurement process.

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4. INFORMATION ON OUR GROUP (CONT'D)

4.13 OPERATIONAL PROCESSES

4.13.1 Printing and production of paper-based packaging

The typical process flow for the printing and production of paper-based packaging is depicted below:

Process flow		Estimated duration required for each process	
		New artwork layout	Existing artwork layout
Sales and planning	Customers' sales inquiry, order confirmation	The duration depends on the no. of days required for order confirmation from customers	
	Production planning		
Pre-press	Receive printing order and artwork		
	Artwork format adjustment and/or modification * QC		
	Die-cut lines preparation * QC	3 days	Not applicable (i)
	Adjusted artwork sent to customer		
	Sample printed paper-based packaging sent to customer		
	Printing and die-cut block imposition layout preparation * QC		
	Printing plate preparation * QC		
	Paper cutting	2 days	2 days
	Printing of paper-based packaging * QC	3 days	2 days
	Varnishing * QC		
Post-press	Trimming, folding, laminating, embossing, die-cutting, waste stripping, window-patching, and gluing * QC	10 days	8 days
	Packing and labelling * QC		
Packing & delivery	Storage and delivery	2 days	2 days

Notes:

* Quality control checks undertaken

(i) Not applicable as existing artwork layouts do not go through production planning and some pre-press processes as indicated in the process flow chart.

4. INFORMATION ON OUR GROUP (CONT'D)

(i) Sales inquiry and order confirmation

Upon receipt of a printing inquiry by potential customers or recurring customers, our sales, marketing and customer service team will prepare a quotation according to the artwork design, number of colours and post-press processes required, as well as delivery arrangement. A printing order will then be placed upon the confirmation of the order from our customer.

Thereafter, our production planning team will develop production plans and set out all the relevant details such as printing specifications, raw materials required, production schedule and delivery details.

(ii) Pre-press

Along with the printing order, we will also receive an artwork layout from the customer. Our pre-press team will check and adjust the artwork layout and colour with our calibrated colour LCD monitor. Our pre-press team will then give advice, recommendations and suggested modifications to the artwork design and structure (if required) in order to meet customer's specifications.

We will then draw a technical die-cut layout (i.e. crease, cut and perforated lines) and ensure that the structure of the packaging fits perfectly. We will also inspect the colour, font, image resolution, trapping and overprint, hide area, crop marks and readable barcode of the artwork. Thereafter, we will send the adjusted artwork to the customer for approval. Throughout the process, our pre-press team will be communicating with our customer regularly on the artwork design and improvements to ensure our customer is satisfied with the adjusted artwork.

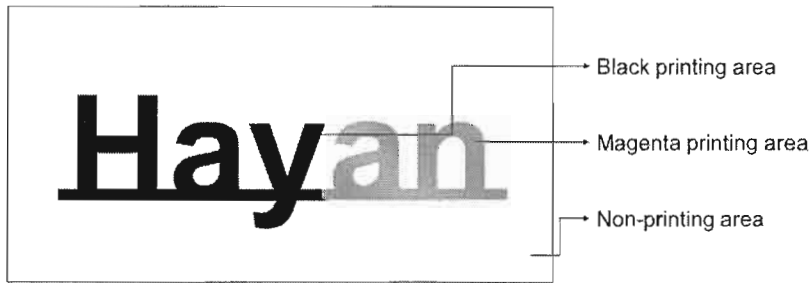
Our pre-press team will produce a sample of the printed paper-based packaging based on the approved adjusted artwork upon request by our customer. The sample is printed by a printer equipped with digital colour proof software. Upon receiving approval on the sample from our customer, we will proceed to prepare the printing and die-cut block imposition layouts and printing plates, as well as procure any raw materials required.

Our pre-press team prepares the printing imposition layout by arranging and re-positioning similar artworks side by side to be printed on a single piece of paper to maximise the usage of both the printing plate and paper to reduce paper wastage. Thereafter, our production personnel will prepare an imposition layout for the die-cut block, including the alignments of crease lines, cut lines and perforated lines, based on the printing imposition layout and the die-cut lines drawn on the artwork. During this stage, our production personnel will ensure that the alignment of crease lines, cut lines and perforated lines are drawn correctly.

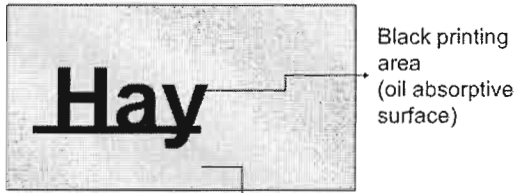
Thereafter, our production personnel will prepare printing plates to be used for the offset printing process using our CTP machine and printing plate processor. Prior to the printing plate preparation, the artwork will go through a colour separation process where it is screened and separated to different copies based on the basic colour segmentation contained in the artwork. Each basic colour has its own printing plate which is placed in the printing units of the offset printing machine. The printing plate has 2 types of surface areas: (i) the printing area with oil absorptive surface; and (ii) the non-printing area with water absorptive surface. The printing area is then applied with ink-accepting coating which enables the printing area to be coated with ink and non-printing area to absorb water.

4. INFORMATION ON OUR GROUP (CONT'D)

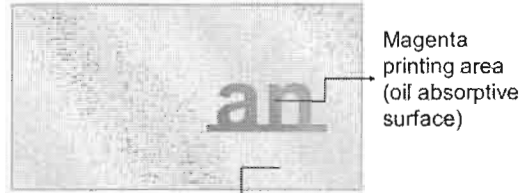
Artwork example:



Printing plate for black printing unit



Printing plate for magenta printing unit

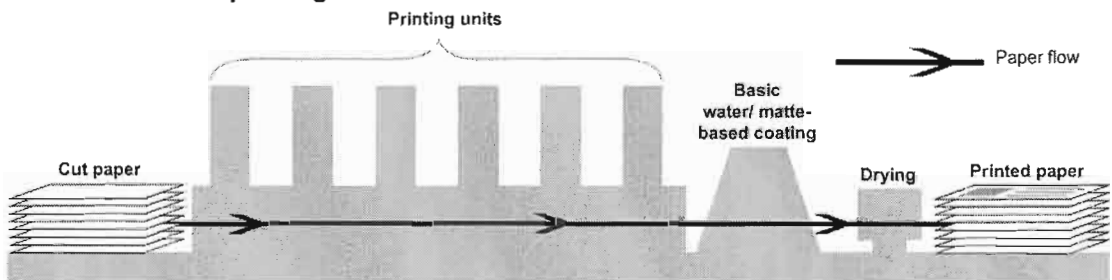


Our procurement team will source the required raw materials used for the printing and production of paper-based packaging (e.g. sheet paperboards, rolled paperboards, art papers, single face corrugated paperboards and ink) from our list of suppliers. These raw materials will undergo visual inspection upon arrival to ensure that there are no physical flaws such as dents, dirt and stains. Rolled paperboards will be sent to the cutting machine to be cut into specific sizes. After that, all the required raw materials and printing plates are sent to the printing line to begin the printing process.

(iii) Press

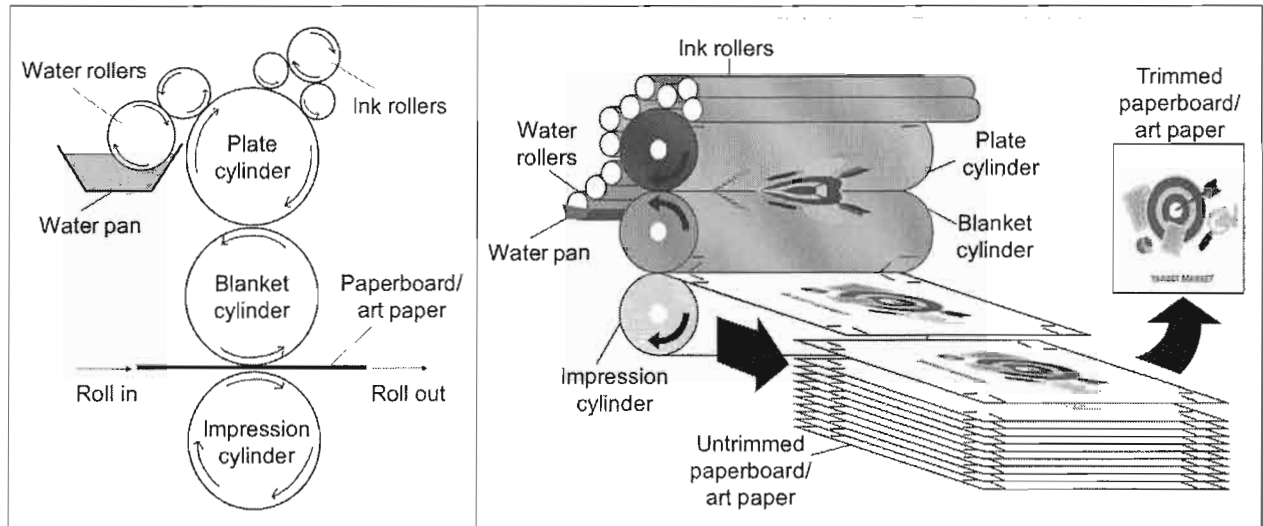
Press is the printing process using the offset printing machine.

Illustration of the printing line



4. INFORMATION ON OUR GROUP (CONT'D)

Illustration of a printing unit in the printing line



Each of our offset printing machines comprise 2 to 6 printing units, 1 coating unit and 1 drying unit.

Press process begins with the placing of printing plates on the surface of the plate cylinders of the printing units, based on the equipped basic ink colour. Several cylinders and rollers are present in each printing unit with each of the cylinders and rollers rotating clockwise or counter clockwise to carry water and ink, as well as to support the paper flow between the cylinders.

Press process continues with the immersing of the water roller into the water pan to be coated with a layer of water. Thereafter, the plate cylinder with the printing plate is put in contact with the water roller and water is absorbed onto the non-printing area of the printing plate but not the printing area due to its oil absorptive surface. Subsequently, the plate cylinder with printing plate will make contact with the ink roller that carries oil-based ink, and the printing area will be coated with the oil-based ink. Water on the printing plate will evaporate, and ink will be transferred onto the rubber blanket on top of the blanket cylinder. Ink will then be pressed on the paperboards or art papers that are rolled into the printing unit between the blanket cylinder and impression cylinder.

The printed paperboards or art papers will then roll into the next printing unit for the printing of other colours. After all colours are printed, the printed surface may be coated with a basic coating that is water-based or matte-based in the coating unit, and is then rolled into the drying unit for drying purposes.

Visual quality checks for die-cut layout, crop mark position and artwork quality will be conducted throughout the press process and an X-Rite densitometer will be used to perform a colour check against the sample on a sampling basis.

4. INFORMATION ON OUR GROUP (CONT'D)

(iv) Post-press

Upon completion of the offset printing process, depending on customers' requirements, the printed papers will be sent for finishing processes. Finishing processes such as calendaring, gloss or matte laminating, UV varnishing and hot stamping are outsourced to our subcontractors. Since May 2020, UV varnishing for paperboards is conducted in-house for finishings that are within the specifications of our UV varnishing machine.

To produce Corrugated packaging, the printed paperboards will be laminated onto the single face corrugated paperboards after the finishing process to form laminated corrugated cardboards. The laminated corrugated cardboards will proceed to other post-press processes thereafter.

To produce Non-corrugated packaging, the printed paperboards will undergo other post-press processes after the finishing process.

Other post-press processes undertaken by our Group include the following:

(a) Trimming

To maximise the usage of the printing plates and paper as well as to reduce paper wastage, we arrange similar artworks side by side while preparing the printing imposition layout and the printing plate. The trimming process takes place to trim the printed paperboards or art papers and to separate each artwork accordingly. For example, brochures and leaflets need to be trimmed after printing, prior to the folding process.

(b) Folding

Folding is a process where printed paperboards or art papers are folded into pre-set formats to form brochures or leaflets. The printed paperboards or art papers are fed into a folding machine and emerge in folded form once they slide out from the folding machine.

(c) Laminating

Laminating is a process to produce Corrugated packaging whereby printed paperboards are pasted onto single face corrugated paperboards.

(d) Embossing

Embossing is a process to create three-dimensional (3D) effects on two-dimensional (2D) surfaces. In an embossing machine, a convex and/or concave mould is used to press on certain areas of the printed paperboards to form embossed surfaces.

(e) Die-cutting

Die-cutting is a process of cutting excess edges and creating folding lines to form packaging. For example, die-cutting helps to separate the different artworks that are printed on a single piece of paperboard or art paper by cutting them with blades on the mould. For each printing layout, a customised die-cut block or mould is prepared and loaded into a die-cutting machine prior to the die-cut process.

4. INFORMATION ON OUR GROUP (CONT'D)

(f) Waste stripping

Waste stripping is a process where unwanted edges of printed paperboards, art papers or laminated corrugated cardboards are stripped and removed. Upon completion of the die-cutting process, the excess edges are cut but the unwanted edges are still attached to the printed paperboards, art papers or laminated corrugated cardboards. In the waste stripping process, the printed paperboards, art papers or laminated corrugated cardboards are stacked on pallets and the unwanted edges are stripped and removed either manually or with a stripping machine.

(g) Window patching

Window patching is a process to enhance the visibility of products inside the packaging, where an area of the packaging is glued with Biaxially Oriented Polypropylene (BOPP) film.

(h) Gluing

Gluing is a process where glue is applied on certain edges of the printed paperboards, art papers or laminated corrugated cardboards and they are folded and pasted together to form a flattened packaging.

Thereafter, the printed paperboards, art papers or laminated corrugated cardboards are ready to be folded into the shape of the packaging required by our customers. However, the printed paper-based packaging will be delivered in the form of flattened packaging or other specific shapes for space saving purposes.

We perform QC checks throughout the post-press processes to ensure that the paper-based packaging is done as per our customers' specifications.

(v) Packing and delivery

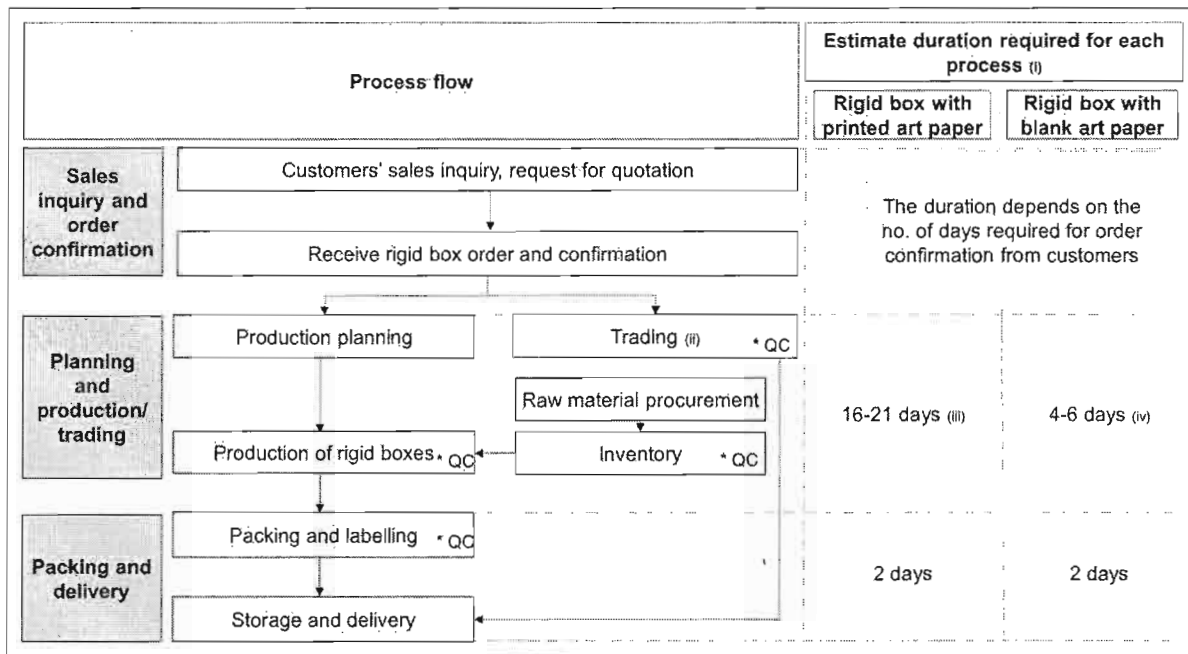
The printed paper-based packaging will undergo another round of QC on areas such as printed images, folding lines, die-cut lines, varnishing surfaces, laminated surfaces and glued edges before being packed in volumes required by our customers. The printed paper-based packaging is then placed and stacked on pallets to be stored in our warehouse prior to delivery.

The printed paper-based packaging will be delivered to our customers by our own lorries or external transportation services. As at the LPD, we have 6 lorries and 1 prime mover in operation for delivery purposes. There is limited risk arising from our Group's dependency on external transportation services as such external transportation services can be sourced from third-party logistics service providers.

4. INFORMATION ON OUR GROUP (CONT'D)

4.13.2 Trading and production of rigid boxes

The typical process flow for the trading and production of rigid boxes is as depicted below:



Notes:

* Quality control checks undertaken

(i) The estimated duration required for each process in the process flow chart is only applicable to rigid boxes produced in-house.

(ii) For trading of rigid boxes, the lead time from order confirmation to delivery ranges from 19 to 26 days.

(iii) The estimated duration for planning and production of rigid boxes with printed art paper include:

(a) an estimated 12 days for the printing of art paper with existing artwork layout, and 15 days for the printing of art paper with new artwork layout; and

(b) an estimated 4 to 6 days for planning and production of the rigid boxes. If no new die-cut mould is required to produce the rigid boxes with printed art paper, the estimated duration for planning and production of rigid boxes with printed art paper is 4 days. If a new die-cut mould is required to produce the rigid boxes with printed art paper, the estimated duration for planning and production of rigid boxes with printed art paper is 6 days.

(iv) If no new die-cut mould is required to produce the rigid boxes with blank art paper, the estimated duration for planning and production of rigid boxes with blank art paper is 4 days. If a new die-cut mould is required to produce the rigid boxes with blank art paper, the estimated duration for planning and production of rigid boxes with blank art paper is 6 days.

4. INFORMATION ON OUR GROUP (CONT'D)

(i) Sales inquiry and order confirmation

Upon receipt of inquiry, our sales, marketing and customer service team will prepare a quotation according to our customer's requirements, the cost of raw materials and delivery arrangement. After receiving the quote, our customer will then place the purchase order.

(ii) Planning and production/ trading

Upon confirmation of an order, our production planning team will develop production plans and set out all relevant details such as specifications, raw materials required, production schedule and delivery details for the rigid boxes.

Our procurement team will source the required raw materials (e.g. chipboards, tapes, glues, magnetic bars or steel/ iron plates) from our list of suppliers. These raw materials will undergo inspection upon arrival to ensure that they meet the required specifications. Thereafter, the required raw materials will be sent to the production line to begin the production process.

The production of rigid boxes will begin with the cutting and creasing of chipboards according to the rigid box size. Groove lines are then formed on the chipboards to facilitate folding. The chipboards can be formed into cases and lids by mounting and taping, and thereafter being glued and wrapped with blank or printed art papers. The chipboards can also be formed into covers by gluing and wrapping them with blank or printed art papers. Trapped air is then pressed out of the cases, lids and covers. Rigid boxes are formed by affixing cases with lids or attaching cases on covers in accordance to our customers' specifications. If a magnetic feature is required by our customers, magnetic bars or steel/ iron plates may be attached.

We perform QC checks throughout the production process to ensure that the rigid boxes are as per our customers' specifications.

Depending on our customers' requirements, the rigid boxes may be laminated with printed art papers or wrapped around with a printed sleeve made from paperboards.

We also source rigid boxes from a third-party supplier. Upon receiving the rigid boxes from the third-party supplier, we will conduct visual inspection for any damages and to ensure that they meet the required specifications.

(iii) Packing and delivery

Upon completion of the production process, the rigid boxes will undergo a quality check for physical flaws and air traps before being packed in cartons, stacked on pallets and stored in our warehouse prior to delivery.

The rigid boxes (both produced in-house and sourced from third-party supplier) will be delivered to our customers by our own lorries or external transportation services. As at the LPD, we have 6 lorries and 1 prime mover in operation for delivery purposes. There is limited risk arising from our Group's dependency on external transportation services as such external transportation services can be sourced from third-party logistics service providers.

4. INFORMATION ON OUR GROUP (CONT'D)

4.14 QUALITY CERTIFICATION AND SUSTAINABLE DEVELOPMENT PRACTICES

As a testament of our ongoing commitment to quality, we are certified as compliant with the following standards:

Standard	Certification body	Certification holder	Date first awarded	Validity	Scope of certification
ISO 9001:2015	Intertek Certification Limited	Hayan Prints	16 October 2007	16 July 2019 to 15 October 2022	Quality management system – manufacture of paper- based printed packaging materials
ISO 9001:2015	Intertek Certification Limited	Envy Premium	21 November 2020	21 November 2020 to 20 November 2023	Quality management system – production and trading of rigid boxes
ISO 14001:2015	Intertek Certification Limited	Hayan Prints	16 October 2007	16 July 2019 to 15 October 2022	Environmental management system – manufacture of paper-based printed packaging materials
HACCP Codex Alimentarius Annex to CAC/RCP 1-1969 (2009)	Lloyd's Register of Shipping (M) Bhd	Hayan Prints	29 November 2011	19 October 2020 to 28 November 2023	Management of a HACCP system for manufacturing of paper- based printed packaging materials
Notification of Green Partner Certification ⁽ⁱ⁾	Sony Corporation	Hayan Prints	28 February 2018	1 April 2020 to 31 March 2022	Paper-based packaging materials
G7 Master Facility Colourspace ⁽ⁱⁱ⁾	IDEAlliance	Hayan Prints	1 September 2020	Until 31 August 2021	G7 Master Qualification with Colourspace compliance

Notes:

- (i) Sony Corporation reviews and evaluates its suppliers based on its Green Partner Environmental Quality Approval System to ensure that its suppliers comply with the standards and regulations specified by Sony Corporation. Notification of Green Partner Certification is issued to qualified suppliers which are certified as Green Partners. Sony Corporation only procures from suppliers who are certified as Green Partners. A re-audit will be conducted by Sony Corporation before the expiration of the Notification of Green Partner Certification on the suppliers' management of chemical substances in products, quality management system, design, prototyping process and production process, amongst others.
- (ii) The qualification of G7 Master Facility Colourspace is the most advanced compliance level of the 3 distinct G7 compliance levels (i.e. G7 Grayscale, G7 Targeted and G7 Colourspace), provided under the G7 Master Facility Qualification programme from IDEAlliance. To attain the G7 Master Facility Colourspace, a facility is required to demonstrate print and/or proofing, knowledge, skill and best practices required at G7 Master Qualification with Colourspace compliance level. The attainment of the G7 Master Facility Colourspace demonstrates that a printing facility is able to operate the required methodology in a graphic communications production environment effectively.

4. INFORMATION ON OUR GROUP (CONT'D)

Our Group recognises the importance of sustainable development and thus, has implemented various sustainable practices covering safety, health and environmental aspects in our business operations. Such practices include, but are not limited to the following:

- (i) We ensure that scheduled waste generated from our production activities is properly stored, packaged, labelled and collected for treatment and disposed in a timely manner.

Our scheduled waste is categorised into liquid waste and solid waste. Liquid waste is contained in plastic drums while solid waste is contained in plastic bags before being placed in jumbo bags. The plastic drums and jumbo bags are labelled with our name, address and telephone number and other information such as waste characteristic, waste code, waste name, and date of waste generation. The plastic drums and jumbo bags are stored in designated areas in our factories, which are built to include features such as concrete floors free of cracks and gaps, roofed and rain water or surface water prevention, to prevent spillage or leakage of scheduled wastes into the environment. We have also appointed a third-party service provider to collect scheduled waste from our factories in accordance with the Environmental Quality (Scheduled Wastes) Regulations 2005;

- (ii) We have established a safety and health committee, comprising 12 personnel, to ensure work site facilities and systems are practicable, safe and do not pose a risk or hazard to the employees' health and safety in accordance to Occupational Safety and Health Act 1994. We also established an emergency response and preparedness team, comprising 23 personnel, in preparation for incidents such as fire and accident, as well as chemical spillage; and
- (iii) We also collect paper waste from our pre-press process i.e. paper cutting and post-press process i.e. stripping for recycling purposes. To assist in the collection of paper waste, we have installed a waste paper baling machine with conveyor belt where the paper waste from the die-cutting machine will go through the conveyor belt before being compressed into compact bales for easy handling, transporting and storing.

4.15 COMPETITIVE POSITION

4.15.1 Our technical knowledge in packaging printing allows us to provide customised products to meet evolving requirements for packaging printing

Our Group has been operating in the packaging printing industry for approximately 24 years. Our technical knowledge allows us to provide customised products and services to a diversified customer base covering various end user industries such as Consumer E&E, sheath contraceptives, food and beverages and pharmaceutical.

We started with the printing of conventional packaging used for containing, holding and protecting the products while providing basic identification and instructional information. With the technological advancements in printing packaging over the years, product packaging has evolved to include communication of information and security printing for product authentication with the use of multi-coloured, high resolution pictures and quality printing.

4. INFORMATION ON OUR GROUP (CONT'D)

In line with prevailing market demands, our years of experience has allowed us to provide security printing to our customers in the sheath contraceptive, food and beverage and pharmaceutical industries; and large format packaging printing with high resolution pictures and high quality printing to our customers in the Consumer E&E industry. We have also invested and acquired 2 large format printing machines in 2015 and 2017 to cater to the growing demand for large format packaging printing by our existing and potential customers in the Consumer E&E industry. Our ability to keep abreast with the evolving customers' requirements demonstrates our ability to capture market opportunities in the packaging printing industry.

We also participate in our customers' packaging design and development phase by providing advice on printing techniques and approaches as well as modification of product structure designs (e.g. outer image and inner structural design) (where required) to improve the packaging attractiveness and achieve cost effective printing.

4.15.2 We serve a customer base covering various end user industries

We are able to serve customers from various end user industries such as Consumer E&E, sheath contraceptive, food and beverages and pharmaceutical. The products of all these end user industries are often consumed or used globally by end users in their daily lives. As we are able to customise the packaging design based on our customers' requirements and evolving consumers' preferences, we are able to meet multiple product requirements and varied specifications from our customers in different end user industries.

For the FY Under Review, the breakdown of our revenue by end user industries are as follows:

	FYE 2018		FYE 2019		FYE 2020	
	RM'000	%	RM'000	%	RM'000	%
Consumer E&E	31,915	49.56	48,955	59.21	64,105	63.34
Sheath contraceptive	16,644	25.85	17,074	20.65	24,023	23.74
Food and beverages	13,414	20.83	14,818	17.92	11,088	10.96
Pharmaceutical	1,745	2.71	1,021	1.24	883	0.87
Others ⁽ⁱ⁾	677	1.05	813	0.98	1,104	1.09
Total	64,395	100.00	82,681	100.00	101,203	100.00

Note:

- (i) Other end user industries include consumer products, kitchenware, automotive spare parts and air conditioner spare parts, amongst others.

Apart from Malaysia, we have also obtained packaging printing orders from Singapore, Thailand the Philippines, Myanmar, USA and Germany. Our customer base from different countries allows us to further build our reputation and credentials in the packaging printing industry.

4.15.3 We maintain long term relationships with our customers and suppliers

Having been in the industry for approximately 24 years, we have developed our own customers and suppliers base. The relationships that we have established with them support the growth of our business.

4. INFORMATION ON OUR GROUP (CONT'D)

The long term relationships that we have established with our existing customers allow us to develop our reputation in the packaging printing industry, and simultaneously attract new customers, such as Sony EMCS (Malaysia) Sdn Bhd, Beryl's group of companies, Group of Companies B, Group of Companies C and Seng Hua Hng Foodstuff Pte Ltd, through referrals from existing customers. Backed by our capabilities and track record, we have developed long term relationships of more than 10 years with a portfolio of reputable customers such as Karex group of companies, Kotra Pharma (M) Sdn Bhd and Seng Hua Hng Foodstuff Pte Ltd as evidenced by the recurrent orders from these customers over the years. These customers carry several brands such as ONE, Carex, Appeton and Camel.

As a supplier to these customers, we are required to comply with various aspects of their respective packaging and QC requirements. To comply with these requirements, we have developed and implemented QC procedures and standard operating procedures to be followed by our production team and we conduct QC on a sampling basis at every critical production process and before delivery to our customers to ensure our paper-based packaging adhere to our quality standards. Further, we standardise our printing practices and adhere to the grey balance and LAB colour space for colour management and the G7 methodology for colour quality and consistency, as well as utilise an X-Rite densitometer to perform colour checks on the printed paper-based packaging. Please refer to Section 4.24 of this Prospectus for further details of the technologies employed by our Group for the printing and production of our paper-based packaging. We also conduct in-house training for our production team on the importance of upholding the quality standards of our products. Through our QC procedures, we have managed to maintain a low product return rate. For the FY Under Review, the average return rates in terms of revenue were approximately 0.73%, 0.54% and 0.34%, respectively.

Further, we have a reputation of complying and being able to comply with the supplier selection processes required by some of our customers and have been able to accommodate any further assessments required by them such as pre-press assessments, audit system and factory visits.

Our sales, marketing and customer service team, production planning team and pre-press team communicate closely with our customers during the pre-press stage to ensure that the specifications and expectations of the paper-based packaging are met. Having the printing capability which meets the specifications and printing standards required by our customers has enabled us to maintain good relationships with our existing customers as well as expand our customer base through the referrals from our existing customers.

We recognise the importance of our suppliers in growing our business and thus we maintain good relationships with paper merchants and paper mills, amongst others. Our ability to build and maintain long term relationships with our suppliers allows us to have access to raw materials in a timely manner. Please refer to Sections 4.29 and 4.30 of this Prospectus for the details of our major customers and major suppliers respectively.

4.15.4 We have an experienced key senior management team

We have an experienced key senior management team with knowledge of the packaging printing industry. Our Executive Director / Group Managing Director, Kok Hon Seng, has 30 years of experience in the packaging printing industry. He is responsible for the overall business strategic management of our Group and plays a vital role in growing our business.

4. INFORMATION ON OUR GROUP (CONT'D)

Kok Hon Seng is supported by an experienced key senior management team comprising:

Name	Designation	Years of relevant working experience
Tan Kian Siong @ Chen Kian Siong	Chief Operating Officer	31
Mah Chen Wah	Chief Financial Officer	21
Ng Soh Hoon	Executive Director / Procurement Manager	24
Ng Soh Moy	Administration & Human Resource Manager	36
Teng Tiang Chia	Production Manager	26
Lee Kuei Yong	Pre-press Manager	17
Subramaniam A/L Mogan	Quality Control Manager	7
Nur Syafiqah Binti Hassan	Quality Assurance Manager	5

The combination of knowledge and relevant working experience in the packaging printing industry has enabled our key management team to lead the workforce of our Group, develop sustainable business strategies and capture business opportunities available in the packaging printing industry, all of which drive the growth of our Group's business. Our dedicated key senior management team, coupled with their focus on customers' needs, are key to the success of our Group.

4.16 SEASONALITY

Generally, our Group's operations are not affected by seasonality as we may receive packaging printing orders at any time during the year.

4.17 INTERRUPTIONS TO THE BUSINESS FOR THE PAST 12 MONTHS

Save for the temporary cessation of Hayan Prints' and Envy Premium's operations during certain phases of the MCO period, as imposed by the Government to curb the spread of COVID-19, we did not experience any interruptions to our business which had a significant effect on our operations during the past 12 months prior to the LPD.

Notwithstanding the above, when the Government imposed a MCO which involved the closure of all government and private premises except for those involved in essential services commencing on 18 March 2020 due to the COVID-19 pandemic, our Group subsequently obtained approvals from MITI via its letters dated 28 March 2020 and 19 April 2020 to allow Hayan Prints and Envy Premium respectively, subject to certain conditions, to operate during the MCO period. Hence, Hayan Prints and Envy Premium resumed operations on a reduced capacity basis on 30 March 2020 and 20 April 2020 respectively. Subsequently, following the announcement by MITI that economic sectors which were allowed to operate during the MCO period are allowed to resume operations at full capacity starting from 29 April 2020, our Group fully resumed our operations since 29 April 2020.

4. INFORMATION ON OUR GROUP (CONT'D)

As a result of the temporary cessation, our Group recorded revenue (both from fulfilment of existing orders and acceptance of new orders) amounting to approximately RM15.66 million for the fourth quarter of the FYE 2020, as shown in the table below:

	Average monthly revenue from June 2019 to February 2020	March 2020	April 2020	May 2020	Total
Revenue (RM'million)	9.51	6.21	2.79	6.66	15.66
Change (%)	-	(34.70)*	(70.66)*	(29.97)*	-

Note:

* Compared to the average monthly revenue from June 2019 to February 2020 of approximately RM9.51 million.

In view of the COVID-19 pandemic, our Group reduced the number of employees working in our factories/ offices to only 110 and allowed other remaining employees to work from home during the early phases of the MCO period. Further, our Group has also initiated voluntary COVID-19 swab tests for all our employees as part of our Group's precautionary measures for the COVID-19 pandemic.

Our Group has implemented and will continue to implement the following precautionary measures at our factories and offices to minimise the risk of COVID-19 infections and to ensure compliance with the standard operating procedures imposed by the Government:

- (i) prepare thermometers to measure the daily body temperature of each employee at the entry points of the factories/ offices. The daily body temperature readings are recorded and kept in files by the Human Resource department for reference purposes;
- (ii) provide hand sanitisers at all entrances of the factories/ offices and all other related areas within the factories/ offices as well as to ensure the use of face masks by all employees;
- (iii) carry out sanitisation and cleaning processes 3 times a day especially in common spaces such as lobby, cafeteria, meeting room and prayer room areas;
- (iv) ensure that the buses/ employees' transportation are disinfected each time before use; and
- (v) ensure and implement best-practice guidelines on social distancing especially at the production floor, cafeteria, meeting room and prayer room areas.

Since March 2020 and up to the LPD, our Group has incurred an additional cost of approximately RM38,516 to implement these precautionary measures and such cost is not expected to have a material impact on our Group's financial results going forward.

Despite operating at a lower capacity due to restrictions imposed during the MCO period as well as to be compliance with the standard operating procedures imposed by the Government, our Group was able to deliver all paper-based packaging orders within the timeframe agreed with the respective customers which were allowed to operate during the MCO period. Please refer to Section 4.27.4 of this Prospectus for further details on our printing and production capacity and utilisation rate of the machines.

4. INFORMATION ON OUR GROUP (CONT'D)

Given the recent increase in the number of COVID-19 infection cases in certain states in Malaysia, the Government has imposed a conditional MCO in certain states since October 2020. Further, the Government has extended an enhanced MCO in certain areas as and when a large cluster is detected in such areas. Notwithstanding this, our Group as well as our customers and suppliers are allowed to continue to operate during this conditional MCO period and hence, we are not affected by such imposition of conditional MCO or enhanced MCO up to the LPD.

As at the LPD, we have not been subject to scrutiny from the relevant authorities in respect of the accommodation we provide for the foreign workers employed by us in view of the COVID-19 pandemic.

During the MCO period, we did not experience any shortage in the supply of paper, price fluctuations for paper and/or delays in delivery lead time for paper orders placed with our current suppliers. Hence, there was no material disruption to the supply of paper or cost of paper as a result of the COVID-19 pandemic and imposition of the MCO or any form of movement and business operation restrictions for the FYE 2020.

As at the LPD, we are not aware of any of our employees being infected with COVID-19.

Hence, as at the LPD, no specific plans are required to be implemented to ensure continuity and sustainability of our Group's business or to address the impact of the COVID-19 pandemic. Nonetheless, our Board will continue to monitor the developments arising from the COVID-19 pandemic and will adopt the necessary strategies to mitigate any potential risks and/or seize the opportunities arising therefrom.

Other risks and impact arising from the COVID-19 pandemic as well as our prospects post COVID-19 are set out in Sections 5 and 8.3 of this Prospectus.

4.18 TYPES, SOURCES AND AVAILABILITY OF SUPPLIES

The key raw material that we purchase is paper, which include paperboards (in rolled or sheet form), art papers, single face corrugated paperboards and chipboards. We source paper from overseas suppliers as well as through local suppliers. We source paper which originated from China, South Korea, Indonesia, Sweden, Japan and Spain. Thus far, we have not experienced any paper shortages for our packaging printing and rigid boxes production as these papers can be sourced from various countries. In addition, while the prices of paper in the market fluctuate depending on the demand and supply conditions and other factors such as production costs of papers, we have not experienced any major increase in our paper cost that have caused material impact to our financial performance. This is because we have been purchasing papers from different countries periodically according to our printing and production needs to minimise the impact of price fluctuations. Nevertheless, in the event of any increase in the cost of paper, we may pass the higher costs on to our customers.

For all paper purchases, we take into account the suppliers' lead time to prevent potential major disruptions to our delivery time. We generally purchase papers according to our customers' forecasts or on a purchase order basis.

The paperboards, art papers and chipboards used in our printing and production are manufactured overseas (i.e. China, South Korea, Indonesia, Sweden, Japan and Spain). We generally purchase these raw materials directly from paper mills overseas or through local paper merchants. We will normally keep 3 to 4 months' worth of inventory of paperboards, art papers and chipboards after taking into account our printing and production needs and the long lead time for importing the imported raw materials.

4. INFORMATION ON OUR GROUP (CONT'D)

Single face corrugated paperboards are readily available and are easily sourced from local paper merchants. The typical lead time from placing orders to the arrival of single face corrugated paperboards at our factories is within a week. Therefore, we normally keep 1 week's worth of inventory of single face corrugated paperboards.

Starting from the FYE 2020, we trade rigid boxes which are sourced from Packworld (M) Sdn Bhd which is part of HA 1 group of companies for onward sale to our customers. Accordingly, we are dependent on Packworld (M) Sdn Bhd as the sole supplier (an entity within HA 1 group of companies) of rigid boxes for trading purposes since FYE 2020. Notwithstanding that, our Group is expanding our production capacity for rigid boxes to reduce our dependency on Packworld (M) Sdn Bhd and to cater for future expansions in our rigid box business.

Other raw materials used include amongst others, water-based/ matte-based coating, die-cutting and gluing materials, packing materials and ink, all of which accounted for less than 10.00% of our total purchases in the FY Under Review. These raw materials are also readily available and can be easily sourced from local and overseas suppliers.

Additionally, we engage subcontractors for finishing processes including calendaring, gloss or matte laminating, UV varnishing and hot stamping. Since May 2020, UV varnishing for paperboards is conducted in-house for finishings that are within the specifications of our UV varnishing machine. We also engage subcontractors for printing of brochures, leaflets and labels when we do not have the additional capacity to print such products. Thus far, we have not experienced any significant difficulties in sourcing for subcontractors for the respective services as these services can be sourced from many local subcontractors. Subsequent to the FYE 2019, we no longer engage subcontractors for the supply of foreign labour.

All our selected suppliers are evaluated in terms of pricing, production capacity, range and specifications of raw materials, ability to meet our quality requirements and ability to deliver in a timely manner.

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4. INFORMATION ON OUR GROUP (CONT'D)

The breakdown of the supplies purchased by our Group for the FY Under Review is as follows:

	Estimated lead time from order confirmation to delivery	FYE 2018		FYE 2019		FYE 2020	
		RM'000	%	RM'000	%	RM'000	%
Raw materials							
Paper (paperboards, art papers, single face corrugated paperboards and chipboards)	Up to 5.5 months	25,745	79.35	26,141	56.06	22,982	36.69
Rigid boxes (including foams)	19 to 26 days	10	0.03	12,939	27.75	32,010	51.10
Water-based and matte-based coating, laminating materials	1 to 5 days	930	2.87	1,179	2.53	1,200	1.92
Die-cutting and gluing materials	1 to 11 days	701	2.16	779	1.67	713	1.14
Packing materials	2 to 25 days	570	1.76	642	1.38	964	1.54
Ink	2 to 7 days	464	1.43	515	1.10	595	0.95
Others (printing plate, artwork, film and block, binding and folding materials, hot stamping plate, magnets, PVC, thread, sleeves)	1 to 25 days	381	1.17	574	1.23	789	1.26
		28,801	88.77	42,769	91.72	59,253	94.59
Subcontractors							
Calendaring, laminating and varnishing	1 to 5 days	1,811	5.58	2,203	4.73	2,154	3.44
Hot stamping	1 day	1,105	3.41	1,335	2.86	834	1.33
Sub printing	4 to 31 days	370	1.14	216	0.46	398	0.64
Foreign labour	2 to 7 days ⁽ⁱ⁾	357	1.10	108	0.23	-	-
		3,643	11.23	3,862	8.28	3,386	5.41
Total		32,444	100.00	46,631	100.00	62,639	100.00

Note:

(i) Subsequent to the FYE 2019, our Group no longer sources for foreign labour from subcontractors.

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4. INFORMATION ON OUR GROUP (CONT'D)**4.19 MARKETING ACTIVITIES**

Our Group's overall sales, marketing and customer service functions are spearheaded by our Executive Director / Group Managing Director, Kok Hon Seng, and are supported by our sales, marketing and customer service team comprising 13 personnel. They are responsible for the marketing and sales of our paper-based packaging, handling of sales inquiries referred to us and are dedicated to building and maintaining long-term relationships with our customers.

As at the LPD, our sales and marketing activities are as follows:

(i) Referrals from sales agents and existing customers

We receive referrals from sales agents and existing customers who recommend us to potential customers. Sales agents are appointed individuals (who are not our employees) or purchasing companies, who act as our referrers to promote our paper-based packaging to potential customers. They also assist us in identifying new business opportunities with the potential customers. The appointment of sales agents with potential customers is recommended by our key senior management and subject to the approval of our Group Managing Director after taking into consideration of the potential customers' profile and order size.

We are involved in the customers' engagement process following referral of the customers by the sales agents. Upon referral, our sales, marketing and customer service team will take over the handling of potential customers by responding to sales inquiries, preparing quotations, followed by printing and production processes and the delivery of the paper-based packaging to our customers.

Save for the sales commission payable to Company A Malaysia pursuant to the Agency Agreement as set out in Section 4.20(ii) of this Prospectus, the sales commission payable to other sales agents is governed by our Group's sales commission procedure which was effective on 1 January 2010. The allowable sales commission payable to sales agents will be determined and negotiated on a case-to-case basis, subject to a commission rate of up to 5% of the sales value and any percentage above 5% is subject to the approval of our Board.

The sales commission paid to sales agents for the FY Under Review is as follows:

	FYE 2018	FYE 2019	FYE 2020
Sales commission paid (RM'000)	1,215	1,429	2,039
Revenue (RM'000)	64,395	82,681	101,203
Sales commission paid as a percentage of our revenue (%)	1.89	1.73	2.01
No. of sales agents ⁽ⁱ⁾	7	5	9

Note:

(i) Sales agents with customers who have placed orders with our Group.

Sales agents are entitled to sales commission for new or recurring orders from customers successfully referred to us, and the payment of sales commission is conditional upon our receipt of payment from these customers. Upon invoicing, we will follow up with the customers on payment collection. However, in the event the invoice is overdue, the sales agents will assist us to follow up on the collection of overdue amounts. The sales agents will also obtain feedback from customers relating to the quality of our paper-based packaging.

4. INFORMATION ON OUR GROUP (CONT'D)

Subsequent to the referral from the sales agents, our continuing relationship and recurring orders from these customers are mainly attributable to our range and quality of products offered, cost saving and innovative solutions for our customers and our ability to meet their requirements. This has contributed to the increase in revenue during the FY Under Review.

In July 2020, Company A Malaysia was appointed as an agent to our Group in relation to the supply of paper-based packaging to Group of Companies D. In addition, Group of Companies A as an agent, may also refer other potential new business opportunities (i.e. other customers apart from Group of Companies D) to our Group in the future. Please refer to Section 4.20 of this Prospectus for the salient terms of the Agency Agreement.

In addition, we maintain a working relationship with our customers as our personnel will be in communication with the customers on the orders. For the FY Under Review, we have secured 4 new customers through sales agents. As such, save for Group of Companies A, we are not dependent on other sales agents to secure orders from customers to sustain our business.

(ii) Corporate website and product website

We have a corporate and product website at <http://www.hppholdings.com/> which provides immediate searchable information on our Group.

The current widespread use of the internet as a source of information has enabled us to cross geographical borders, and facilitate access from any part of the world, enhancing our market reach and exposure.

4.20 DEPENDENCY ON CONTRACTS, PRODUCTION OR BUSINESS PROCESS AND MAJOR APPROVALS, LICENCES AND PERMITS

Save as disclosed below and the production or business process, intellectual property rights and major approvals, licences and permits as set out in Sections 4.13, 4.21 and 4.22 of this Prospectus respectively, we are not dependent on any other contracts, production or business process, intellectual property rights and major approvals, licences and permits:

- (i) NSNDA entered into between Hayan Prints and Company A. The salient terms of the NSNDA are as follows:
 - (a) the term of the NSNDA shall be for such period of time as services are provided by Company A through Hayan Prints to Group of Companies D and for a period of 2 years following the expiry of the term of the NSNDA. The term of the NSNDA may be extended for such additional period as mutually agreed in writing by the parties;
 - (b) Hayan Prints agrees that all business being conducted with Group of Companies D and/or any parent, subsidiary or operating division of Group of Companies D shall for the term of the NSNDA be conducted only through Company A;
 - (c) Hayan Prints agrees that it will neither seek nor accept if offered business from Group of Companies D and/or any parent, subsidiary or operating division of Group of Companies D except through Company A;

4. INFORMATION ON OUR GROUP (CONT'D)

- (d) Hayan Prints acknowledges that during the term of the NSNDA that it will become aware of certain information which Group of Companies D and/or Company A deem to be confidential and/or proprietary ("**Proprietary Information**"). The Proprietary Information may not be of such a nature as to constitute a trade secret but the non-disclosure and secrecy of the information is highly important to Group of Companies D and/or Company A. The Proprietary Information shall remain exclusively the property of Group of Companies D and/or Company A;
 - (e) Hayan Prints agrees that in the event of any breach or threatened breach of any provision of the NSNDA, Company A shall be entitled to have an injunction prohibiting such conduct without prejudice to all other rights and remedies available to it, including the right to claim damages;
 - (f) Hayan Prints further agrees to indemnify Company A for all costs necessary to enforce the NSNDA including attorney's fees incurred in obtaining relief in the event that an action initiated by Company A is successful in finding that Hayan Prints had breached any obligation under the terms of the NSNDA;
 - (g) Company A agrees to indemnify Hayan Prints for all costs necessary for Hayan Prints to defend its rights under the NSNDA, including but not limited to court costs, expenses of arbitration and legal fees, as well as attorney fees incurred in obtaining relief in the event that an action initiated by Company A is unsuccessful in finding that Hayan Prints had breached any obligation under the terms of the NSNDA; and
 - (h) the NSNDA is governed by and construed in accordance with the laws of the state of Texas, USA.
- (ii) Agency Agreement entered into between Hayan Prints and Company A Malaysia ("**Agent**") resulted in Company A Malaysia becoming an agent to our Group in relation to the paper-based packaging supplied to Group of Companies D and/or its contract manufacturers. Our Group will pay commission to Company A Malaysia for carrying out such agency function and Group of Companies A is expected to cease to be one of our major customers from the FYE 2021 onwards.

The salient terms of the Agency Agreement are as follows:

- (1) The Agency Agreement shall take effect on the date of the supplier's agreement ("**Supplier's Agreement**") between Group of Companies D and Hayan Prints for the sale of its products and/or services to Group of Companies D ("**Effective Date**"). The Agency Agreement shall expire on the same date as the expiry or determination of the Supplier's Agreement, 2.5 years from the Effective Date unless otherwise earlier terminated by Hayan Prints and the Agent ("**Term**"). Any renewal or extension of the Agency Agreement shall be mutually agreed in writing between Hayan Prints and the Agent ("**Parties**").
- (2) The scope of the Agency Agreement is limited to transactions for Malaysia and the Philippines as provided in the New Partnership Evolution Executive Summary dated 20 February 2020 between Company A and Hayan Prints ("**Operational Guidelines**"), which forms part of the Agency Agreement.

4. INFORMATION ON OUR GROUP (CONT'D)

- (3) Hayan Prints appoints the Agent as its exclusive agent and delegates to the Agent the full and exclusive power and authority to:
- (i) negotiate an agreement with Group of Companies D, pursuant to which Hayan Prints will sell its products and/or services to Group of Companies D in accordance with the Operational Guidelines and such other terms and conditions that the Agent determines to be reasonable or necessary provided always that the Agent must seek Hayan Prints' consent for any variation from the Operational Guidelines or inclusion of any provisions unfavourable to Hayan Prints; and
 - (ii) perform such other agency functions as provided in the Agency Agreement ("**Agency Functions**") (including negotiating purchase order(s) issued by Group of Companies D ("**Purchase Order**") for the sale of the products and/or services by Hayan Prints to Group of Companies D and accepting the Purchase Order(s) on behalf of Hayan Prints) or as directed by Hayan Prints. The Agent shall be liable for any acts or omissions of any of its sub-agents as if the Agent had committed such act or omission itself.
- (4) During the Term and for 12 months after the expiry of the Term, Hayan Prints shall not, directly or indirectly:
- (i) perform or permit any other person to perform, any of the Agency Functions;
 - (ii) seek or accept any business involving sales of products to Group of Companies D, except in accordance with agreements arranged by the Agent in accordance with the Agency Agreement; or
 - (iii) take any actions that could circumvent the Agent's right to perform the Agency Functions.
- (5) Save for the Agency Functions delegated to the Agent, Hayan Prints reserves all power, authority and rights related to the subject matter of each applicable Purchase Order and remain solely responsible for Hayan Prints' obligations under each Purchase Order.
- (6) Hayan Prints shall pay commission(s) to the Agent as follows ("**Commission(s)**"):
- (i) such percentage as agreed between the Parties of all net profit realised by Hayan Prints for each Purchase Order relating to the Malaysia business; and
 - (ii) for the period from the Effective Date until 31 December 2020, such percentage as agreed between the Parties of all net profit realised by Hayan Prints for each Purchase Order relating to the Philippines business and for the remaining period of the Term after 31 December 2020, such percentage as agreed between the Parties of all net profit realised by Hayan Prints for each Purchase Order relating to the Philippines business.

The Commissions shall be paid by Hayan Prints to the Agent in Ringgit Malaysia by the 15th day of the month following the month in which the proceeds from sales generating such Commissions is received by Hayan Prints. In respect of the Philippines business, if the invoicing and payment between Hayan Prints and Group of Companies D are in a currency other than Ringgit Malaysia, the Commissions will be paid in Ringgit Malaysia at a sum equivalent to the Commissions, calculated at the foreign exchange rate applicable on the date payment is received by Hayan Prints from Group of Companies D.

4. INFORMATION ON OUR GROUP (CONT'D)

- (7) During the Term, the Parties may have access to information about the other Party that is designated as confidential or ought to be treated as confidential ("**Confidential Information**"). During the Term and for 5 years after the expiry of the Term or with respect to Confidential Information that constitutes a trade secret, the date such Confidential Information ceases to be a trade secret, the Parties will keep in confidence all Confidential Information of the other; not disclose any Confidential Information of the other Party without the other Party's advance written permission; use the Confidential Information solely in connection with the Agency Agreement and cause its representatives to comply with this provision.
- (8) Hayan Prints shall, at its sole cost and expense, maintain a public liability insurance and product liability insurance at a coverage of no less than RM4,000,000 for each policy and extend such coverage to cover the acts of the Agent in the performance of the Agency Functions.
- (9) At all times after the Effective Date, the Agent shall indemnify Hayan Prints against all damages, liabilities, expenses, claims, or judgments (including interest, penalties, reasonable attorneys' fees, accounting fees, and expert witness fees) (collectively, the "**Claims**") that Hayan Prints may incur arising from:
 - (i) the Agent's and/or sub-agent's gross negligence or willful misconduct arising from the Agent's and/or sub-agent's carrying out of its obligations under the Agency Agreement; or
 - (ii) the Agent's and/or sub-agent's breach or alleged breach of any of its obligations or representations under the Agency Agreement.
- (10) At all times after the Effective Date, Hayan Prints shall indemnify the Agent from all Claims that the Agent may incur arising from:
 - (i) Hayan Prints' gross negligence or willful misconduct arising from Hayan Prints' carrying out of its obligations under the Agency Agreement;
 - (ii) Hayan Prints' breach or alleged breach of any of its obligations or representations under the Agency Agreement;
 - (iii) Hayan Prints' operation of, or failure to operate, its business; or
 - (iv) relating to any Purchase Order and any product provided, or required to be provided, by Hayan Prints under any Purchase Order.
- (11) The Agent, Hayan Prints and their respective sub-agents, employees and Affiliates shall have no liability to each other except as expressly provided in the Agency Agreement. "**Affiliates**" means, as to any person, such person's affiliates and their shareholders, directors, consultants, officers, servants, representatives, principals, agents or other personnel.
- (12) The Agency Agreement shall be governed by the laws of Malaysia.

4. INFORMATION ON OUR GROUP (CONT'D)

(iii) NDA entered into between Hayan Prints and Group of Companies D. The salient terms of the NDA are as follows:

(1) Introduction

Group of Companies D has agreed to disclose certain confidential information to Hayan Prints based on the terms and conditions set out in the NDA.

(2) Term

The obligations of the parties under the NDA shall commence on the date of the NDA and shall continue indefinitely until terminated by mutual written agreement between the parties.

(3) Obligations of Hayan Prints

(i) Hayan Prints undertakes that it will:

(a) not without the prior written consent of Group of Companies D communicate or otherwise make available the Confidential Information (as defined below) to any third party, other than to its employees, officers and/or professional advisers who require the information for the achievement of the conduct of business and/or discussion of matters relevant to the businesses of the parties ("**Purpose**") ("**Permitted Recipient(s)**");

"**Confidential Information**" means any and all information or material, disclosed directly or indirectly (whether before, on or after the date of the NDA) by or on behalf of Group of Companies D relating to Group of Companies D's business, products, systems, operations, opportunities, business plans, intentions, market opportunities, know-how, research, technical information, formulae, designs, specifications, photographs, data, algorithms, trade secrets, intellectual property rights, personnel, research, forecasts, costs, prices, finances, analysis and business affairs, and the fact that the parties are in discussions relating to the Purpose.

(b) not use any Confidential Information other than as strictly necessary for the fulfilment of the Purpose;

(c) not copy or reproduce in any way any Confidential Information, except with the prior written consent of Group of Companies D or as strictly necessary for the fulfilment of the Purpose;

(d) not use, reproduce, transfer or store any Confidential Information in an externally accessible computer or electronic retrieval system or transmit it in any form or by any means outside Hayan Prints' usual place of business; and

(e) treat the Confidential Information with at least the same degree of confidentiality as it treats its own confidential information and use all reasonable endeavours to prevent its unauthorised disclosure.

4. INFORMATION ON OUR GROUP (CONT'D)

- (ii) The confidentiality obligations set out in Paragraph 3(i) above shall not apply to any information which Hayan Prints can demonstrate with contemporaneous evidence:
 - (a) has been lawfully received by Hayan Prints from a third party (not being a Permitted Recipient) without restriction on its use or disclosure prior to disclosure by Group of Companies D;
 - (b) is or becomes generally available to the public with the authorisation of Group of Companies D;
 - (c) is independently developed by Hayan Prints' employees or contractors who have not had access to the Confidential Information; or
 - (d) is required to be disclosed pursuant to any law or regulation or the order or any court of competent jurisdiction.

(4) Governing Law

The NDA is governed by the laws of England and the parties submit to the exclusive jurisdiction of the English courts.

- (iv) MSA entered into between Hayan Prints and Company D Malaysia. The salient terms of the MSA are as follows:

(1) Introduction

The MSA establishes the contractual framework for:

- (i) the supply of Company D Malaysia's or its affiliates' components and/or raw materials ("**Components**") by the Supplier to Company D Malaysia's or any of its affiliates' contractors ("**CM Supply**");
- (ii) the supply of goods (which may include Components) by the Supplier to an Entity (as defined below) ("**Direct Supply**");
- (iii) the provision of services to any Entity by the Supplier (which may include the supply of goods) including for the development of parts and/or tools (if applicable) ("**Services**"); and/or
- (iv) any loan of goods or other equipment by an Entity or any of its contractors to the Supplier (if applicable),

for use in Company D Malaysia's supply chain and manufacturing processes.

An "**Entity**" refers to Company D Malaysia or any of its affiliates.

(2) Term

The MSA shall commence on 4 May 2020 and continue until terminated in accordance with the termination provisions in Paragraph 11 ("**Term**").

4. INFORMATION ON OUR GROUP (CONT'D)

(3) Direct Supply and Services

- (i) If an Entity wants to obtain any Direct Supply or Services from the Supplier, the Supplier and the relevant Entity must enter into a statement of work setting out the description of the goods/services, charges and other matters agreed by the parties ("**Statement of Work**").
- (ii) A Statement of Work will be conditional on, and not become legally binding until, it has been signed on behalf of each party to it and the relevant Entity has issued a purchase order ("**Purchase Order**") in relation to that Statement of Work.

(4) CM Supply

- (a) If an Entity wants the Supplier to provide CM Supply, Company D Malaysia will agree with the Supplier the specifications in respect of the Services and/or goods for CM Supply ("**Specification**") and pricing (and any other relevant commercial terms) agreed in writing between the Supplier and Company D Malaysia in respect of CM Supply ("**CM Commercial Terms**") for the relevant Components, which may be set out in a Statement of Work.
- (b) The Specification and CM Commercial Terms will be provided to the Entity's contractor but all other matters relating to the provision of Components to the Entity's contractor will be agreed directly between the Supplier and Entity's contractor. Company D Malaysia will have no responsibility or liability whatsoever for the relationship between the Supplier and any Entity's contractor or any other matters between the Supplier and Entity's contractor.

(5) Non-Exclusive

- (i) The provision of goods/services by the Supplier is non-exclusive and will not prevent Company D Malaysia from receiving the same or similar goods or services from any third party. Company D Malaysia or the Entity's contractors have no obligation to purchase any goods from the Supplier.
- (ii) If the Supplier provides or intends to provide goods or services identical or similar to the competitor of any Entity at any time during the Term, the Supplier will notify Company D Malaysia in advance and provide reasonable detail of such goods or services (to the extent permitted by any confidentiality obligations of the Supplier). The Supplier will implement appropriate procedures to ensure that there is no conflict of interest or detriment to Company D Malaysia from the provision of goods or services to any competitor of the Entity.

(6) Charges and Payment

- (i) For Direct Supply or Services, the Supplier will invoice Company D Malaysia the charges in accordance with the payment schedule set out in the relevant Statement of Work or, if there is no payment schedule for the relevant Services, after completion of the relevant Services or delivery of the relevant goods.
- (ii) Company D Malaysia will pay undisputed and properly provided invoices within 60 days from the end of month in which the invoice is received.

4. INFORMATION ON OUR GROUP (CONT'D)

- (iii) For CM Supply, the Entity's contractor will pay the charges directly to the Supplier and Company D Malaysia will have no liability for the payment of any invoices or for non-payment by the Entity's contractor.

(7) Intellectual Property Rights

- (i) Company D Malaysia and/or its third party licensors remain the sole owner(s) of the technology, the Entity's engineering drawings, manufacturing processes and other materials that may be supplied by or on behalf of Company D Malaysia for use in connection with the MSA ("**Input Materials**") and all the data relating to any Entity or their personnel, the Entity's contractors or customers that is provided by an Entity or otherwise collected, obtained or generated by the Supplier in connection with the MSA ("**Data**") and all intellectual property rights in them.
- (ii) The Supplier and/or its third party licensors remain the sole owner(s) of the intellectual property rights that are owned by or licensed to the Supplier before the date of the MSA or which have been developed independently of the MSA and the Supplier's relationship with Company D Malaysia ("**Supplier IPR**").
- (iii) Company D Malaysia grants the Supplier a non-exclusive, revocable, non-transferable licence to use the intellectual property rights in the Input Materials and the Data solely for the purposes of providing the goods/services during the Term.
- (iv) The Supplier assigns (and will ensure that any relevant third party assigns) all intellectual property rights in the goods/services which are not the Supplier IPR (together with the Company D Malaysia's intellectual property rights) to Company D Malaysia as exclusive legal and beneficial owner with full title guarantee.

(8) Confidentiality & Announcements

The terms of the NDA will apply to any confidential information, which includes among others, the terms of the MSA and any and all information or material in any form that is shared or obtained by any means by or on behalf of a party in connection with the MSA ("**Confidential Information**"), on the same basis as it applies to any confidential information under the NDA.

(9) Indemnities & Insurance

- (i) The Supplier will indemnify Company D Malaysia and its affiliates and any of their respective shareholders, employees and officers from all claims, actions, liabilities, losses, damages, penalties, fines, costs and expenses incurred by any of them in connection with:
 - (a) any use by the Supplier of any of Company D Malaysia's Confidential Information or Company D Malaysia's intellectual property rights other than in compliance with the MSA;

4. INFORMATION ON OUR GROUP (CONT'D)

- (b) any claim that the use (in accordance with the terms of the MSA) and/or receipt, dealing with and/or exploitation of the goods/services and/or Supplier IPR by an Entity or an Entity's contractor infringes the rights (including intellectual property rights) of any person ("**Infringement Claim**");
 - (c) a product recall or other equivalent action in respect of the Entity's products arising because of any defect in or non-compliance with the MSA of the goods/services provided by the Supplier;
 - (d) a breach by the Supplier of the anti-bribery and corruption, modern slavery or anti-facilitation of tax evasion provisions under the MSA;
 - (e) any taxes, duties and levies required to be paid by the Supplier, or for which Supplier is liable, in relation to the MSA; and/or
 - (f) any act of fraud in connection with Supplier's obligations under the MSA.
- (ii) In respect of any Infringement Claim, the Supplier will not be liable to the extent that such claim arises as a result of the use by Company D Malaysia of the goods/services or Supplier IPR in combination with any other goods or materials that have not been supplied, made available or approved by the Supplier or a third party acting on its behalf, where without such combination such claim would not have arisen, except where such combination may reasonably have been foreseen by the Supplier.
 - (iii) During the Term and for a period of 2 years following the expiry of the Term, the Supplier will (and will make sure that any permitted subcontractor will) maintain in force, product liability, professional indemnity insurance and public liability insurance to cover the liabilities that may arise in connection with the MSA, with a minimum insured amount of £5,000,000 per claim per policy.

(10) Liability of the Parties

- (i) Nothing will limit either party's liability in respect of:
 - (a) the indemnity in Paragraph 9(i) above;
 - (b) wilful misconduct or deliberate default;
 - (c) breach of the confidentiality obligations under the MSA;
 - (d) death or personal injury caused by that party's negligence;
 - (e) any act of fraud (including fraudulent misrepresentation) under the MSA; or
 - (f) any other liability that cannot be excluded or limited by law.
- (ii) Other than for those matters set out in Paragraph 10(i) above:
 - (a) neither party will be liable for any indirect or consequential loss;

4. INFORMATION ON OUR GROUP (CONT'D)

- (b) the Supplier's total liability in connection with the MSA for events occurring in any contract year, will be limited to an amount equal to the greater of (aa) £10,000,000; and (bb) 300% of the total charges paid and payable to the Supplier under the MSA in respect of the previous 12 months or, where less than 12 months has passed since the delivery of goods has commenced, an amount equal to the highest amount of charges paid and payable to the Supplier in any month during that period multiplied by 12;
- (c) each relevant Entity's total liability in connection with the MSA for events occurring in any contract year, will be limited to an amount equal to 100% of the total charges paid and payable to the Supplier under the MSA in respect of the previous 12 months or, where less than 12 months has passed since the delivery of goods has commenced, an amount equal to the highest amount of charges paid and payable to the Supplier in any month during that period multiplied by 12.

(11) Termination

- (i) Either party may terminate the MSA by giving no less than 30 days' prior written notice to the other party. Where there are Statements of Work in force at, or after, the date of notification of termination, termination will only take effect when the last of those Statements of Work expires or terminates.
- (ii) The Supplier may terminate a Statement of Work with immediate effect by giving written notice to Company D Malaysia and the relevant Entity if:
 - (a) the relevant Entity is in material breach of its obligations under that Statement of Work and: (a) such breach can be remedied but the relevant Entity has not remedied such breach within 30 days of the date of written notice from the Supplier requiring it to do so; or (b) such breach cannot be remedied;
 - (b) the relevant Entity suffers an insolvency event;
 - (c) a force majeure event prevents or delays the relevant Entity's ability to perform any material obligations under the Statement of Work for a continuous period of more than 30 days.
- (iii) Company D Malaysia may terminate the MSA and/or any Statement of Work with immediate effect by giving written notice to the Supplier if:
 - (a) the Supplier is in material breach of its obligations under the MSA and/or any Statement of Work and: (a) such breach can be remedied but the Supplier has not remedied such breach within 30 days of the date of written notice from Company D Malaysia requiring it to do so; or (b) such breach cannot be remedied;
 - (b) the Supplier suffers an insolvency event;
 - (c) a force majeure event prevents or delays the Supplier's ability to perform its obligations under any part of the MSA for a continuous period of more than 30 days;

4. INFORMATION ON OUR GROUP (CONT'D)

- (d) the Supplier commits 3 or more of the same or similar breaches of the MSA during any 12 month period, whether or not such breaches are material and/or remedied;
 - (e) the Supplier is in breach of the provisions of intellectual property rights, confidentiality, anti-bribery and corruption, modern slavery, anti-facilitation of tax evasion or any of the Supplier warranties under the MSA;
 - (f) there is a change of control of the Supplier involving the change of the direct or indirect ownership of more than 50% of the issued share capital of the Supplier or the legal power to direct or cause the direction of the general management of the Supplier, that has not been pre-approved by Company D Malaysia in writing; or
 - (g) in accordance with any right to terminate that is specified in a schedule of the MSA.
- (iv) Company D Malaysia may terminate a Statement of Work in accordance with any right to terminate for convenience set out in that Statement of Work or, where no such right is specified, at any time by giving at least 14 days' prior written notice to the Supplier (or such longer period as specified in a Statement of Work). Termination of a Statement of Work will not affect the continuation of the MSA or any other Statement of Work which has been issued.
- (v) For CM Supply:
- (a) If an Entity terminates the manufacturing contract with its contractor to whom the Supplier is directly or indirectly supplying goods, Company D Malaysia may: (a) terminate the relevant agreement immediately; or (b) preserve the CM Commercial Terms agreed with the Supplier for use with another Entity's contractor.
 - (b) On termination of the MSA or any Statement of Work related to CM Supply, the Entity's contractor may terminate their contract with the Supplier and cancel any open orders for the Components.

(12) Subcontracting

- (i) The Supplier will not make an appointment of any subcontractor and/or make any material change to any existing arrangement for the subcontracting of any of the Supplier's obligation under the MSA and/or any agreement ("**Subcontractor Change**") without Company D Malaysia's prior written approval.
- (ii) The Supplier will remain fully responsible for the acts and omissions of any subcontractor as if they were the acts and omissions of the Supplier.

4. INFORMATION ON OUR GROUP (CONT'D)

(13) Arbitration

- (i) Any dispute arising from the MSA shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre.
- (ii) Notwithstanding the dispute resolution and arbitration provisions under the MSA, Company D Malaysia may at any time:
 - (a) take proceedings against the Supplier in any court of competent jurisdiction in respect of disputes relating to intellectual property rights arising in relation to the MSA or the enforcement of Company D Malaysia's intellectual property rights; or
 - (b) seek injunctive relief in the courts of any competent jurisdiction; or
 - (c) commence any court proceedings where this is reasonably necessary to avoid any loss of a claim due to the statutes of limitations.

(14) Governing Law

The MSA is governed by the laws of Singapore.

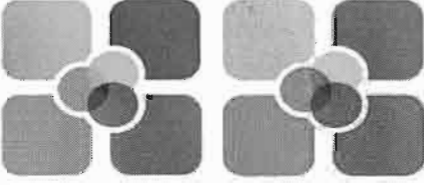
There was no variation to the terms of our contracts, which our Group is dependent on, due to the COVID-19 pandemic i.e. no terms were waived, modified or newly imposed.

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4. INFORMATION ON OUR GROUP (CONT'D)

4.21 INTELLECTUAL PROPERTY RIGHTS

As at the LPD, save as disclosed below, our Group does not have any other registered patents, trademarks, brand names and intellectual property rights:

Trademark	Issuing authority	Registered owner / Applicant	Trademark number / Application number	Date of issue / Date of expiry	Class	Description
	Intellectual Property Corporation of Malaysia	Hayan Prints	TM2019013448	27 May 2020 to 12 April 2029	Class 40	Printing services for packaging containers

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4. INFORMATION ON OUR GROUP (CONT'D)

4.22 MAJOR APPROVALS, LICENCES AND PERMITS

As at the LPD and save as disclosed below, there are no other major approvals, licences and permits obtained by our Group. Details of the major approvals, licences and permits obtained by our Group for the operation of our business and the status of compliance are as set out below:

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
(1)	Manufacturing licence for paper packaging and conducting "offset printing" activity Licence No.: A 017454 Serial No.: A 036974	MITI	Hayan Prints Business address: No. 22 & 22A, Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka (Lot 4770 and Lot 4771)	27 May 2009 ⁽ⁱ⁾ /-	(i) Hayan Prints shall notify MITI and MIDA in the event of any disposal of shares in Hayan Prints. (ii) Hayan Prints shall train Malaysian citizens so that the transfer of technology and expertise can be channeled to all levels of designations. (iii) Hayan Prints shall carry out its projects as approved and in accordance with the laws and regulations in Malaysia.	Complied to-date ^(vi) Complied to-date Complied to-date
(2)	Manufacturing licence for paper packaging and conducting "offset printing" activity Licence No.: A 021609 Serial No.: A 036570	MITI	Hayan Prints Business address: Lot 4754, Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka (Lot 4754)	23 January 2018 / -	(i) Hayan Prints shall notify MITI and MIDA in the event of any disposal of shares in Hayan Prints. (ii) Hayan Prints shall train Malaysian citizens so that the transfer of technology and expertise can be channeled to all levels of designations. (iii) Hayan Prints shall comply with the Capital Investment Per Employee ("CIPE") condition of at least RM140,000.	Complied to-date ^(vi) Complied to-date Complied to-date

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
					<p>(iv) The total number of employees of Hayan Prints is 160 people as at the date of application to MIDA. The additional full-time employees of Hayan Prints must consist of at least 80% Malaysian citizens. The employment of foreign workers including outsource workers is subject to the current policy.</p>	Not complied ^(vii)
					<p>(v) The total full-time employees of Hayan Prints must consist of at least 80% Malaysian citizens by the year 2020. The employment of foreign workers including outsource workers is subject to the current policy.</p>	Noted ^(viii)
					<p>(vi) Hayan Prints shall submit information in relation to the performance of investment and implementation of project under the ICA and Malaysian Investment Development Authority (Incorporation) Act 1965 when required by MIDA. Failure to submit the said information may result in Hayan Prints:</p> <p>(a) guilty of an offence and may be fined not more than RM1,000 or imprisonment for not more than 3 months or both and may be fined further not more than RM500 for every day of continuing offence; or</p> <p>(b) committing an offence if it provides any false or misleading statement or information and may be fined not more than RM2,000 or imprisonment of not more than 6 months or both.</p>	Noted

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
(3)	Manufacturing licence for paper packaging and conducting "offset printing" activity Licence No.: A 021610 Serial No.: A 036571	MITI	Hayan Prints Business address: Lot 4763, Jalan TTC 29, Taman Teknologi Cheng, 75250 Melaka (Lot 4763)	23 January 2018 / -	<p>(vii) Hayan Prints shall carry out its projects as approved and in accordance with the laws and regulations in Malaysia.</p> <p>(i) Hayan Prints shall notify MITI and MIDA in the event of any disposal of shares in Hayan Prints.</p> <p>(ii) Hayan Prints shall train Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of designations.</p> <p>(iii) Hayan Prints shall comply with the CIPE condition of at least RM140,000.</p> <p>(iv) The total number of employees of Hayan Prints is 160 people as at the date of application to MIDA. The additional full-time employees of Hayan Prints must consist of at least 80% Malaysian citizens. The employment of foreign workers including outsource workers is subject to the current policy.</p> <p>(v) The total full-time employees of Hayan Prints must consist of at least 80% Malaysian citizens by the year 2020. The employment of foreign workers including outsource workers is subject to the current policy.</p>	<p>Complied to-date</p> <p>Complied to-date^(vi)</p> <p>Complied to-date</p> <p>Complied to-date</p> <p>Not complied^(vii)</p> <p>Noted^(viii)</p>

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
					<p>(vi) Hayan Prints shall submit information in relation to the performance of investment and implementation of project under the ICA and Malaysian Investment Development Authority (Incorporation) Act 1965 when required by MIDA. Failure to submit the said information may result in Hayan Prints:</p> <p>(a) guilty of an offence and may be fined not more than RM1,000 or imprisonment for not more than 3 months or both and may be fined further not more than RM500 for every day of continuing offence; or</p> <p>(b) committing an offence if it provides any false or misleading statement or information and may be fined not more than RM2,000 or imprisonment of not more than 6 months or both.</p> <p>(vii) Hayan Prints shall carry out its projects as approved and in accordance with the laws and regulations in Malaysia.</p>	<p>Noted</p> <p>Complied to-date</p>

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
(4)	<p>Manufacturing licence for paper packaging and conducting "offset printing" activity</p> <p>Licence No.: A 021611</p> <p>Serial No.: A 036572</p>	MITI	<p>Hayan Prints Business address: No. 14 (PT 4180), Jalan Taman Teknologi Cheng 28, Taman Teknologi Cheng, 75250 Melaka (Lot 4775)</p>	<p>23 January 2018⁽ⁱⁱ⁾ / -</p>	<p>(i) Hayan Prints shall notify MITI and MIDA in the event of any disposal of shares in Hayan Prints.</p> <p>(ii) Hayan Prints shall train Malaysian citizens so that the transfer of technology and expertise can be channeled to all levels of designations.</p> <p>(iii) Hayan Prints shall comply with the CIPE condition of at least RM140,000.</p> <p>(iv) The total number of employees of Hayan Prints is 160 people as at the date of application to MIDA. The additional full-time employees of Hayan Prints must consist of at least 80% Malaysian citizens. The employment of foreign workers including outsource workers is subject to the current policy.</p> <p>(v) The total full-time employees of Hayan Prints must consist of at least 80% Malaysian citizens by the year 2020. The employment of foreign workers including outsource workers is subject to the current policy.</p>	<p>Complied to-date^(vi)</p> <p>Complied to-date</p> <p>Complied to-date</p> <p>Not complied^(vii)</p> <p>Noted^(viii)</p>

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
					<p>(vi) Hayan Prints shall submit information in relation to the performance of investment and implementation of project under the ICA and Malaysian Investment Development Authority (Incorporation) Act 1965 when required by MIDA. Failure to submit the said information may result in Hayan Prints:</p> <p>(a) guilty of an offence and may be fined not more than RM1,000 or imprisonment for not more than 3 months or both and may be fined further not more than RM500 for every day of continuing offence; or</p> <p>(b) committing an offence if it provides any false or misleading statement or information and may be fined not more than RM2,000 or imprisonment of not more than 6 months or both.</p> <p>(vii) Hayan Prints shall carry out its projects as approved and in accordance with the laws and regulations in Malaysia.</p>	<p>Noted</p> <p>Complied to-date</p>

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
(5)	Manufacturing licence for paper packaging and conducting "offset printing" activity Licence No.: A 021612 Serial No.: A 036573	MITI	Hayan Prints Business address: No. 12, Jalan Taman Teknologi Cheng 28, Taman Teknologi Cheng, 75250 Melaka (Lot 4776)	23 January 2018 / -	<p>(i) Hayan Prints shall notify MITI and MIDA in the event of any disposal of shares in Hayan Prints.</p> <p>(ii) Hayan Prints shall train Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of designations.</p> <p>(iii) Hayan Prints shall comply with the CIPE condition of at least RM140,000.</p> <p>(iv) The total number of employees of Hayan Prints is 160 people as at the date of application to MIDA. The additional full-time employees of Hayan Prints must consist of at least 80% Malaysian citizens. The employment of foreign workers including outsource workers is subject to the current policy.</p> <p>(v) The total full-time employees of Hayan Prints must consist of at least 80% Malaysian citizens by the year 2020. The employment of foreign workers including outsource workers is subject to the current policy.</p>	<p>Complied to-date^(vi)</p> <p>Complied to-date</p> <p>Complied to-date</p> <p>Not complied^(vii)</p> <p>Noted^(viii)</p>

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
					<p>(vi) Hayan Prints shall submit information in relation to the performance of investment and implementation of project under the ICA and Malaysian Investment Development Authority (Incorporation) Act 1965 when required by MIDA. Failure to submit the said information may result in Hayan Prints:</p> <p>(a) guilty of an offence and may be fined not more than RM1,000 or imprisonment for not more than 3 months or both and may be fined further not more than RM500 for every day of continuing offence; or</p> <p>(b) committing an offence if it provides any false or misleading statement or information and may be fined not more than RM2,000 or imprisonment of not more than 6 months or both.</p> <p>(vii) Hayan Prints shall carry out its projects as approved and in accordance with the laws and regulations in Malaysia.</p>	<p>Noted</p> <p>Complied to-date</p>

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
(6)	Manufacturing licence for paper packaging and carrying out "offset printing" activity Licence No.: A 022381 Serial No.: A 037806	MITI	Hayan Prints Business address: No. 28 Jalan TTC 30, Taman Teknologi Cheng, 75250 Melaka (Lot 4799)	7 January 2020 / -	(i) Hayan Prints shall notify MITI and MIDA in the event of any disposal of shares in Hayan Prints. (ii) Hayan Prints shall train Malaysian citizens so that the transfer of technology and expertise can be channelled to all levels of designations. (iii) Hayan Prints shall comply with the CIPE condition of at least RM140,000. (iv) The total number of full-time employees of Hayan Prints must consist of at least 80% Malaysian citizens by 31 December 2022. The employment of foreign workers including outsource workers is subject to the current policy. (v) Hayan Prints shall submit information in relation to the performance of investment and implementation of project under the ICA and Malaysian Investment Development Authority (Incorporation) Act 1965 when required by MIDA. Failure to submit the said information may result in Hayan Prints: (a) guilty of an offence and may be fined not more than RM1,000 or imprisonment for not more than 3 months or both and may be fined further not more than RM500 for every day of continuing offence; or	Complied to-date ^(vi) Complied to-date Complied to-date Noted ^(ix) Noted

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
(7)	Manufacturing licence for corrugated paper box Licence No.: A 022334 Serial No.: A 037744	MITI	Envy Premium Business address: No. 1-B, Jalan PK 8, Taman Perindustrian Krubong, 75250 Melaka	20 January 2020 / -	(b) committing an offence if it provides any false or misleading statement or information and may be fined not more than RM2,000 or imprisonment of not more than 6 months or both. (vi) Hayan Prints shall carry out its projects as approved and in accordance with the laws and regulations in Malaysia.	Complied to-date
					(i) Envy Premium shall notify MITI and MIDA in the event of any disposal of shares in Envy Premium. (ii) Envy Premium shall train Malaysian citizens so that the transfer of technology and expertise can be channeled to all levels of designations. (iii) Envy Premium shall comply with the CIPE of at least RM140,000. (iv) The total number of full-time employees of Envy Premium must consist of at least 80% Malaysian citizens. The employment of foreign workers including outsource workers is subject to the current policy.	Noted Complied to-date Not complied(*) Complied to-date

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
					<p>(v) Envy Premium shall submit information in relation to the performance of investment and implementation of project under the ICA and Malaysian Investment Development Authority (Incorporation) Act 1965 when required by MIDA. Failure to submit the said information may result in Envy Premium:</p> <p>(a) guilty of an offence and may be fined not more than RM1,000 or imprisonment for not more than 3 months or both and may be fined further not more than RM500 for every day of continuing offence; or</p> <p>(b) committing an offence if it provides any false or misleading statement or information and may be fined not more than RM2,000 or imprisonment of not more than 6 months or both.</p> <p>(vi) Envy Premium shall carry out its projects as approved and in accordance with the laws and regulations in Malaysia.</p>	<p>Noted</p> <p>Complied to-date</p>

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
(8)	Printing press licence Licence No.: 049029	MOHA	Hayan Prints Business address: No. 22 & 22A, Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka (Lot 4770 and Lot 4771)	1 March 2012 ^{(i)(iv)} / -	(i) The address where the printing machine is kept or used must not be changed without the consent of the Minister. (ii) The printing machine must not be used to print any publishing that is detrimental or may be detrimental to the public order, morality, safety, relationship with other countries or foreign government, or may conflict with any laws or is detrimental or may be detrimental to public interest or national interest. (iii) This licence must not be transferred, assigned or placed under the control of any person other than the licensee without the prior consent of the Minister. (iv) Where the licensee is a company, the directors of the company must not be changed without the consent of the Minister.	Complied to-date Complied to-date Complied to-date Complied to-date

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
(9)	Printing press licence Licence No.: A 050533	MOHA	Hayan Packaging Business address: Plot No. 4180, Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka (Lot 4775)	1 January 2013 / -	(i) The address where the printing machine is kept or used must not be changed without the consent of the Minister. (ii) The printing machine must not be used to print any publishing that is detrimental or may be detrimental to the public order, morality, safety, relationship with other countries or foreign government, or may conflict with any laws or is detrimental or may be detrimental to public interest or national interest. (iii) This licence must not be transferred, assigned or placed under the control of any person other than the licensee without the prior consent of the Minister. (iv) Where the licensee is a company, the directors of the company must not be changed without the consent of the Minister.	Complied to-date Complied to-date Complied to-date Complied to-date

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
(10)	Printing press licence Licence No.: A 051017	MOHA	Hayan Prints Business address: LT4B-50 (Lot 4754), Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka (Lot 4754)	12 March 2019(v) / -	(i) The address where the printing machine is kept or used must not be changed without the consent of the Minister. (ii) The printing machine must not be used to print any publishing that is detrimental or may be detrimental to the public order, morality, safety, relationship with other countries or foreign government, or may conflict with any laws or is detrimental or may be detrimental to public interest or national interest. (iii) This licence must not be transferred, assigned or placed under the control of any person other than the licensee without the prior consent of the Minister. (iv) Where the licensee is a company, the directors of the company must not be changed without the consent of the Minister.	Complied to-date Complied to-date Complied to-date Complied to-date

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
(11)	<p>Exemption of import duty on the following raw materials:</p> <p>(i) Paper-Grey Back Coated Box Board; and</p> <p>(ii) Paper-Coated Craft Back Box Board.</p>	MIDA	<p>Hayan Prints Business address: No. 22A, Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka (Lot 4770)</p>	9 January 2019 to 8 January 2022	<p>(i) All raw materials/ components which are exempted from duty shall be kept at the approved factory/store of Hayan Prints in accordance with written rules of Royal Malaysian Customs Department. All change of address or addition of store/factory may only be made after prior written approval is obtained from the Royal Malaysian Customs Department.</p>	Complied to-date
					<p>(ii) This exemption may be withdrawn or revoked by the Government of Malaysia through MIDA at any time without providing any reason. In the event the relevant duty is required to be repaid, then all duty which has been exempted shall be payable within 1 month from the date of the letter of abolition, cancellation or withdrawal of exemption.</p>	Noted
					<p>(iii) The approval is subject to the laws and regulations in force in Malaysia.</p>	Noted

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
(12)	Exemption of import duty on the following raw material: (i) Cushion (Eva)	MIDA	Hayan Prints Business address: No. 22A, Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka (Lot 4770)	(i) 27 April 2020 to 8 January 2022	(i) All the raw materials/ components which are exempted from duty/ tax shall be kept at the approved factory/ store of Hayan Prints in accordance with written rules of Royal Malaysian Customs Department. All change of address or addition of store/ factory may only be made after prior written approval is obtained from the Royal Malaysian Customs Department.	Complied to-date
					(ii) This exemption may be withdrawn or revoked by the Government of Malaysia through MIDA at any time without providing any reason. In the event the relevant duty is required to be repaid, then all duty which has been exempted shall be payable within 1 month from the date of the letter of abolition, cancellation or withdrawal of exemption.	Noted
					(iii) The approval is subject to the laws and regulations in force in Malaysia.	Noted

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
(13)	<p>Letter of approval to add storage premises to store imported raw materials which are exempted from import duty pursuant to Section 14(2) Customs Act 1967 at the following addresses:</p> <p>(i) Lot 4754, Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka;</p> <p>(ii) Lot 4763, Jalan TTC 29, Taman Teknologi Cheng, 75250 Melaka; and</p> <p>(iii) No 12, Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka (Lot 4776).</p>	Royal Malaysian Customs Department	Hayan Prints	Issue date: 9 March 2018 ^(xiii)	<p>(i) Hayan Prints must update, keep and maintain records of stock including documents in relation to raw materials/components coming in and going out in the additional premises so that the records can be checked by the Customs Officer at any time.</p> <p>(ii) Hayan Prints must send the records of raw materials to the Industrial Branch.</p> <p>(iii) The raw materials are subject to the terms and conditions of the MIDA import duty exemption.</p> <p>(iv) Any amendment is not allowed without the consent of the Customs Department.</p>	<p>Complied to-date</p> <p>Complied to-date</p> <p>Noted</p> <p>Noted</p>

Registration No. 201801043588 (1305620-D)

4. INFORMATION ON OUR GROUP (CONT'D)

No.	Nature of major approvals, licences and permits	Issuer / Authority	Licensee / Permit holder	Effective date / Date of expiry	Major conditions	Status of compliance
(14)	Fire Certificate Serial No.: 318346	Fire and Rescue Department of Malaysia	Hayan Prints Business address: No. 22 & 22A, Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka (Lot 4770 and Lot 4771)	4 August 2020 to 3 August 2021	-	-
(15)	Certificate of fitness (Unfired Pressure Vessel – Air Receiver Tank) Registration No. MK PMT 5508	DOSH	Hayan Prints Location: No. 22A, Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka (Lot 4770)	18 October 2019 to 17 January 2021 ^(x)	-	-
(16)	Certificate of fitness (Unfired Pressure Vessel – Air Receiver) Registration No. MK PMT 6263	DOSH	Hayan Prints Location: No. 22A, Jalan TTC 28, Taman Teknologi Cheng, 75250 Melaka (Lot 4770)	23 September 2019 to 22 March 2021 ^(x)	-	-