

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF YX PRECIOUS METALS BHD (“YXPM” OR THE “COMPANY”) DATED 30 MAY 2022 (“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 in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request a paper/printed copy of the Prospectus directly from the Company, Public Investment Bank Berhad (“**PIVB**”) or Tricor Investor & Issuing House Services Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus 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.

Jurisdictional Disclaimer

This distribution of the Electronic Prospectus and the sale of the units are subject to Malaysian law. Bursa Securities, PIVB and YXPM take no responsibility for the distribution of the Electronic Prospectus and/or the sale of the units 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 units, 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. on 30 May 2022 and will close at 5.00 p.m. on 9 June 2022 or for such further period or periods as the Directors of YXPM in their absolute discretion may decide. In the event there is any change to the indicative timetable, YXPM will advertise the notice of the changes in a widely circulated daily English and Bahasa Malaysia newspapers in Malaysia, and make an announcement on the Website.

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.

PROSPECTUS



YX PRECIOUS METALS BHD

(Registration No. 202101001245 (1401543-M))
(Incorporated in Malaysia under the Companies Act 2016)

INITIAL PUBLIC OFFERING (“**IPO**”) IN CONJUNCTION WITH THE LISTING OF YX PRECIOUS METALS BHD (“**YXPM**” OR “**COMPANY**”) ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD COMPRISING PUBLIC ISSUE OF 111,648,000 NEW ORDINARY SHARES IN YXPM (“**SHARE(S)**”) IN THE FOLLOWING MANNER:

- 18,608,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 11,162,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS AND EMPLOYEES, DIRECTORS AND EMPLOYEES OF TOMEI CONSOLIDATED BERHAD (“**TOMEI**”) AND ITS SUBSIDIARIES AS WELL AS ANY OTHER PERSONS WHO HAVE CONTRIBUTED TO OUR SUCCESS;
- 18,608,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY ALL ENTITLED SHAREHOLDERS OF TOMEI;
- 16,751,200 NEW SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS; AND
- 46,518,800 NEW SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY, MALAYSIA,

AT AN IPO PRICE OF RM0.28 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent



PUBLIC INVESTMENT BANK BERHAD

(Registration No. 197401002880 (20027-W))
A Participating Organisation Of Bursa Malaysia Securities Berhad
(Wholly-owned Subsidiary Of Public Bank Berhad)

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, PLEASE SEE “RISK FACTORS” COMMENCING ON PAGE 172.

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

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

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY 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.

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 A PROPOSAL NOT REQUIRING APPROVAL, AUTHORISATION OR RECOGNITION OF THE SC UNDER SECTION 212(8) OF THE CAPITAL MARKETS AND SERVICES ACT 2007.

YX PRECIOUS METALS BHD

PROSPECTUS

THIS PROSPECTUS IS
DATED 30 MAY 2022

RESPONSIBILITY STATEMENTS

OUR DIRECTORS AND PROMOTERS (AS DEFINED IN THIS PROSPECTUS) HAVE SEEN AND APPROVED THIS PROSPECTUS. THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION. 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.

PUBLIC INVESTMENT BANK BERHAD (“**PIVB**”), BEING THE 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 COMPANY’S 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 FORMS (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 THE PROSPECTUS THAT IS FALSE, MISLEADING, OR FROM WHICH THERE IS A MATERIAL OMISSION; OR FOR ANY MISLEADING OR DECEPTIVE ACT IN RELATION TO THE PROSPECTUS OR THE CONDUCT OF ANY OTHER PERSON IN RELATION TO OUR COMPANY.

SHARES 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 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.

WE WILL NOT, PRIOR TO ACTING ON ANY ACCEPTANCE IN RESPECT OF OUR IPO, 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.

THIS PROSPECTUS IS PREPARED AND PUBLISHED SOLELY FOR OUR IPO IN MALAYSIA UNDER THE LAWS OF MALAYSIA. OUR IPO SHARES ARE ISSUED IN MALAYSIA SOLELY BASED ON THE CONTENTS OF THIS PROSPECTUS. OUR DIRECTORS, PROMOTERS, 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. OUR DIRECTORS, PROMOTERS, PRINCIPAL ADVISER, SPONSOR, SOLE UNDERWRITER AND SOLE PLACEMENT AGENT HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION NOT CONTAINED IN THIS PROSPECTUS.

IT SHALL BE YOUR SOLE RESPONSIBILITY, IF YOU ARE OR MAY BE SUBJECTED TO THE LAWS OF ANY COUNTRIES OR JURISDICTIONS OTHER THAN MALAYSIA, TO CONSULT YOUR PROFESSIONAL ADVISERS AS TO WHETHER YOUR APPLICATION FOR OUR IPO WOULD RESULT IN THE CONTRAVENTION OF ANY LAWS OF SUCH COUNTRIES OR JURISDICTIONS. NEITHER WE NOR OUR PRINCIPAL ADVISER NOR ANY OF OUR ADVISERS IN RELATION TO OUR IPO SHALL ACCEPT RESPONSIBILITY OR LIABILITY IN THE EVENT THAT ANY APPLICATION MADE BY YOU BECOMES ILLEGAL, UNENFORCEABLE, VOIDABLE OR VOID IN ANY SUCH COUNTRY OR JURISDICTION.

FURTHER, IT SHALL BE YOUR SOLE RESPONSIBILITY TO ENSURE THAT YOUR APPLICATION FOR OUR IPO COMPLIES WITH THE TERMS OF OUR IPO AND WOULD NOT CONTRAVENE ANY LAWS OF ANY COUNTRIES OR JURISDICTIONS OTHER THAN MALAYSIA TO WHICH YOU MAY BE SUBJECTED TO. WE WILL FURTHER ASSUME THAT YOU HAD ACCEPTED OUR IPO IN MALAYSIA AND WILL BE SUBJECTED ONLY TO THE LAWS OF MALAYSIA IN CONNECTION THEREWITH.

HOWEVER, WE RESERVE THE RIGHT, IN OUR ABSOLUTE DISCRETION, TO TREAT ANY ACCEPTANCES AS INVALID IF WE BELIEVE THAT SUCH ACCEPTANCE MAY VIOLATE ANY LAW 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 (AS DEFINED IN THIS PROSPECTUS) AND THE COPY OF THIS PROSPECTUS REGISTERED WITH THE SC 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) IS SUBJECT TO THE RISK 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 INSTITUTION (AS DEFINED IN THIS PROSPECTUS). THESE RISKS CANNOT BE BORNE BY THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS.

IF YOU ARE IN DOUBT AS TO THE VALIDITY OR INTEGRITY OF AN ELECTRONIC PROSPECTUS, YOU SHOULD IMMEDIATELY REQUEST FROM US, OUR PRINCIPAL ADVISER OR THE ISSUING HOUSE, 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 IS IDENTICAL TO THE COPY OF THE PROSPECTUS REGISTERED BY THE SC, SHALL PREVAIL.

IN RELATION TO ANY REFERENCE IN THIS PROSPECTUS TO THIRD PARTY INTERNET SITES (“**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 TO 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 IN 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 OR FOR FULFILLING ANY OF THE TERMS OF YOUR AGREEMENTS WITH THE THIRD PARTY INTERNET SITES. WE AND OUR PRINCIPAL ADVISER ARE ALSO NOT RESPONSIBLE FOR ANY LOSS, DAMAGE OR COST 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 ANY OBLIGATION FOR ANY DAMAGE TO YOUR COMPUTER SYSTEM 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 LIABLE IN RESPECT OF THE INTEGRITY OF THE CONTENTS OF THE 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 VIA YOUR WEB BROWSER OR OTHER RELEVANT SOFTWARE;
- (II) THE INTERNET PARTICIPATING FINANCIAL INSTITUTION SHALL NOT BE RESPONSIBLE IN ANY WAY FOR THE INTEGRITY OF THE CONTENTS OF THE ELECTRONIC PROSPECTUS WHICH HAS BEEN DOWNLOADED OR OTHERWISE OBTAINED FROM THE WEB SERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS AND THEREAFTER COMMUNICATED OR DISSEMINATED IN ANY MANNER TO YOU OR OTHER PARTIES; AND
- (III) 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 THE ELECTRONIC PROSPECTUS CANNOT BE GUARANTEED AS 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 THE ELECTRONIC PROSPECTUS WHICH MAY ARISE IN CONNECTION WITH OR AS A RESULT OF ANY FAULT OR FAULTS WITH THE WEB BROWSERS OR OTHER RELEVANT SOFTWARE, ANY FAULT OR FAULTS ON YOU 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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INDICATIVE TIMETABLE

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

Event	Date
Entitlement Date	24 May 2022
Opening of the application period for the IPO	30 May 2022
Closing Date/Closing of the application period for the IPO	9 June 2022
Balloting of applications	14 June 2022
Allotment of IPO Shares to successful applicants	21 June 2022
Listing on the ACE Market	23 June 2022

In the event there is any change to the indicative timetable above, we will advertise the notice of the changes in a widely circulated daily English and Bahasa Malaysia newspapers in Malaysia, and make an announcement on Bursa Securities' website.

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DEFINITIONS

The following abbreviations shall apply throughout this Prospectus, unless the abbreviations are defined otherwise or the context requires otherwise:

COMPANIES WITHIN OUR GROUP

EASB	: Emas Assayer Sdn Bhd (200001010661 (513267-X))
GPM	: Gemas Precious Metals Industries Sdn Bhd (199701010600 (426096-W))
GRSB	: GPM Refinery Sdn Bhd (202001025072 (1381392-H))
YXG	: Yi Xing Goldsmith Sdn Bhd (198701006292 (164963-M))
YXPM or Company	: YX Precious Metals Bhd (202101001245 (1401543-M))
YXPM Group or Group	: YXPM and the Subsidiaries, collectively
Subsidiaries	: EASB, GPM, GRSB and YXG, collectively

GENERAL

ACE Market	: ACE Market of Bursa Securities
Acquisitions	: Acquisition of EASB, Acquisition of GPM, Acquisition of GRSB and Acquisition of YXG, collectively
Acquisition of EASB	: Acquisition by YXPM from Tomei of the entire equity interest of EASB, comprising 500,000 EASB Shares for a purchase consideration of RM475,204, satisfied via the issuance of 2,376,020 new Shares at an issue price of RM0.20 each, which was completed on 12 April 2022
Acquisition of GPM	: Acquisition by YXPM from Tomei of the entire equity interest of GPM, comprising 10,600,000 GPM Shares for a purchase consideration of RM15,847,132, satisfied via the issuance of 79,235,660 new Shares at an issue price of RM0.20 each, which was completed on 12 April 2022
Acquisition of GRSB	: Acquisition by YXPM from Tomei of the entire equity interest of GRSB, comprising 2 GRSB Shares for a purchase consideration of RM2, satisfied via the issuance of 10 new Shares at an issue price of RM0.20 each, which was completed on 12 April 2022
Acquisition of YXG	: Acquisition by YXPM from Tomei of the entire equity interest of YXG, comprising 6,500,000 YXG Shares for a purchase consideration of RM35,778,060, satisfied via the issuance of 178,890,300 new Shares at an issue price of RM0.20 each, which was completed on 12 April 2022
Act	: Companies Act 2016
AGM	: Annual General Meeting
AI	: Artificial intelligence
Applicant(s)	: Applicant(s) for the IPO Shares by way of Application Forms, Electronic Share Application and/or Internet Share Application
Application(s)	: Application(s) for the IPO Shares by way of Application Forms, Electronic Share Application and/or Internet Share Application
Application Form(s)	: Printed application form(s) for the application of the IPO Shares

DEFINITIONS (*Cont'd*)

ATM(s)	:	Automatic Teller Machine(s)
Board	:	Board of Directors of YXPM
Bumiputera Investors	:	Bumiputera investors including individuals, companies, societies, co-operatives and institutions, collectively
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (200301033577 (635998-W))
CAD	:	Computer-aided design
CAGR	:	Compounded annual growth rate
CCC	:	Certificate of completion and compliance
CCTV	:	Closed-circuit television
CDS	:	Central Depository System
CDS Account(s)	:	Account(s) established for a Depositor by Bursa Depository for the recording of deposits or withdrawals of securities and for dealings in such securities by the Depositor
CF	:	Certificate of fitness for occupation
Closing Date	:	Date adopted in this Prospectus as the last date for acceptance and receipt of the Application
CMCO	:	Conditional MCO
CMSA	:	Capital Markets and Services Act 2007
CNC	:	Computer numerical control
Constitution	:	Constitution of YXPM
COVID-19	:	Novel coronavirus disease, an infectious respiratory disease which first broke out in 2019
Depositor	:	A holder of a CDS Account
Director(s)	:	Director(s) of YXPM and within the meaning given in Section 2 of the CMSA
EASB Share(s)	:	Ordinary share(s) in EASB
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
EIS	:	Employment insurance system
Electronic Prospectus	:	A copy of this Prospectus that is issued, circulated or disseminated via the Internet, and/or an electronic storage medium, including but not limited to CD-ROMs (compact disc read-only memory)
Electronic Share Application	:	Application for the IPO Shares through Participating Financial Institutions' ATM
Eligible Person(s)	:	Eligible Director(s) and employee(s) of our Group, director(s) and employee(s) of Tomei Group as well as any other persons who have contributed to our success, collectively

DEFINITIONS (Cont'd)

Entitled Shareholders of Tomei	:	Shareholders of Tomei whose names appear in the Record of Depositors of Tomei as at 5.00 p.m. on the Entitlement Date and who are eligible to apply for the IPO Shares under the Restricted Offering
Entitlement Date	:	24 May 2022, being the date as at the close of business on which the names of the Entitled Shareholders of Tomei (save for the Excluded Shareholders) must appear on the Record of Depositors of Tomei to be eligible to apply for the IPO Shares under the Restricted Offering
EPF	:	Employees Provident Fund
EPS	:	Earnings per share
ERP	:	Enterprise resource planning
Euro	:	Euro Dollar
Excluded Shareholders	:	Shareholders of Tomei whose names appear on the Record of Depositors who fall under any one of the following categories as at 5.00 p.m. on the Entitlement Date: <ul style="list-style-type: none"> (i) persons with a registered address in jurisdictions outside Malaysia; (ii) persons located in jurisdictions outside Malaysia in which acceptance under the Restricted Offering would result in the contravention of the laws of such jurisdictions; or (iii) persons who are, in the opinion of our Board (on the advice of our legal adviser), necessary or expedient to be excluded from participating in the Restricted Offering by reason of legal or regulatory requirements
FGJAM	:	Federation of Goldsmiths and Jewellers Associations of Malaysia
Financial Years Under Review	:	FYE 2018, FYE 2019, FYE 2020 and FYE 2021, collectively
FMCO	:	Full MCO effective 1 June 2021
FPE	:	Financial period ended
FYE	:	Financial year ended/ending 31 December, as the case may be
g	:	Gram
Government	:	Government of Malaysia
GP	:	Gross profit
GPM Share(s)	:	Ordinary share(s) in GPM
GRSB Share(s)	:	Ordinary share(s) in GRSB
HKD	:	Hong Kong Dollar
ICA	:	Industrial Co-Ordination Act 1975
Industry Overview Report	:	Industry overview report titled "Independent Assessment of the Gold Jewellery Industry in Malaysia" prepared by Vital Factor as set out in Section 7 of this Prospectus

DEFINITIONS (*Cont'd*)

Internet Participating Financial Institution(s)	: Participating financial institution(s) for the Internet Share Application, as listed in Section 14.7 of this Prospectus
Internet Share Application	: Application for the IPO Shares through an online share application service provided by the Internet Participating Financial Institution(s)
IPO	: Initial public offering of the IPO Shares in conjunction with the listing of and quotation for our entire enlarged issued share capital on the ACE Market
IPO Price	: RM0.28 per IPO Share
IPO Share(s)	: 111,648,000 new Shares, representing 30.00% of our enlarged issued share capital, which will be issued pursuant to the Public Issue and subject to the terms and conditions of this Prospectus
Issuing House	: Tricor Investor & Issuing House Services Sdn Bhd (197101000970 (11324-H))
Key Senior Management	: The key senior management team (excluding Managing Director) of our Company
kg	: Kilogram
LAT	: Loss after taxation
LBT	: Loss before taxation
Listing	: Admission of YXPM to the Official List of Bursa Securities and the listing of and quotation for our entire enlarged issued share capital of RM83,361,840, comprising 372,150,000 Shares on the ACE Market
Listing Requirements	: ACE Market Listing Requirements of Bursa Securities
Listing Scheme	: The exercise undertaken by our Company comprising the Acquisitions, Public Issue and Listing, collectively
LPD	: 2 May 2022, being the latest practicable date prior to the issuance of this Prospectus
Malaysian Public	: Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated, organised or formed under the laws of Malaysia
Management	: Managing Director and Key Senior Management, collectively
Market Day(s)	: Any day(s) on which Bursa Securities is open for trading of securities
MCCG	: Malaysian Code on Corporate Governance
MCO	: Nationwide Movement Control Order imposed by the Government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967 as a measure to contain the outbreak of the COVID-19 pandemic
MES	: Manufacturing execution system
MIDA	: Malaysian Investment Development Authority
MITI	: Ministry of International Trade and Industry, Malaysia
mm	: Millimetre
N/A	: Not applicable

DEFINITIONS (*Cont'd*)

NA	:	Net assets
NBV	:	Net book value
NRP	:	The National Recovery Plan comprising of 4-phases, introduced by the Government on 15 June 2021
Official List	:	A list specifying all securities which have been admitted for listing on the ACE Market and not removed
Participating Financial Institution(s)	:	Participating financial institution(s) for the Electronic Share Application as listed in Section 14.6 of this Prospectus
PAT	:	Profit after taxation
PBT	:	Profit before taxation
PE Multiple	:	Price earnings multiple
Pink Form Allocation	:	Allocation of 11,162,000 IPO Shares for subscription by the Eligible Persons
PIVB or Principal Adviser or Sponsor or Sole Underwriter or Sole Placement Agent	:	Public Investment Bank Berhad (197401002880 (20027-W))
PPE	:	Property, plant and equipment
Prescribed Security	:	Securities of a company that are prescribed by Bursa Securities to be deposited in the CDS subject to the provision of the SICDA and the Rules
Promoters	:	Tomei and Ng Sheau Chyn, collectively
Prospectus	:	This Prospectus dated 30 May 2022 in relation to the IPO
Prospectus Guidelines	:	Prospectus Guidelines issued by the SC
Public	:	All persons or members of the public but excluding our Group's directors, our substantial shareholders and persons associated with them (as defined in the Listing Requirements)
Public Issue	:	Public issue of 111,648,000 new Shares at the IPO Price, payable in full upon application, subject to the terms and conditions of this Prospectus
R&D	:	Research and development
Record of Depositors	:	A record provided by Bursa Depository to our Company under the Rules
Restricted Offering	:	Offer of 18,608,000 IPO Shares to the Entitled Shareholders of Tomei
RM and sen	:	Ringgit Malaysia and sen, respectively
RMCO	:	Recovery MCO
Rules	:	Rules of Bursa Depository
SC	:	Securities Commission Malaysia
SGD	:	Singapore Dollar

DEFINITIONS (*Cont'd*)

Share(s)	: Ordinary share(s) in YXPM
Share Registrar	: Bina Management (M) Sdn Bhd (197901005880 (50164-V))
SICDA	: Securities Industry (Central Depositories) Act 1991
SOCOSO	: Social Security Organisation, also known as PERKESO (Pertubuhan Keselamatan Sosial)
SOP(s)	: Standard operating procedure(s)
sq. ft.	: Square feet
TBSB	: Tropical Bliss Sdn Bhd (200501008269 (685316-W))
TFC	: Teck Fong Corporation Sdn Bhd (199101012792 (223104-A))
TGJH	: Tomei Gold & Jewellery Holdings (M) Sdn Bhd (197701002534 (33551-H))
Tomei	: Tomei Consolidated Berhad (200501015912 (692959-W))
Tomei Group	: Tomei and its subsidiaries, collectively
TXG	: TXG Financial Solutions Sdn Bhd (formerly known as YX Bullion Sdn Bhd) (200201019252 (586915-X))
Underwriting Agreement	: Underwriting agreement dated 21 April 2022 entered into between YXPM and the Sole Underwriter pursuant to the IPO
USD	: United States Dollar
Vital Factor or IMR	: Vital Factor Consulting Sdn Bhd (199301012059 (266797-T)), an independent business and market research consulting company
YXG Share(s)	: Ordinary share(s) in YXG

OTHER TERMS

Gold Jewellery Segment	: In the context of this Prospectus, it collectively refers to our Wholesale Segment, and Design and Manufacture Segment
Wholesale Segment	: In the context of this Prospectus, it refers to our business operations involving wholesale of gold jewellery that are sourced from external manufacturers as well as internally sourced from our manufacturing operations. It also includes the provision of gold jewellery manufacturing services
Design and Manufacture Segment	: In the context of this Prospectus, it refers to our business operations involving sales of our own designed and manufactured gold jewellery. It also includes the provision of gold jewellery manufacturing services
Gold jewellery manufacturing services	: In the context of this Prospectus, it refers to our business operations where our customers will provide us with gold raw materials, and we will manufacture the gold jewellery based on our customers' orders. In this case, we only charge service fee to our customers
Gold jewellery specialist	: In the context of this Prospectus, gold jewellery specialist refers to our specialisation in gold jewellery as a wholesaler and manufacturer of gold jewellery which is demonstrated by our revenue from Gold Jewellery Segment which accounted for 99.40%, 99.41%, 96.89% and 97.25% for FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively

GLOSSARY OF TECHNICAL TERMS

The following technical terms in this Prospectus bear the same meanings as set below unless the terms are defined otherwise or the context requires otherwise:

22K	: 22 Karat. This is equivalent to gold with fineness of 916 or purity of 91.67%
24K	: 24 Karat. This is equivalent to gold with fineness of 999.99 with assumed purity of 100.00%
3D	: 3 Dimension
916-gold	: 91.67% gold content or 22K
999-gold	: 99.99% gold content or 24K
Aqua regia	: A mixture of nitric acid and hydrochloric acid solution. It is used in the recovery and refining of gold and other metals
Alloy	: A mixture of two or more metals
Annealing	: A heat treatment and cooling process that changes the physical property of metals to make it less hard and brittle, and more ductile and malleable for better workability
Assaying	: A process to determine the composition of a compound. In the context of this Prospectus, assaying refers to the process of determining the quantitative content of gold in terms of percentage in a gold product
Basic chain	: Basic chain refers to a versatile chain that can be used on its own or paired with pendants or charms
Casting	: A process where a liquefied substance is poured into a mould and allowed to harden. In the context of this Prospectus, casting refers to the process of manufacturing of gold rod from gold bar. It also refers to lost wax casting or investment casting (refer to lost wax casting for details)
Chain jewellery products	: Chain jewellery products are based on a series of connected loops, links, rings or beads to manufacture necklaces, bracelets, anklets and basic chains. Within chain jewellery alone, there are different types of designs including, among others, ball or bead, barley corn, belcher, bismark, box, cable/link, cobra, curb, double cable, figaro, knitted mesh, serpent, snake and rope chain
Charms	: Articles of small jewellery commonly used in hanging from bracelets or anklets. In the context of this Prospectus, it may also be referred to as pendants
Compound	: A substance formed from two or more chemical elements bonded together
Cupel	: A shallow porous cup used in the assaying process
Diamond cutting	: A type of finishing process that creates a uniformed geometric design on the surface of the precious metal in order to achieve light reflecting properties or a shiny appearance to the precious metal with the use of CNC cutting machine
Electrode	: An electrical conductor that allows electricity to pass through
Electroforming	: Electroforming is a metal forming process where metal is formed by electrodeposition process onto a model, or otherwise known as a mandrel in jewellery manufacturing. After a thick gold coating is deposited onto the mandrel, the mandrel is chemically dissolved, thus creating a hollow product

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Electroplating	: A process of providing a coating of metal onto the surface of an object. The surface of the object must either be a metal or carbon. The electroplating process uses an electrolyte as a medium to transfer the required metal ions to the surface of the item to be plated
Fineness	: Unit of measure for the purity of gold where 100.00% pure gold has a fineness of 1,000
Finishing	: In the context of this Prospectus, finishing refers to a process for cleaning, polishing, enhancing or improving the appearance of a jewellery surface. Some common finishing processes for jewellery include cutting, electroplating, sandblasting, grinding, buffing and polishing
Gemstone jewellery	: In the context of this Prospectus, gemstone jewellery refers to jewellery that has one or more gemstones such as diamonds, sapphires, rubies, emeralds, jade and pearls set onto precious metals such as gold, silver or platinum. Gemstone jewellery that are set onto gold typically uses gold alloy with 75% gold content (750-gold or 18K) and below as it is stronger and more durable in holding the gemstone
Gold	: A yellow metallic element commonly used in making jewellery and adornments, as a form of investment, industrial applications, and store of value by central banks and other financial institutions. It is considered a precious metal
Gold bar	: Bars or ingots of gold covering various purity of gold content
Gold jewellery	: In the context of this Prospectus, gold jewellery refers to jewellery that is made entirely from either 916-gold (22K) or 999-gold (24K) without any gemstones. Typically, 916-gold and 999-gold are not suitable for gemstone settings as it is too soft
Grinding	: A process used to remove unwanted surface of an object using friction. Grinding is also one of the finishing processes
Hollow gold jewellery	: Gold jewellery where some part of it is hollow in the inside and thus uses a lower quantity of gold. It is generally lighter in weight and less expensive compared to solid gold jewellery
Hydrochloric acid	: It is acidic and is used as one of the mixtures in aqua regia to dissolve gold and most metals
Investment casting	: In the context of this Prospectus and when used in the process for casting jewellery item, it is a material likened to Plaster of Paris
Ions	: A particle, atom or molecule that has either a net positive or negative charge
K	: Karat or Karatage. A measure of the purity of gold
Lost wax casting	: A process of using wax to create a solid representation of the desired object which is then used to make a mould where the wax is subsequently melted away leaving behind a cavity in the mould. Subsequently, molten gold or some other liquefied metals, are poured into the cavity of the mould to form the desired object. In the context of this Prospectus, this term is used interchangeably with investment casting
Mandrel	: In jewellery manufacturing, a mandrel refers to a 3D-shaped model of the desired jewellery design and it is used in the electroforming process to manufacture hollow gold jewellery

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Minted gold bar	: In the context of this Prospectus, minted gold bar refers to pure gold sheet or strip rolled to its desired thickness, stamped and blanked or cut to the desired shape. Minted gold bar includes wafer, foils and coins, and are mainly intended for retail
Mould	: A container with an interior cavity such that when a molten substance is poured into the cavity, it will take the shape of the cavity when it subsequently hardens
Nitric acid	: It is an acidic chemical used in several manufacturing processes including, among others, dissolving the copper metal core used in manufacturing hollow gold jewellery, and is also one of the chemical compounds in aqua regia to dissolve gold and most metals
Pendants	: Articles of small jewellery commonly hanging from necklaces. In the context of this Prospectus, it may also be referred to as charms
Precious metal	: Relatively rare naturally procuring metals of high economic value. Among others, it includes gold, palladium, rhodium and silver. In the context of this Prospectus, it mainly refers to gold and silver
Precious metal jewellery	: In the context of this Prospectus, precious metal jewellery refers to jewellery that is made from precious metals such as gold (916-gold and 999-gold), silver and platinum without any gemstones
Pure gold bar	: In the context of this Prospectus, it refers to gold bar with purity of 99.99% gold content. It is most commonly in 1kg form and used as raw material for manufacturing purposes
Refining	: A process of removing impurities or unwanted elements
Rope chain	: A design of a type of chain which is linked in a twisted pattern to resemble a rope
Rope chain machine	: A type of chain making machine that only manufactures rope chains
Sandblasting	: A process used to remove unwanted surface of an object by blasting the object with a continuous stream sand under high pressure. In the context of this Prospectus, sandblasting is also one of the finishing processes that is used to create a matte finish on the surface of the object
Scrap gold bar	: In the context of this Prospectus, it refers to gold bar with purity of less than 99.99% gold content. It is mainly derived from melted down used gold jewellery or scrap gold materials from manufacturing operations. It is used as raw materials for manufacturing purposes
Semi-finished jewellery products	: An unfinished piece of jewellery, which requires further processing and it is not in a ready to wear form
Silver	: A precious metal greyish-white in colour and can be polished to a high shiny finish. It is commonly used in jewellery and adornments, household wares, coins, and industrial applications
Silver chloride	: A chemical compound when reacted with an acid like nitric acid, the silver can be precipitated from this solution
SKU	: Stock keeping unit. A product category with its set of unique specifications

GLOSSARY OF TECHNICAL TERMS (Cont'd)

- Soldering : A process where two or more objects are joined by melting another metal, known as a solder, to join the two or more objects when the solder subsequently cools and hardens
- Stamping : A manufacturing process used to convert flat metal sheets into the desired shape and form
- Welding : A process where two or more objects are fused together
- Vulcanise : A method to harden rubber by treating the rubber with sulphur under high temperature

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to “**our Company**” and “**YXPM**” in this Prospectus are to YX Precious Metals Bhd, while references to “**our Group**” are to our Company and our subsidiaries. References to “**we**”, “**us**”, “**our**” and “**ourselves**” are to our Company, our Group or any companies within our Group, as the context requires. Unless the context otherwise requires, references to “**Management**” are to our Managing Director and Key Senior Management as disclosed in this Prospectus and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

Certain abbreviations, acronyms and technical terms used are defined in the “Definitions” and “Glossary of Technical Terms” sections of this Prospectus. Words denoting the singular shall, where applicable, include the plural and *vice versa*. Words denoting the masculine gender shall, where applicable, include the feminine and neuter genders, and *vice versa*. References to persons shall include companies and corporations.

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 hundredth or 2 decimal places. Any discrepancies in the tables included in this Prospectus between the amounts listed and the total thereof are due to rounding.

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

Any reference to any provisions of the statutes, rules, regulations, enactments or rules of stock exchange in this Prospectus shall (where the context admits) be construed as a reference to provisions of such statutes, rules, regulations, enactments or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactments to the statutes, rules, regulations, enactments or rules of stock exchange at the time being in force.

This Prospectus includes statistical data provided by our Management and various third parties and cites third party projections regarding growth and performance of the market and industry in which our Group operates or is exposed to. 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. Where no source is stated, it can be assumed that the information originates from our Management.

In particular, certain information in this Prospectus is extracted or derived from the Industry Overview Report. 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.

The information on our website, or any website directly and indirectly linked to such website does not form part of this Prospectus and should not be relied upon.

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FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements, which include all statements other than statements of historical facts included in this Prospectus, including, without limitation, 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 words that have a bias towards or are forward-looking such as “may”, “will”, “would”, “could”, “believe”, “expect”, “anticipate”, “estimate”, “aim”, “plan”, “forecast”, “project” 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 future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements include, without limitation, statements relating to:

- (i) demand for our products and services;
- (ii) our business strategies;
- (iii) our plans and objectives for future operations;
- (iv) our financial position; and
- (v) our future earnings, cash flows and liquidity.

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 8 - Risk Factors and Section 11.3 - Management’s Discussion and Analysis of Financial Conditions and Results of Operations of this Prospectus.

These forward-looking statements are based on information available to us as at the LPD and are made only as at the LPD. 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 provisions of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6, Supplementary and Replacement Prospectus) of the Prospectus Guidelines.

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1. CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name / (Designation)	Address	Nationality
Tan Sri Azlan Bin Mohd Zainol (M) <i>(Independent Non-Executive Chairman)</i>	21, Jalan SS 1/39 47300 Petaling Jaya Selangor Darul Ehsan	Malaysian
Ng Sheau Chyn (F) <i>(Managing Director)</i>	2, Jalan SS 2/15 47300 Petaling Jaya Selangor Darul Ehsan	Malaysian
Tang Yow Sai (M) <i>(Independent Non-Executive Director)</i>	6, Jalan Hijauan Residen 3B Taman Hijauan Residen 43200 Cheras Selangor Darul Ehsan	Malaysian
Aw Ee Leng (F) <i>(Independent Non-Executive Director)</i>	8, Jalan SS 2/97 47300 Petaling Jaya Selangor Darul Ehsan	Malaysian
Wong Phait Lee (F) <i>(Independent Non-Executive Director)</i>	C-G-3, Seni Mont' Kiara 2A Changkat Duta Kiara Mont Kiara 50480 Kuala Lumpur Wilayah Persekutuan	Malaysian
Datuk Ng Yih Pyng (M) <i>(Non-Independent Non-Executive Director)</i>	2, Jalan SS 2/8A 47300 Petaling Jaya Selangor Darul Ehsan	Malaysian

Notes:

(M) Male.

(F) Female.

1. CORPORATE DIRECTORY (Cont'd)

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Tang Yow Sai	Chairman	Independent Non-Executive Director
Aw Ee Leng	Member	Independent Non-Executive Director
Wong Phait Lee	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Tang Yow Sai	Chairman	Independent Non-Executive Director
Aw Ee Leng	Member	Independent Non-Executive Director
Wong Phait Lee	Member	Independent Non-Executive Director

NOMINATION COMMITTEE

Name	Designation	Directorship
Aw Ee Leng	Chairman	Independent Non-Executive Director
Tang Yow Sai	Member	Independent Non-Executive Director
Wong Phait Lee	Member	Independent Non-Executive Director

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1. CORPORATE DIRECTORY (Cont'd)

COMPANY SECRETARY	:	Teoh Kok Jong SO-26-02, Menara 1 No. 3, Jalan Bangsar KL Eco City 59200 Kuala Lumpur Telephone No. : (603) 2381 2188 Fax No. : (603) 2201 5608 SSM Practicing : 201908001451 Certificate No. Professional : Affiliate of Malaysian Institute of Qualification : Chartered Secretaries and Administrators (“MAICSA”) (MAICSA Affiliate Registration No. A001264 and Licensed Secretary: LS 04719)
REGISTERED OFFICE	:	SO-26-02, Menara 1 No. 3, Jalan Bangsar KL Eco City 59200 Kuala Lumpur Telephone No. : (603) 2381 2188 Fax No. : (603) 2201 5608
HEAD OFFICE	:	No. 23, Jalan 2/131A Project Jaya Industrial Estate Batu 6, Jalan Kelang Lama 58200 Kuala Lumpur Telephone No. : (603) 7785 9969 Fax No. : (603) 7782 3730 Website : https://yxgroup.com.my Email : Info@yxgroup.com.my
PRINCIPAL ADVISER, SPONSOR, SOLE UNDERWRITER AND SOLE PLACEMENT AGENT	:	Public Investment Bank Berhad (197401002880 (20027-W)) Level 27, Menara Public Bank 2 No. 78, Jalan Raja Chulan 50200 Kuala Lumpur Telephone No. : (603) 2036 2800 Fax No. : (603) 2036 2860
SOLICITORS FOR THE IPO	:	Jeff Leong, Poon & Wong B-11-8, Level 11 Megan Avenue II Jalan Yap Kwan Seng 50450 Kuala Lumpur Telephone No. : (603) 2203 3388 Fax No. : (603) 2203 3399

1. CORPORATE DIRECTORY (Cont'd)

EXTERNAL AUDITORS	:	BDO PLT LLP0018825-LCA & AF 0206 Level 8, Menara CenTARa 360 Jalan Tuanku Abdul Rahman 50100 Kuala Lumpur Telephone No. : (603) 2616 2888 Fax No. : (603) 2616 3190 Partner-in-charge : Ng Soe Kei Approval No. : 02982/08/2023 J Professional : Qualifications : <ul style="list-style-type: none">• Fellow Member of the Association of Chartered Certified Accountants (“ACCA”)• Member of the Institute of Chartered Accountants in England and Wales (“ICAEW”)• Member of the Malaysian Institute of Certified Public Accountants (“MICPA”)• Member of Malaysian Institute of Accountants (“MIA”) (MIA Membership No.: CA 20134)
REPORTING ACCOUNTANTS FOR THE IPO	:	BDO PLT LLP0018825-LCA & AF 0206 Level 8, Menara CenTARa 360 Jalan Tuanku Abdul Rahman 50100 Kuala Lumpur Telephone No. : (603) 2616 2888 Fax No. : (603) 2616 3190 Partner-in-charge : Law Kian Huat Approval No. : 02855/06/2022 J Professional : Qualifications : <ul style="list-style-type: none">• Fellow Member of the ACCA• Fellow Member of the ICAEW• Member of the MICPA• Member of MIA (MIA Membership No.: CA 14633)

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1. CORPORATE DIRECTORY (Cont'd)

INDEPENDENT BUSINESS AND MARKET RESEARCH CONSULTANTS	:	Vital Factor Consulting Sdn Bhd (199301012059 (266797-T)) V square @ PJ City Centre (VSQ) Block 6, Level 6 Jalan Utara 46200 Petaling Jaya Selangor Darul Ehsan Telephone No. : (603) 7931 3188 Fax No. : (603) 7931 2188 Person-in-charge : Wong Wai Ling Professional : <ul style="list-style-type: none">• Bachelor of Arts from Monash University, Australia• Graduate Diploma in Management Studies from the University of Melbourne, Australia
SHARE REGISTRAR	:	Bina Management (M) Sdn Bhd (197901005880 (50164-V)) Lot 10, The Highway Centre Jalan 51/205 46050 Petaling Jaya Selangor Darul Ehsan Telephone No. : (603) 7784 3922 Fax No. : (603) 7784 1988
ISSUING HOUSE	:	Tricor Investor & Issuing House Services Sdn Bhd (197101000970 (11324-H)) Unit 32-01, Level 32, Tower A Vertical Business Suite, Avenue 3 Bangsar South No. 8, Jalan Kerinchi 59200 Kuala Lumpur Telephone No. : (603) 2783 9299 Fax No. : (603) 2783 9222
LISTING SOUGHT	:	ACE Market of Bursa Securities

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2. APPROVALS AND CONDITIONS

2.1 APPROVALS FROM RELEVANT AUTHORITIES

2.1.1 Bursa Securities

Bursa Securities had, via its letter dated 13 January 2022, approved the admission of our Company to the Official List and the listing of and quotation for the entire enlarged issued share capital of our Company comprising 372,150,000 Shares on the ACE Market. The approval from Bursa Securities is subject to the following conditions:

No.	Conditions	Status of compliance
(i)	YXPM to appoint 1 additional Independent Non-Executive Director and that the composition of the Audit Committee is solely represented by Independent Directors prior to the issuance of the Prospectus;	Complied
(ii)	Submit the following information in respect of the moratorium on the shareholdings of promoters to Bursa Depository: <ul style="list-style-type: none"> (a) Name of shareholders; (b) Number of shares; and (c) Date of expiry of the moratorium for each block of shares; 	To be complied
(iii)	Approvals from other relevant authorities have been obtained for implementation of the listing proposals;	Complied
(iv)	Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Guidance Note 15 of the Listing Requirements;	To be complied
(v)	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 YXPM on the first day of Listing;	To be complied
(vi)	In relation to the Public Issue to be undertaken by YXPM, 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"> (a) Level of subscription of public balloting and placement; (b) Basis of allotment/allocation; (c) A table showing the distribution for placement tranche; and (d) Disclosure of placees who become substantial shareholders of YXPM arising from the Public Issue, if any; and 	To be complied
(vii)	YXPM or PIVB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of YXPM to the Official List.	To be complied

2. APPROVALS AND CONDITIONS (Cont'd)

2.1.2 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 15 February 2022, approved the resultant equity structure of YXPM pursuant to our Listing under the Bumiputera equity requirement for public listed companies, subject to the following conditions:

No.	Condition	Status of compliance
(i)	YXPM allocating shares equivalent to 12.50% of its enlarged number of issued shares at the point of Listing to Bumiputera investors to be approved by MITI; and	To be complied
(ii)	YXPM to make available at least 50.00% of the Shares offered to the Malaysian Public via balloting to Bumiputera public investors at the point of Listing.	To be complied

The effects of our Listing on the equity structure of our Company are as follows:

Category of shareholders	As at 31 July 2021		After the Listing	
	No. of Shares	% of number of issued Shares	No. of Shares	% of enlarged number of issued Shares
Bumiputera				
- Bumiputera investors to be approved by MITI	-	-	^(b) 46,518,800	12.50
- Bumiputera public investors via balloting	-	-	^(c) 9,304,000	2.50
- Others ^(a)	-	-	^(d) 1,568,500	0.40
Total Bumiputera	-	-	57,391,300	15.40
Non-Bumiputera	10	100.00	314,758,700	84.60
Total Malaysian	10	100.00	372,150,000	100.00
Foreigner	-	-	-	-
TOTAL	10	100.00	372,150,000	100.00

Notes:

- (a) Bumiputera investors which are not recognised or approved by MITI.
- (b) Based on the assumption that the Shares allocated to Bumiputera investors to be approved by MITI shall be fully subscribed.
- (c) Based on the assumption that the Shares allocated to Bumiputera public investors via balloting shall be fully subscribed.
- (d) Based on the assumption that the Shares allocated to the eligible Directors of YXPM, eligible directors of Tomei and Entitled Shareholders of Tomei under the Restricted Offering shall be fully subscribed.

2.1.3 MITI

MITI had, vide its letter dated 17 September 2021, taken note of and has no objection to our Listing.

2. APPROVALS AND CONDITIONS (Cont'd)

2.2 MORATORIUM ON SALE OF SHARES

In compliance with the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of Shares held by our Promoters as follows:

- (i) the moratorium applies to our Promoters' entire shareholdings for a period of 6 months from the date of our admission to the ACE Market ("**First 6-Month Moratorium**");
- (ii) upon the expiry of the First 6-Month Moratorium, we must ensure that our Promoters' aggregate shareholdings amounting to at least 45% of our issued ordinary share capital remain under moratorium for a further 6 months ("**Second 6-Month Moratorium**"); and
- (iii) upon the expiry of the Second 6-Month Moratorium, our Promoters may sell, transfer or assign up to a maximum of one third (1/3) per annum (on a straight line basis) of its Shares held under moratorium.

Details of our Promoters and their Shares which will be subject to moratorium are as follows:

Name of Promoter/substantial shareholder	Moratorium shares during the First 6-Month Moratorium		Moratorium shares during the Second 6-Month Moratorium	
	No. of Shares	^(a) % of enlarged share capital	No. of Shares	^(a) % of enlarged share capital
<u>Promoters and substantial shareholders</u>				
Tomei	260,502,000	70.00	167,467,500	45.00
Ng Sheau Chyn	^(b) 62,900	0.02	-	-
Total	260,564,900	70.02	167,467,500	45.00

Notes:

- (a) Based on our enlarged issued share capital of 372,150,000 Shares after the IPO.
- (b) Assuming the subscription of IPO Shares under the Restricted Offering which is allocated based on a pro-rata basis according to her respective shareholdings in Tomei as at the LPD. However, the final shareholdings will depend on the actual number of IPO Shares subscribed and allocated to her in accordance with the basis set out in Section 4.1.1(b)(iii) of this Prospectus.

Our Promoter and substantial shareholder, Tomei has provided written undertaking letter that it will not sell, transfer or assign its interest in the Shares which is under moratorium during the moratorium period. Separately, Ng Sheau Chyn, being our Promoter, substantial shareholder and Managing Director, has also provided written undertaking letter that she will not sell, transfer or assign any of her shareholdings in YXPM, if any arising from the Restricted Offering, which is under moratorium during the moratorium period.

In addition to the moratorium imposed on the Shares held by our Promoters, TFC, TBSB, Datuk Ng Yih Pyng, Ng Yih Chen and Ng Sheau Yuen, being our substantial shareholders, have voluntarily provided their undertaking not to sell, transfer or assign any of their shareholdings in YXPM, if any arising from the Restricted Offering, for a period of 6 months from the date of admission of YXPM to the official list of Bursa Securities.

2. APPROVALS AND CONDITIONS (*Cont'd*)

As at the date of this Prospectus, Ng Sheau Chyn, TFC, TBSB, Datuk Ng Yih Pyng, Ng Yih Chen and Ng Sheau Yuen does not hold any Shares. However, they may hold Shares if they subscribe for IPO Shares under the Restricted Offering. Nonetheless, their final shareholdings will depend on the actual number of IPO Shares subscribed and allocated to them in accordance with the basis set out in Section 4.1.1(b)(iii) of this Prospectus.

The moratorium, which is fully accepted by our Promoters and substantial shareholders, is specifically endorsed on the share certificate representing the Shares held by them to ensure that our Share Registrar will not register any transfer and sale that are not in compliance with the aforesaid restrictions imposed.

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3. 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 on whether to invest in our Shares.

3.1 PRINCIPAL DETAILS RELATING TO OUR IPO

The following details relating to our IPO are derived from the full text of this Prospectus and should be read in conjunction with that text:

Number of Shares to be issued under the Public Issue	111,648,000
- Malaysian Public	18,608,000
- Eligible Directors and employees of our Group, directors and employees of Tomei Group as well as any other persons who have contributed to our success	11,162,000
- Entitled Shareholders of Tomei	18,608,000
- Private placement to selected investors	16,751,200
- Private placement to selected Bumiputera Investors approved by MITI	46,518,800
Enlarged issued share capital upon Listing	RM83,361,840 comprising 372,150,000 Shares
IPO Price	RM0.28
Market capitalisation upon Listing (based on the IPO Price and our enlarged issued share capital after the IPO)	RM104,202,000

Further details on our IPO are set out in Section 4.1 of this Prospectus.

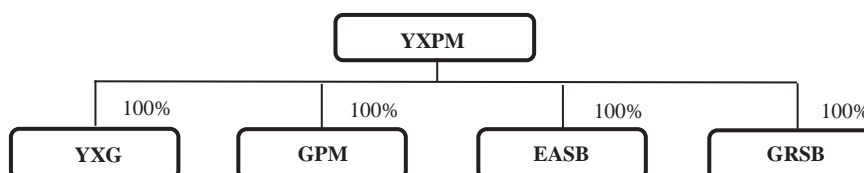
Our Promoters' entire shareholdings after IPO will be held under moratorium for 6 months from the date of our Listing. Thereafter, our Promoters' shareholdings amounting to 45% of our total number of issued Shares (adjusted for any bonus issue or subdivision of shares) will remain under moratorium for another 6 months. Our Promoters may sell, transfer or assign up to a maximum of one third (1/3) per year (on a straight-line basis) of its Shares held under moratorium upon expiry of the second 6-month period.

3.2 BACKGROUND AND OVERVIEW

Our Company (Registration No. 202101001245 (1401543-M)) was incorporated in Malaysia under the Act on 11 January 2021 as a private limited company under the name of YX Precious Metals Sdn Bhd and was subsequently converted to a public limited company on 11 March 2021. YXPM is an investment holding company.

We are principally involved in wholesaling, design and manufacturing of gold jewellery. Our other related products and services include sales of scrap and pure gold bars, manufacture of silver chains, and provision of refining services for precious metals.

Our corporate Group structure upon Listing is as follows:

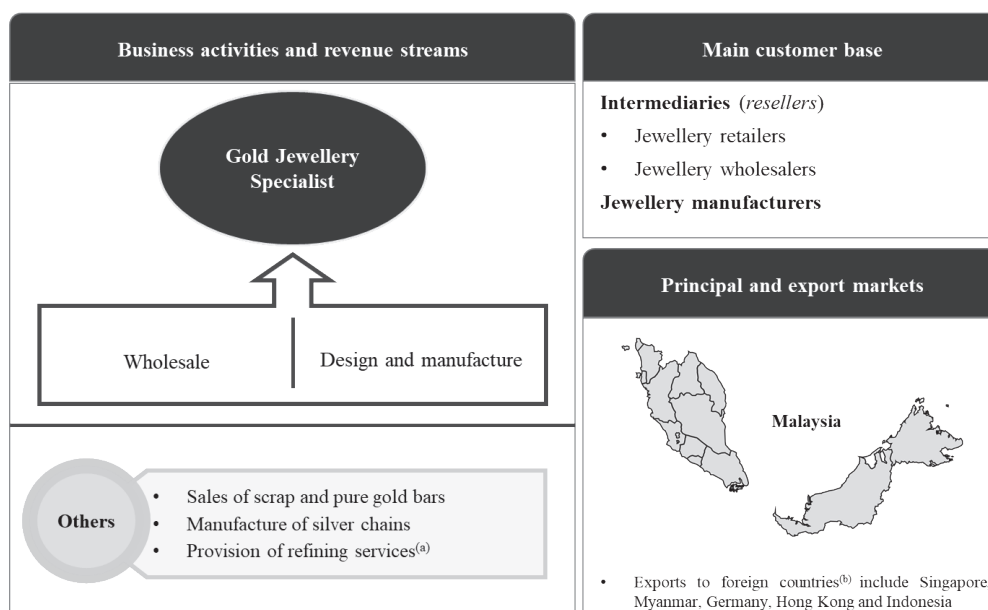


3. PROSPECTUS SUMMARY (Cont'd)

The principal activities of our Subsidiaries are as follows:

Subsidiaries	Principal activities
YXG	Wholesale of gold jewellery and other related products and services.
GPM	Design and manufacture of gold jewellery and other related products and services.
EASB	Currently inactive. EASB intends to provide assaying services for precious metals. As at the LPD, EASB has not commenced operations.
GRSB	Currently inactive. GRSB intends to provide refining services of precious metals. As at the LPD, GRSB has not commenced operations.

The following is an overview of our Group's business model:



Notes:

- (a) The provision of refining services is mainly an internal supporting activity which form part of our manufacturing and quality control processes. For the FYE 2018, FYE 2019, FYE 2020 and FYE 2021, we provide refining services mainly to our related company, TGJH as well as some external customers and this accounted for 0.08%, 0.09%, 0.06% and 0.03% of our total revenue respectively.
- (b) Exports to foreign countries accounted for 7.27%, 9.55%, 3.77% and 2.42% of our total revenue for FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively and Singapore was the largest export market. It accounted for 6.48%, 8.33%, 3.30% and 2.14% of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. Exports to Hong Kong were applicable for FYE 2018, FYE 2019 and FYE 2021, while exports to Indonesia were applicable for FYE 2019 only. There were no export sales to Hong Kong and Indonesia for the FYE 2020 due to the closure of borders relating to COVID-19 pandemic which restricted sales meetings with the customers.

We are a gold jewellery specialist involved in wholesaling, design and manufacturing activities. As a gold jewellery specialist, we focus on 916-gold jewellery which contains 91.67% pure gold content alloyed with other metals. We offer a wide range of gold jewellery including gold chain products such as necklaces, bracelets, anklets and basic chains, as well as bangles, rings, pendants, charms and earrings. Our range of products consist of gold jewellery that are sourced from external manufacturers as well as internally sourced from our manufacturing operations.

Our business model is based on sales of gold jewellery to trade customers for resale and this includes jewellery retailers, wholesalers and manufacturers. Malaysia is our principal market which accounted for 92.73%, 90.45%, 96.23% and 97.58% of our total revenue for FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. Within Malaysia, we serve customers from both Peninsular Malaysia and East Malaysia. We also export to foreign countries including Singapore, Germany, Myanmar, Indonesia and Hong Kong.

3. PROSPECTUS SUMMARY (Cont'd)

Our wholesale operations are undertaken by YXG at our sales office located at Project Jaya Industrial Estate, Jalan Kelang Lama, Kuala Lumpur which covers customers located in Peninsular Malaysia, as well as export markets. YXG also have sales personnel in Kota Kinabalu, Sabah which covers customers located in East Malaysia. Meanwhile, our in-house design and manufacturing operations are undertaken by GPM at our manufacturing facilities located at Project Jaya Industrial Estate, Jalan Kelang Lama, Kuala Lumpur. Effective 1 June 2021, GPM occupied a sales office in Sabah to directly market in East Malaysia.

Our main revenue stream is derived from our Gold Jewellery Segment, comprising our Wholesale Segment (undertaken by YXG) and our Design and Manufacture Segment (undertaken by GPM). Our Gold Jewellery Segment accounted for more than 96.00% of our total revenue for the Financial Years Under Review. Our revenue from this segment is contributed by the following:

- Wholesale Segment (undertaken by YXG): Revenue is derived from sales of gold jewellery as well as gold jewellery manufacturing services that are sourced from external manufacturers. It also includes the sales of gold jewellery that we internally sourced i.e., gold jewellery designed and manufactured by our design and manufacturing arm, namely GPM. Revenue under the Wholesale Segment including the revenue derived from internally sourced gold jewellery is based on the sales orders secured through our Wholesale Segment.
- Design and Manufacture Segment (undertaken by GPM): Revenue is derived from sales of our own designed and manufactured gold jewellery as well as provision of gold jewellery manufacturing services. Revenue under the Design and Manufacture Segment is based on the sales orders secured through our Design and Manufacture Segment.

Our other revenue streams are from Other Related Products and Services including the sales of scrap and pure gold bars, manufacture of silver chains and provision of refining services for precious metals.

Our revenue segmented by business segments for the Financial Years Under Review are set out below:

	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Gold Jewellery Segment	136,708	99.40	143,863	99.41	170,171	96.89	258,079	97.25
Wholesale Segment	112,055	81.47	114,377	79.04	155,133	88.33	248,863	93.77
- Externally sourced gold jewellery and services ^(a)	72,234	52.52	74,882	51.75	108,486	61.77	177,787	66.99
• Gold jewellery	70,856	51.52	73,887	51.06	107,610	61.27	176,215	66.40
• Gold jewellery manufacturing services ^(b)	1,378	1.00	995	0.69	876	0.50	1,572	0.59
- Internally sourced gold jewellery ^(c)	39,821	28.95	39,495	27.29	46,647	26.56	71,076	26.78
Design and Manufacture Segment	24,653	17.93	29,486	20.37	15,038	8.56	9,216	3.48
• Gold jewellery ^(c)	22,095	16.07	26,769	18.50	13,111	7.46	6,294	2.38
• Gold jewellery manufacturing services ^(d)	2,558	1.86	2,717	1.87	1,927	1.10	2,922	1.10
Other Related Products and Services^(e)	826	0.60	848	0.59	5,463	3.11	7,305	2.75
Total revenue	137,534	100.00	144,711	100.00	175,634	100.00	265,384	100.00

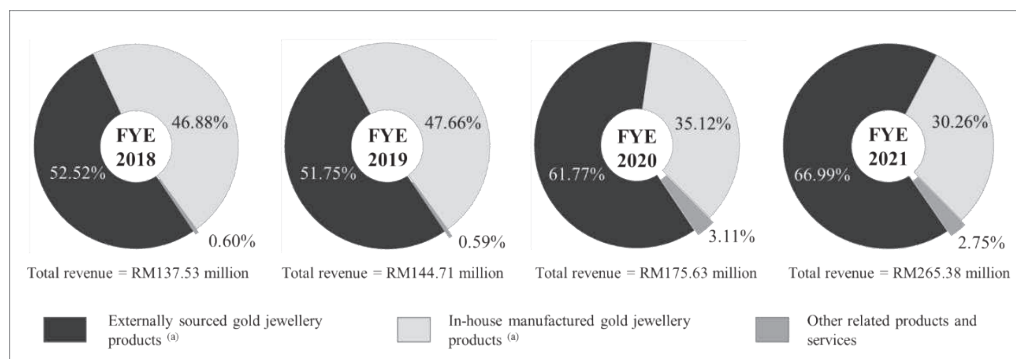
Notes:

- Refers to gold jewellery designed and manufactured as well as manufacturing services provided by external jewellery manufacturers.
- Refers to service fee we charged to customers when we engaged external jewellery manufacturers to carry out the manufacturing services and the gold raw material is supplied by the customers.
- Refers to gold jewellery designed and manufactured by our subsidiary, GPM. The revenue of internally sourced gold jewellery was classified under the Wholesale Segment as the sales orders were secured through our Wholesale Segment (undertaken by YXG). The revenue under the Design and Manufacture Segment is based on the sales orders secured through our Design and Manufacture Segment (undertaken by GPM).

3. PROSPECTUS SUMMARY (Cont'd)

- (d) Refers to service fee we charged to customers when we carry out the manufacturing services through our subsidiary, GPM and the gold raw material is supplied by the customers.
- (e) Include sales of scrap and pure gold bars, manufacture of silver chains and provision of refining services for precious metals.

Our range of products consist of gold jewellery that are sourced from external manufacturers as well as internally sourced from our manufacturing operations. Our Group's revenue segmented by sources of gold jewellery products and services are as follows:



Note:

- (a) Includes the provision of gold jewellery manufacturing services where the gold raw material is supplied by the customer. For the Financial Years Under Review, revenue from provision of gold jewellery manufacturing services collectively accounted for 2.86%, 2.56%, 1.60% and 1.69% of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively.

We operate based on purchase orders or sales orders from our customers and we do not have any long-term contracts with our customers. In general, payments are made upon the delivery of goods or services rendered. Our products are mainly finished jewellery products. Our pricing policy for our products is based on the prevailing market price of gold at the point of transaction. As such, we would not be able to pass on all future increases in costs of materials and services of our operations to our customers. As for services, we provide jewellery manufacturing services and refining services where we charge a service fee. Our pricing policy for our services is determined upfront upon order confirmation.

Further details of our Group and business model are set out in Section 6 of this Prospectus.

3.3 OUTBREAK OF COVID-19 PANDEMIC

The World Health Organisation declared COVID-19 a pandemic on 11 March 2020. As part of the efforts to reduce and control the spread of COVID-19 in the country, the Government implemented the MCO as one of the preventive measures. The MCO involves restrictions on the movement of people within Malaysia and internationally, and restrictions on business, economic, cultural and recreational activities.

Impact of the COVID-19 pandemic on our business and financial performance are as follows:

Events	Impact on our Group
2020	
MCO 1.0	<ul style="list-style-type: none"> Our wholesale and manufacturing operations were suspended for 32 working days from 18 March 2020 to 3 May 2020 as our business operations were not deemed as "essential services" during this period. As a result of the closure of our business operations during MCO 1.0, our revenue declined from RM13.19 million in February 2020 to RM8.13 million in March 2020 and we did not record any revenue in April 2020.
CMCO	<ul style="list-style-type: none"> We resumed our wholesale and manufacturing operations on 4 May 2020 by operating at approximately 40% to 50% capacity, where we split our workforce into 2 groups and 2 shifts with each group operated 6.5 hours per shift.

3. PROSPECTUS SUMMARY (Cont'd)

Events	Impact on our Group
RMCO	<ul style="list-style-type: none"> Our workforce resumed to operating in a single shift in October 2020 at 100% capacity.
	<p><u>Other impact arising from MCO 1.0, CMCO and RMCO</u></p> <ul style="list-style-type: none"> Our sales personnel were unable to conduct sales meetings and deliver our gold jewellery directly to our customers due to restrictions on interstate travel. As such, customer's dealings were conducted through phone calls and the delivery of goods were arranged with courier companies. This has resulted in a decrease in our petrol and travelling expenses from RM0.23 million in FYE 2019 to RM0.13 million in FYE 2020. However, our freight, insurance and handling charges increased from RM0.02 million in FYE 2019 to RM0.04 million in FYE 2020. Due to the closure of the Malaysia and Singapore borders, we encountered issues in coordinating the delivery to Singapore from March 2020 to August 2020, and only resumed delivery to Singapore from September 2020 onwards. As such, sales to Singapore customers were affected, where sales volume of gold jewellery decreased by 40,391g, from 63,195g in FYE 2019 to 22,804g in FYE 2020 and corresponding revenue decreased by RM6.25 million in FYE 2020. We did not experience any shortages in the supply of gold as raw materials during these periods.
<u>2021</u>	
MCO 2.0	<ul style="list-style-type: none"> Our business operations were not affected by MCO 2.0 as our wholesale and manufacturing operations were allowed to operate. In addition, there was no disruption in our customers' orders as jewellery retailers were also allowed to operate during MCO 2.0. We operated at approximately 40% to 50% capacity, where we split our workforce into 2 groups and 2 shifts with each group operated 6.5 hours per shift.
MCO 3.0	<ul style="list-style-type: none"> Our business operations were allowed to operate. We operated at approximately 40% to 50% capacity, where we split our manufacturing workforce into 2 groups and 2 shifts from 7 May 2021 onwards until 1 June 2021.
NRP Phase 1	<ul style="list-style-type: none"> With the FMCO that started on 1 June 2021 under the NRP Phase 1, our wholesale and manufacturing operations were suspended for 56 working days from 1 June 2021 to 22 August 2021 as our business operations are not within the essential economic and service sectors. During this period, all employees from our office and manufacturing facilities in Kuala Lumpur, as well as sales office in Sabah started to work from home since 1 June 2021. This includes some of our craftsmen, where they carried out minimal final assembly works of jewellery products at home to meet our export sales orders as well as to fulfil some of our local customers' orders, who has an online and e-commerce presence. The closure of our business operations during Phase 1 of the NRP has affected our revenue performance for June 2021 and July 2021. We resumed operations on 23 August 2021 with the approval from MITI by operating at approximately 40% to 50% capacity, where we split our workforce into 2 groups and 2 shifts with each group operated 6.5 hours per shift.
NRP Phase 2	<ul style="list-style-type: none"> Kuala Lumpur entered Phase 2 of the NRP on 10 September 2021. We continued operating at approximately 40% to 50% capacity from 10 September 2021 until 30 September 2021. On 14 September 2021, our subsidiaries, YXG and GPM, received letters from MITI indicating that the vaccination rate for both companies has reached 80% allowing us to operate at 100%. Nevertheless, we continued operating at approximately 40% to 50% capacity. Sabah entered Phase 2 of the NRP on 10 July 2021. We did not resume our operations in Sabah until 1 October 2021 when our employees were fully vaccinated. Nevertheless, most of the time, our employees were working remotely from home.
NRP Phase 3 and 4	<ul style="list-style-type: none"> Kuala Lumpur entered Phase 3 and 4 of the NRP on 1 October 2021 and 18 October 2021, respectively. Since 1 October 2021, we resumed to operating in a single shift at 100% capacity. Sabah entered Phase 3 and 4 of the NRP on 18 October 2021 and 8 November 2021, respectively. Our employees in Sabah continued to work from home most of the time.
<u>2022</u>	
'Transition to Endemic' Phase	<ul style="list-style-type: none"> On 1 April 2022, Malaysia entered the 'Transition to Endemic' phase and we continued to operate at full workforce capacity while adhering to the Government's SOP and guidelines.

Further details of the impact of the COVID-19 pandemic and MCO on our business operations are set out in Section 6.3.14 of this Prospectus.

3. PROSPECTUS SUMMARY (*Cont'd*)

3.4 COMPETITIVE ADVANTAGES AND KEY STRENGTHS

Our Group's competitive advantages and key strengths are set out below:

- (i) We are a gold jewellery specialist where our wholesale operations are supported by our own in-house design team and manufacturing operations. With our in-house design team, we are able to offer our customers exclusivity in our gold jewellery designs, as well as to assist our customers who are jewellery retailers and wholesalers to promptly address opportunities created by new jewellery design trends and buyer preferences.
- (ii) We provide a one-stop supply centre for gold jewellery to meet the needs of our customers by leveraging from our capabilities and strengths as a gold jewellery specialist. Our sources of supply of gold jewellery comprised a combination of our established network of suppliers for gold raw materials, external manufacturing services, as well as our range of in-house manufactured products.
- (iii) We have a wide customer base and market reach. We mainly utilise indirect distribution channels where we market and sell our products to resellers including jewellery retailers and wholesalers who would then resell our products to their respective customer base and/or to end-consumers. This enables us to use our customers' sales and retail network to reach a wider cross section of end-consumers.
- (iv) We have an established track record of 30 years to serve as a platform for business sustainability and growth. Our established track record has enabled us to garner the trust among our customers. In this respect, our established track record serves as an important reference for potential customers and our ability to sustain and grow our business.
- (v) We have an experienced Managing Director who has approximately 30 years of experience in the jewellery industry, as well as the Key Senior Management team to grow our business.

Further details on our competitive advantages and key strengths are set out in Section 6.1.3 of this Prospectus.

3.5 BUSINESS STRATEGIES

Our Group's business strategies are summarised below:

(i) Expand the range of hollow gold jewellery

Hollow gold jewellery refers to a range of gold jewellery where some part of it is hollow in the inside and thus uses a lower quantity of gold. Therefore, it is generally lighter in weight and less expensive compared to solid gold jewellery. Hollow gold jewellery allows us to meet the needs of our customers, mainly jewellery retailers who are intending to target a wider cross section end-consumers. We plan to expand on the range of in-house design and manufacturing of hollow gold jewellery through the manufacturing of hollow gold rope chain, hollow gold pendants, charms and earrings using electroforming, as well as pairing of hollow gold chain with other jewellery items.

We intend to purchase new machinery and equipment to facilitate the manufacturing of new range of hollow gold jewellery which includes 5 units of rope chain machines, 5 sets of electroforming equipment and 1 unit of metal dissolving machine.

(ii) Expansion and upgrading of operational facilities

(a) We plan to automate some of our existing processes which are done manually to improve production efficiency, reduce wastage of materials, cut down production time, produce consistent quality products due to precision, as well as reduce the reliance of manual labour. We intend to purchase the following new machinery, equipment and software as part of our expansion and upgrading of operational facilities:

- purchase 2 units of robotic arms to automate our chain linking and welding process;
- purchase 2 units of industrial wax 3D printers which will enable us to print multiple wax models at the same time including intricate designs;

3. PROSPECTUS SUMMARY (*Cont'd*)

- purchase 1 unit of chain cutting machine to perform diamond cutting, surfacing and beveling on chains to produce chain jewellery products such as necklaces, bracelets, anklets as well as basic chains; and
 - purchase 1 unit of 5-axis CNC cutting machine to automate the cutting and finishing works on circular shaped round type of jewellery such as rings and bangles.
- (b) We plan to invest in a new ERP system and MES to replace our existing system. The new systems are aimed at facilitating a timely flow of data and information for decision making and reporting purposes.
- (c) We plan to integrate our new online order system to the abovementioned new ERP system and MES. This is to facilitate a seamless flow of sales data transaction, from the input of customers' orders to our inventory management and manufacturing process, and finally coordinating the delivery of gold jewellery to customers.
- (d) We intend to upgrade our security and surveillance facilities by upgrading the CCTV camera system at our operating premises located at Project Jaya Industrial Estate, Jalan Kelang Lama, Kuala Lumpur.
- (iii) Provision of refining and assaying services to external customers**

Part of our future plans is to provide refining and assaying services of precious metals to external customers through our subsidiaries, GRSB and EASB respectively. Currently, refining and assaying activities are undertaken by GPM as part of our internal manufacturing process. For the Financial Years Under Review, GPM provides refining services mainly to our related company, TGJH as well as some external customers. This will enable us to expand on our customer base for our refining services as well as generate additional revenue stream through the provision of assaying services.

Further details of our Group's business strategies are set out in Section 6.13 of this Prospectus.

3.6 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with other matters in this Prospectus, certain risks and investment considerations (which may occur either individually or in combination, at the same time or around the same time) that may have a significant impact on our future financial performance, such as the following:

- (i) Our financial performance is subject to the fluctuations in global gold prices as gold is a globally traded commodity. The purchase price of gold materials and selling price of gold jewellery are largely based on the prevailing price of gold at the point of the transaction. In the event that our selling price of gold jewellery is lower than our purchase price of gold materials, it would adversely affect our margins and profitability.
- (ii) Our business was and will continue to be susceptible to the outbreak of the COVID-19 pandemic and any further lockdowns would adversely affect our financial performance. For FYE 2020, our business operations were affected due to restrictions imposed during MCO periods and this can be further demonstrated by the fact that in FYE 2020, the sales volume of our Gold Jewellery Segment decreased by 138,948g or 12.10% as compared to FYE 2019. Pursuant to the FMCO that started on 1 June 2021 under the NRP Phase 1, our business operations were suspended for 56 working days from 1 June 2021 to 22 August 2021. In the event that any prolonged outbreak of the COVID-19 and/or any prolonged or extended preventive measures, this could adversely affect our future business operations and in turn could have an impact on our financial performance for the FYE 2022. We may also face delays in implementing our business strategies and/or delays in expected funding for capital expenditure to meet the expected timeline due to COVID-19 pandemic. Any failure to implement our business strategies and plans in a timely manner may adversely affect our future business and financial performance.

3. PROSPECTUS SUMMARY (Cont'd)

- (iii) We are dependent on gold materials and network of external manufacturers for our gold jewellery products. For FYE 2021, purchases of gold materials accounted for 97.76% of our total purchases of materials and services. Our wholesale operation also provides external manufacturers with gold materials, who would then manufacture gold jewellery for our Group. Based on the above, we are dependent on gold materials for our wholesale and manufacturing operations. However, we are not dependent on any of our major suppliers of gold materials as gold bars are globally traded commodities. In the event there is any disruption in the supply or shortage of gold materials, our wholesale and manufacturing operations would be adversely affected. Sales of externally sourced gold jewellery manufactured by external parties accounted for 66.99% of our total revenue for FYE 2021. Similarly, if there is any delay and/or disruption in the supply of externally sourced gold jewellery from our external manufacturers, there is a risk that we would not be able to meet scheduled delivery expectations of our customers, which might also affect their satisfaction levels on our overall services.
- (iv) We are subject to regulatory requirements for our business operations. Please refer to Section 6.3.10 of this Prospectus for the list of our major approvals, licenses and permits obtained. Our major approvals, licenses and permits are subject to compliance with relevant conditions (if any), laws and regulations under which they were issued. In the event of non-compliance, these licenses, permits and approvals may be revoked or may not be renewed upon expiry. Any revocation or failure to obtain, maintain or renew any of the licenses or permits may materially and adversely affect our business operations and financial performance.
- (v) We are dependent on the demand from the gold jewellery retailing industry and are subject to the risk of changing market trends and consumer preferences. As a wholesaler and manufacturer of gold jewellery, we serve mainly jewellery retailers, our business success is dependent on our ability to identify market trends, consumer behaviour and preferences, and to bring the gold jewellery to the retail market promptly. For FYE 2021, revenue from jewellery retailers accounted for 95.53% of our total revenue. If we are unable to react to such market conditions promptly, the demand for our range of jewellery products and our financial performance would be adversely affected.
- (vi) A high and sustained price of gold may create affordability issues and dampen the demand for gold jewellery. According to the Industry Overview Report, the global average gold price rose from RM158/g in August 2018 to RM202/g in August 2019 and reached an all-time high at RM265/g in August 2020. Since then, gold prices dropped and averaged at RM240/g in 2021. However, in 2022, gold prices surged sharply at the end of February 2022 and reached RM263/g in March 2022 due to the Russia-Ukraine conflict. Gold prices increased further to RM266/g in April 2022. There is a risk that the strong price performance of gold may dampen the demand or purchases of gold jewellery due to issues relating to affordability. A high price of gold may adversely impact the purchasing patterns of gold jewellery, where consumers may either deter, reduce or defer their purchases until such a time when the gold prices stabilise or decline to an acceptable level.

Please refer to Section 8 of this Prospectus for further details and the full list of risk factors which should be considered before investing in our Shares.

3.7 DIRECTORS AND KEY SENIOR MANAGEMENT OF OUR GROUP

Our Directors and Key Senior Management are as follows:

Name	Designation	Nationality
Directors		
Tan Sri Azlan Bin Mohd Zainol	Independent Non-Executive Chairman	Malaysian
Ng Sheau Chyn	Managing Director	Malaysian
Tang Yow Sai	Independent Non-Executive Director	Malaysian
Aw Ee Leng	Independent Non-Executive Director	Malaysian
Wong Phait Lee	Independent Non-Executive Director	Malaysian
Datuk Ng Yih Pyng	Non-Independent Non-Executive Director	Malaysian
Key Senior Management		
Samuel Sia Hsiao Guong	Group Financial Controller	Malaysian
Lim Wai Chee	Head of Design and Development	Malaysian
Ong Hui Eng	Head of Resource Planning	Malaysian
Whelly @ James Bin Gonsorob @ Roseday	Head of Production	Malaysian

3. PROSPECTUS SUMMARY (Cont'd)

Further details on our Directors and Key Senior Management are disclosed in Section 5 of this Prospectus.

3.8 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

The details of our Promoters and substantial shareholders, and their respective shareholdings in our Company before and after our IPO are as follows:

Name	Country of incorporation / Nationality	Before the IPO/As at the LPD			After the IPO				
		Direct		Indirect	Direct		Indirect		
		No. of Shares	(a)%	No. of Shares	(b)%	No. of Shares	(b)%		
Promoters and substantial shareholders									
Tomei	Malaysia	260,502,000	100.00	-	-	260,502,000	70.00	-	
Ng Sheau Chyn	Malaysian	-	-	(c)260,502,000	100.00	(c)62,900	0.02	(e)271,605,200	72.98
Substantial shareholders									
TFC	Malaysia	-	-	(d)260,502,000	100.00	(e)8,475,900	2.28	(d)260,502,000	70.00
TBSB	Malaysia	-	-	(d)260,502,000	100.00	(e)2,624,700	0.71	(d)260,502,000	70.00
Datuk Ng Yih Pyng	Malaysian	-	-	(c)260,502,000	100.00	(e)78,000	0.02	(e)271,605,200	72.98
Ng Yih Chen	Malaysian	-	-	(c)260,502,000	100.00	-	-	(b)271,615,100	72.99
Ng Sheau Yuen	Malaysian	-	-	(c)260,502,000	100.00	(e)13,400	(f)	(e)271,605,200	72.98

Notes:

- Based on our issued share capital of 260,502,000 Shares after the Acquisitions but before our IPO.
- Based on enlarged issued share capital of 372,150,000 Shares after the Public Issue.
- Deemed interested by virtue of his/her shareholdings in TFC and TBSB pursuant to Section 8 of the Act.
- Deemed interested by virtue of its shareholdings in Tomei pursuant to Section 8 of the Act.
- Assuming the subscription of IPO Shares under the Restricted Offering, which is allocated based on a pro-rata basis according to their respective shareholdings in Tomei as at the LPD. However, the final shareholdings will depend on the actual number of IPO Shares subscribed and allocated to them in accordance with the basis set out in Section 4.1.1(b)(iii) of this Prospectus.
- Less than 0.01%.
- Deemed interested by virtue of his/her shareholdings in TFC, TBSB and being a trustee for Ng Teck Fong Foundation pursuant to Section 8 of the Act.
- Deemed interested by virtue of his shareholdings in TFC, TBSB and his children's shareholdings as well as being a trustee for Ng Teck Fong Foundation pursuant to Section 8 of the Act.

Further details on our Promoters and substantial shareholders are disclosed in Section 5 of this Prospectus.

3. PROSPECTUS SUMMARY *(Cont'd)*

3.9 USE OF PROCEEDS FROM OUR IPO

The total gross proceeds from our Public Issue amounting to RM31.26 million are intended to be used in the following manner:

Purposes	(RM'000)	(%)	Estimated time frame for use (from the Listing Date)
Purchase of new machinery and equipment for expansion of hollow gold jewellery range	4,400	14.08	Within 24 months
Expansion and upgrading of operational facilities	2,500	7.99	Within 24 months
Working capital			
- Purchase of raw materials	20,861	66.73	Within 12 months
Estimated listing expenses	3,500	11.20	Within 3 months
Total	31,261	100.00	

There is no minimum subscription level in terms of proceeds to be raised from our IPO. Further details on the use of proceeds are set out in Section 4.4 of this Prospectus.

3.10 FINANCIAL HIGHLIGHTS

The following table sets out the key financial highlights based on our historical audited combined financial statements for the Financial Years Under Review:

	Audited			
	FYE 2018 (RM'000)	FYE 2019 (RM'000)	FYE 2020 (RM'000)	FYE 2021 (RM'000)
Revenue	137,534	144,711	175,634	265,384
Cost of sales	(133,111)	(132,388)	(158,267)	(251,042)
GP	4,423	12,323	17,367	14,342
Other income	190	211	229	622
(LBT)/PBT	(1,396)	6,281	12,395	9,290
(LAT)/PAT	(1,375)	4,862	9,370	7,104
GP margin (%)	3.22	8.52	9.89	5.40
(LBT)/PBT margin (%)	(1.02)	4.34	7.06	3.50
(LAT)/PAT margin (%)	(1.00)	3.36	5.33	2.68
Current ratio (times)	2.74	2.83	3.31	3.82
Gearing ratio (times)	0.53	0.41	0.39	0.30

In FYE 2018, we recorded a LBT of RM1.40 million and LBT margin of 1.02% due mainly to the low GP and GP margin from Gold Jewellery Segment. The low GP and GP margin from the Gold Jewellery Segment were attributed mainly to the higher average cost of sales of gold jewellery at RM177/g as compared to the average selling prices of gold jewellery of RM168/g, which resulted in an average gross loss of RM9/g from sales of gold jewellery under our Design and Manufacture Segment in FYE 2018. The high average cost of sales of gold jewellery was contributed by the higher average cost of gold materials of RM171/g as a result of the higher carrying amount of gold inventories purchased by our Design and Manufacture Segment in FYE 2017.

Please refer to Sections 11 and 12 of this Prospectus for further details on our financial information.

3.11 DIVIDEND POLICY

It is our Board's policy to recommend dividends to allow our shareholders to participate in the profits of our Group. Nonetheless, our Company does not have any formal dividend policy. Save for the FYE 2020, our Group did not declare any dividends during the Financial Years Under Review and up to the LPD. Further, our Board does not intend to declare any dividends prior to our Listing.

Further details on our dividend policy are set out in Section 11.4 of this Prospectus.

4. PARTICULARS OF OUR IPO

4.1 DETAILS OF OUR IPO

Prior to the Acquisitions, our Group are wholly-owned subsidiaries of Tomei, a company listed on the Main Market of Bursa Securities. As such, our Listing is deemed a chain listing exercise under Rule 3.03 of the Listing Requirements. Upon completion of the Listing, Tomei's equity interest in our Company will be diluted to 70.00% from its existing equity interest of 100.00%. Further details on the Listing Scheme are set out in Section 4.1.1 of this Prospectus.

Pursuant to Rule 3.03 of the Listing Requirements, we are required to comply with the following:

- (i) our Group has a distinct and viable business of our own;
- (ii) no intra-group competition or conflict of interests exists between our Group and Tomei Group;
- (iii) our Group is independent from the Tomei Group in terms of operations, including purchases and sales of goods, management, management policies and finance; and
- (iv) Tomei Group must have a separate autonomous business of its own, and is capable of sustaining its listing in the future.

Although both the Tomei Group and our Group are involved in jewellery related businesses, our Group's principal business activities are in **wholesale, design and manufacture of gold jewellery**, whereas the Tomei Group's principal business activity is in **retail of jewellery (various types of jewellery and not limited to gold)**. Please refer to Section 10.1(i) of this Prospectus for further details on the comparison between the principal business activities, main products and customer base of the Tomei Group and our Group.

4.1.1 Listing Scheme

Our Listing Scheme in conjunction with and as an integral part of the listing of and quotation for our entire enlarged issued share capital on the ACE Market involves the Acquisitions, Public Issue and Listing.

(a) Acquisitions

On 18 August 2021, our Company entered into a conditional share sale and purchase agreement to acquire the entire issued share capital of EASB, GPM, GRSB and YXG, respectively from Tomei for a total purchase consideration of RM52,100,398, to be satisfied via the issuance of 260,501,990 new Shares to Tomei at RM0.20 per Share.

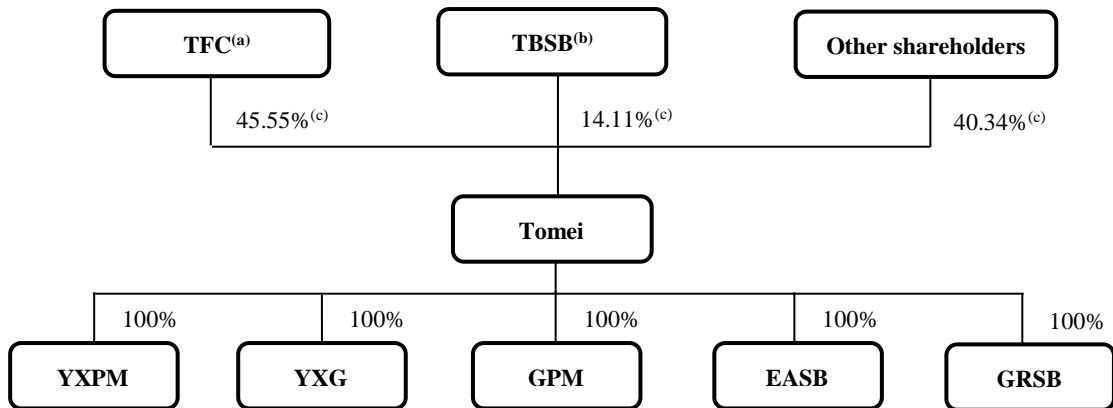
The Acquisitions are subject to the following conditions precedent:

- (i) the passing of resolutions by our Directors and the directors of Tomei to approve the Acquisitions;
- (ii) the passing of a resolution by Tomei, being our shareholder as at 18 August 2021, to approve the issuance of new Shares;
- (iii) the passing of a resolution by the shareholders of Tomei to approve the Listing;
- (iv) the approvals of Bursa Securities, SC (Equity Compliance Unit), MITI for the Listing Scheme, as well as approval-in-principle by SC for the registration of the Prospectus, being obtained;
- (v) the consent of the relevant financial institutions who had granted facilities to our Subsidiaries, for changes to the shareholders and/or directors of our Subsidiaries, as may be required; and
- (vi) any other consents or approvals as may be required by any relevant third party or authorities, if required.

4. PARTICULARS OF OUR IPO (Cont'd)

Our Group structure before and after the Acquisitions is illustrated below:

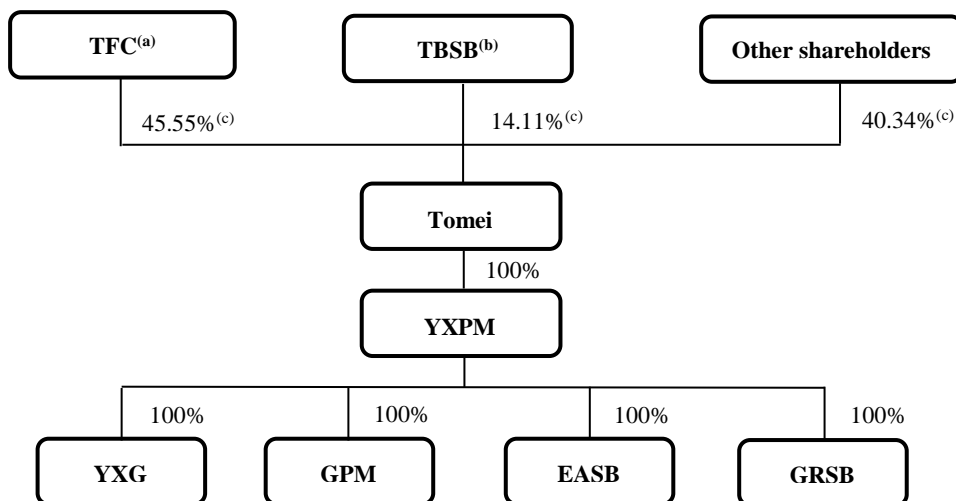
Before the Acquisitions



Notes:

- (a) As at the LPD, TFC is a substantial shareholder of Tomei and its shareholders comprised Datuk Ng Yih Pyng, Ng Yih Chen, Ng Sheau Chyn and Ng Sheau Yuen. The shareholders of TFC are also the ultimate beneficial owners of Tomei by virtue of their interests in TFC and TBSB. TFC is also our substantial shareholder by virtue of its shareholdings in Tomei. Further details on our substantial shareholders are disclosed in Section 5 of this Prospectus.
- (b) As at the LPD, TBSB is a substantial shareholder of Tomei and its shareholders comprised Puan Sri Datin Gan Sao Wah @ Gan Sao Eng, Datuk Ng Yih Pyng, Ng Yih Chen, Ng Sheau Chyn and Ng Sheau Yuen. TBSB is also our substantial shareholder by virtue of its shareholdings in Tomei. Further details on our substantial shareholders are disclosed in Section 5 of this Prospectus.
- (c) Based on Tomei's issued share capital of 138,600,000 ordinary shares as at the LPD.

After the Acquisitions



4. PARTICULARS OF OUR IPO (Cont'd)

Notes:

- (a) As at the LPD, TFC is a substantial shareholder of Tomei and its shareholders comprised Datuk Ng Yih Pyng, Ng Yih Chen, Ng Sheau Chyn and Ng Sheau Yuen. The shareholders of TFC are also the ultimate beneficial owners of Tomei by virtue of their interests in TFC and TBSB. TFC is also our substantial shareholder by virtue of its shareholdings in Tomei. Further details on our substantial shareholders are disclosed in Section 5 of this Prospectus.
- (b) As at the LPD, TBSB is a substantial shareholder of Tomei and its shareholders comprised Puan Sri Datin Gan Sao Wah @ Gan Sao Eng, Datuk Ng Yih Pyng, Ng Yih Chen, Ng Sheau Chyn and Ng Sheau Yuen. TBSB is also our substantial shareholder by virtue of its shareholdings in Tomei. Further details on our substantial shareholders are disclosed in Section 5 of this Prospectus.
- (c) Based on Tomei's issued share capital of 138,600,000 ordinary shares as at the LPD.

(i) **Acquisition of EASB**

The Acquisition of EASB entails the acquisition by our Company of the entire issued share capital of EASB from Tomei for a purchase consideration of RM475,204. The said purchase consideration was entirely satisfied by the issuance of 2,376,020 new Shares to Tomei at an issue price of RM0.20 per Share, as follows:

Vendor of EASB	No. of EASB Shares to be acquired	Shareholdings held in EASB (%)	Purchase consideration (RM)	No. of Shares issued
Tomei	500,000	100.00	475,204	2,376,020
Total	500,000	100.00	475,204	2,376,020

The purchase consideration of RM475,204 was arrived at on a willing buyer-willing seller basis and after taking into consideration the audited NA of EASB as at 31 December 2020 of RM475,213. The Acquisition of EASB was completed on 12 April 2022 and EASB became a wholly-owned subsidiary of our Company.

(ii) **Acquisition of GPM**

The Acquisition of GPM entails the acquisition by our Company of the entire issued share capital of GPM from Tomei for a purchase consideration of RM15,847,132. The said purchase consideration was entirely satisfied by the issuance of 79,235,660 new Shares to Tomei at an issue price of RM0.20 per Share, as follows:

Vendor of GPM	No. of GPM Shares to be acquired	Shareholdings held in GPM (%)	Purchase consideration (RM)	No. of Shares issued
Tomei	10,600,000	100.00	15,847,132	79,235,660
Total	10,600,000	100.00	15,847,132	79,235,660

The purchase consideration of RM15,847,132 was arrived at on a willing buyer-willing seller basis and after taking into consideration the audited NA of GPM as at 31 December 2020 of RM15,847,132. The Acquisition of GPM was completed on 12 April 2022 and GPM became a wholly-owned subsidiary of our Company.

4. PARTICULARS OF OUR IPO (Cont'd)

(iii) Acquisition of GRSB

The Acquisition of GRSB entails the acquisition by our Company of the entire issued share capital of GRSB from Tomei for a purchase consideration of RM2. The said purchase consideration was entirely satisfied by the issuance of 10 new Shares to Tomei at an issue price of RM0.20 per Share, as follows:

Vendor of GRSB	No. of GRSB Shares to be acquired	Shareholdings held in GRSB (%)	Purchase consideration (RM)	No. of Shares issued
Tomei	2	100.00	2	10
Total	2	100.00	2	10

The purchase consideration of RM2 was arrived at on a willing buyer-willing seller basis and after taking into consideration the audited net liability position of GRSB as at 31 December 2020 of RM4,738. The Acquisition of GRSB was completed on 12 April 2022 and GRSB became a wholly-owned subsidiary of our Company.

(iv) Acquisition of YXG

The Acquisition of YXG entails the acquisition by our Company of the entire issued share capital of YXG from Tomei for a purchase consideration of RM35,778,060. The said purchase consideration was entirely satisfied by the issuance of 178,890,300 new Shares to Tomei at an issue price of RM0.20 per Share, as follows:

Vendor of YXG	No. of YXG Shares to be acquired	Shareholdings held in YXG (%)	Purchase consideration (RM)	No. of Shares issued
Tomei	6,500,000	100.00	35,778,060	178,890,300
Total	6,500,000	100.00	35,778,060	178,890,300

The purchase consideration of RM35,778,060 was arrived at on a willing buyer-willing seller basis and after taking into consideration the audited NA of YXG as at 31 December 2020 of RM35,778,060. The Acquisition of YXG was completed on 12 April 2022 and YXG became a wholly-owned subsidiary of our Company.

(b) Public Issue

The Public Issue of 111,648,000 new Shares, representing 30.00% of our enlarged issued share capital upon Listing, at the IPO Price will be allocated and allotted in the following manner:

(i) Malaysian Public

18,608,000 new Shares, representing 5.00% of our enlarged issued share capital, will be made available for application by the Malaysian Public via balloting, of which 50.00% is to be set aside for Bumiputera public investors.

Any IPO Shares under the Malaysian Public balloting portion which are not fully subscribed for by the Malaysian Public will be made available for subscription as follows:

- Firstly, by the Eligible Persons under the Pink Form Allocation as described in Section 4.1.1(b)(ii) of this Prospectus;
- Secondly, by our selected investors as described in Section 4.1.1(b)(iv) of this Prospectus; and
- Lastly, by our Sole Underwriter based on the terms of the Underwriting Agreement.

4. PARTICULARS OF OUR IPO (Cont'd)**(ii) Eligible Person(s)**

11,162,000 new Shares, representing 3.00% of our enlarged issued share capital, will be made available for application by our eligible Directors and employees, directors and employees of Tomei Group as well as any other persons who have contributed to our success in the following manner:

Eligibility	No. of persons	Aggregate no. of IPO Shares allocated
Our Directors ^(a)	4	2,000,000
Employees of our Group (including 1 director of our Subsidiaries) ^(b)	84	1,031,000
Directors of Tomei Group ^(c)	4	1,600,000
Employees of Tomei Group ^(d)	640	3,220,000
Persons who have contributed to our success ^(e)	50	3,311,000
Total	782	11,162,000

Notes:

- (a) The criteria of allocation to our eligible Directors are based on, among others, their respective roles and responsibilities in our Group.
- (b) The criteria of allocation to the eligible employees of our Group (as approved by our Board) are based on, among others, the following factors:
- The employee must be a full time employee and on the payroll of our Group; and
 - The number of IPO Shares allocated to the eligible employees is based on their position, their length of service and their past performance/contribution as well as other factors deemed relevant by our Board.
- (c) The criteria of allocation to Tomei Group's eligible directors are based on, among others, their respective roles and responsibilities in Tomei Group.
- (d) The criteria of allocation to the eligible employees of Tomei Group are based on, among others, the following factors:
- The employee must be a full time employee and on the payroll of Tomei Group; and
 - The number of IPO Shares allocated to the eligible employees is based on their position as well as other factors deemed relevant by the board of directors of Tomei.

The proposed allocation of an average 5,000 IPO Shares to each eligible employee of Tomei Group, represents approximately 0.001% of the enlarged issued share capital of YXPM.

4. PARTICULARS OF OUR IPO (Cont'd)

- (e) Persons who have contributed to the success of our Group include our suppliers and customers (excluding Tomei Group). The criteria of allocation are based on, among others, their current and/or past contributions to our Group, as well as the length of their business relationship with us.

The number of IPO Shares to be allocated to our Directors and Key Senior Management is as follows:

Name	Designation	No. of IPO Shares allocated
<u>Our Director</u>		
Tan Sri Azlan Bin Mohd Zainol	Independent Non-Executive Chairman	500,000
Tang Yow Sai	Independent Non-Executive Director	500,000
Aw Ee Leng	Independent Non-Executive Director	500,000
Wong Phait Lee	Independent Non-Executive Director	500,000
Total		2,000,000
<u>Our Key Senior Management</u>		
Samuel Sia Hsiao Guong	Group Financial Controller	15,000
Lim Wai Chee	Head of Design and Development	19,000
Ong Hui Eng	Head of Resource Planning	19,000
Whelly @ James Bin Gonsorob @ Roseday	Head of Production	15,000
Total		68,000

Both Ng Sheau Chyn (our Promoter and Managing Director) and Datuk Ng Yih Pyng (our Non-Independent Non-Executive Director) have opted not to participate in the Pink Form Allocation as they are already our substantial shareholders given her/his deemed interest by virtue of her/his shareholdings in TFC and TBSB and/or person connected to the substantial shareholders of YXPM and Tomei. This would allow other employees of YXPM Group and Tomei Group, the opportunity to subscribe for more YXPM Shares under the Pink Form Allocation. For the details of our Promoters and substantial shareholders, and their respective shareholdings in our Company, please refer to Section 5.1.1 of this Prospectus.

4. PARTICULARS OF OUR IPO (Cont'd)

The number of IPO Shares to be allocated to the directors and key senior management of Tomei Group is as follows:

Name	Designation	No. of IPO Shares allocated
<u>Directors of Tomei Group^(a)</u>		
Yang Mulia Raja Tan Sri Dato' Seri Aman Bin Raja Haji Ahmad	Independent Non-Executive Chairman	400,000
Puan Sri Nonadiah Binti Abdullah	Independent Non-Executive Director	400,000
Datuk M Chareon Sae Tang @ Tan Whye Aun	Independent Non-Executive Director	400,000
Lau Tiang Hua	Independent Non-Executive Director	400,000
Total		1,600,000
<u>Key senior management of Tomei Group^(b)</u>		
Tan Syn Wooi	Group Financial Controller	12,000
Lu Bee Lee	General Manager, Retail Operation	12,000
Leau Lee Meng	Assistant General Manager, Group Risk & Internal Audit	12,000
Cheong Ngat Ching	Assistant General Manager, Learning and Development	12,000
Total		48,000

Notes:

- (a) The criteria of allocation are based on, among others, their respective roles, responsibilities and contribution in Tomei Group. The proposed allocation of 400,000 IPO Shares to each Independent Non-Executive Director, represents approximately 0.10% of the enlarged issued share capital of YXPM.
- (b) The criteria of allocation are based on, among others, their respective roles, responsibilities and contribution in Tomei Group. The proposed allocation of 12,000 IPO Shares to each of the key senior management of Tomei Group, represents approximately 0.003% of the enlarged issued share capital of YXPM.

Any IPO Shares reserved under the Pink Form Allocation which are not taken up will be made available for subscription as follows:

- Firstly, by the Eligible Persons;
- Secondly, by the Malaysian Public as described in Sections 4.1.1(b)(i) of this Prospectus;
- Thirdly, by our selected investors as described in 4.1.1(b)(iv) of this Prospectus; and
- Lastly, by our Sole Underwriter based on the terms of the Underwriting Agreement.

4. PARTICULARS OF OUR IPO (Cont'd)

As at the LPD, save as disclosed in Section 4.3 of this Prospectus, to the extent known to our Company:

- (a) there are no substantial shareholders, Directors or Key Senior Management of our Company who have indicated to us that they intend to subscribe for the IPO Shares; and
- (b) there are no persons who have indicated to us that they intend to subscribe for more than 5.00% of the IPO Shares.

(iii) Entitled Shareholders of Tomei

18,608,000 new Shares, representing 5.00% of our enlarged issued share capital, will be made available to the Entitled Shareholders of Tomei under the Restricted Offering as follows:

- (a) each Entitled Shareholder of Tomei who applies for at least 100 IPO Shares is guaranteed an allocation of 100 IPO Shares. This is to minimise the incidence of odd lots;
- (b) any such balance of IPO Shares after the allocation under item (a) above shall be allocated to the Entitled Shareholders of Tomei who applied in excess of 100 IPO Shares on a pro-rata basis and in board lot, computed based on their respective shareholdings in Tomei as at the Entitlement Date; and
- (c) any such balance of IPO Shares after the allocation under item (b) above shall be allocated to the Entitled Shareholders of Tomei on a pro-rata basis and in board lot, computed based on the quantum of their respective IPO Shares under application.

In the event there are any balance IPO Shares under the Restricted Offering after the above sequence of processes (a) to (c) of allocations are completed, any such balance of IPO Shares subsequently will be allocated in the processes set out in (b) to (c) above repeatedly until all IPO Shares are allocated.

Any fractional entitlements and odd lots arising from the Restricted Offering shall be disregarded and rounded down to the nearest board lot, and the aggregate of such fractions and such odd lots will be dealt with in such manner or on such terms as our Board may deem fit and expedient in the best interest of our Company.

Nevertheless, our Board reserves the right to allot any balance IPO Shares applied for in such manner as our Board deems fit and expedient as well as in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis and that the intention of our Board as set out above is achieved. Our Board also reserves the right to reject or accept any Application, in whole and in part, on a non-discriminatory basis without the need to give any reason.

The Restricted Offering is to provide an opportunity and an assured entitlement for the existing shareholders of Tomei to directly hold equity interest in YXPM and to participate in the future growth of the YXPM Group via the Listing.

The basis of allocation of 18,608,000 IPO Shares made available to the Entitled Shareholders of Tomei under the Restricted Offering, representing 5% of the enlarged issued share capital of YXPM, was arrived at based on the minimum offering requirement to the Malaysian Public.

4. PARTICULARS OF OUR IPO (Cont'd)

The entitlement of the Entitled Shareholders of Tomei to participate in the Restricted Offering is non-renounceable and non-tradable. The Restricted Offering does not preclude the Entitled Shareholders of Tomei from making additional applications for the IPO Shares made available under the Malaysian Public category using the WHITE Application Forms. The last date of acceptance and payment in relation to the Restricted Offering by the Entitled Shareholders of Tomei is 9 June 2022.

The notice of allotment of the IPO Shares to the Entitled Shareholders of Tomei under the Restricted Offering will be sent by ordinary mail prior to our Listing. In respect of unsuccessful/partially successful application, the full amount or the surplus application monies, as the case may be, will be refunded without interest within 10 Market Days from the date of the final ballot of the Application.

The shareholders of Tomei had approved the Listing Scheme, which includes the Restricted Offering at the extraordinary general meeting of Tomei held on 29 March 2022. The Entitlement Date is 24 May 2022, being the date as at the close of business on which the names of the Entitled Shareholders of Tomei (save for the Excluded Shareholders) must appear on the Record of Depositors of Tomei to be eligible to apply for the IPO Shares under the Restricted Offering.

Any IPO Shares which are not subscribed for by the Entitled Shareholders of Tomei, will be made available to the Malaysian Public as described in Sections 4.1.1(b)(i) of this Prospectus followed by selected investors via private placement. Thereafter, any remaining IPO Shares which are not subscribed for, will be subscribed by our Sole Underwriter.

(iv) Private placement to selected investors

16,751,200 new Shares, representing 4.50% of our enlarged issued share capital, will be made available by way of private placement to selected investors.

The IPO Shares reserved under the private placement to selected investors are not underwritten as written irrevocable undertakings to subscribe for these IPO Shares have been/will be obtained from the respective selected investors.

(v) Private placement to selected Bumiputera Investors approved by MITI

46,518,800 new Shares, representing 12.50% of our enlarged issued share capital, will be allocated by way of private placement to selected Bumiputera Investors approved by MITI (“MITI Tranche”).

Any IPO Shares allocated to, but unsubscribed by the selected Bumiputera Investors approved by the MITI will be made available for application by Bumiputera public investors as part of the balloting process under Section 4.1.1(b)(i) of this Prospectus on a fair and equitable manner. Subsequently, any such IPO Shares unsubscribed by Bumiputera public investors will be made available for application by the Malaysian Public as part of the balloting process on a fair and equitable manner, by the Eligible Persons under Section 4.1.1(b)(ii) of this Prospectus and/or by way of placement to selected investors under Section 4.1.1(b)(iv) of this Prospectus.

The IPO Shares under the MITI Tranche will not be underwritten by the Sole Underwriter.

The basis of allocation of our IPO Shares shall take into account the desirability of distributing our IPO Shares to a reasonable number of applicants with a view to broadening the shareholding base of our Company to meet the public spread requirements and to establish a liquid and adequate market for our Shares. Applicants will be selected on a fair and equitable manner.

4. PARTICULARS OF OUR IPO (Cont'd)

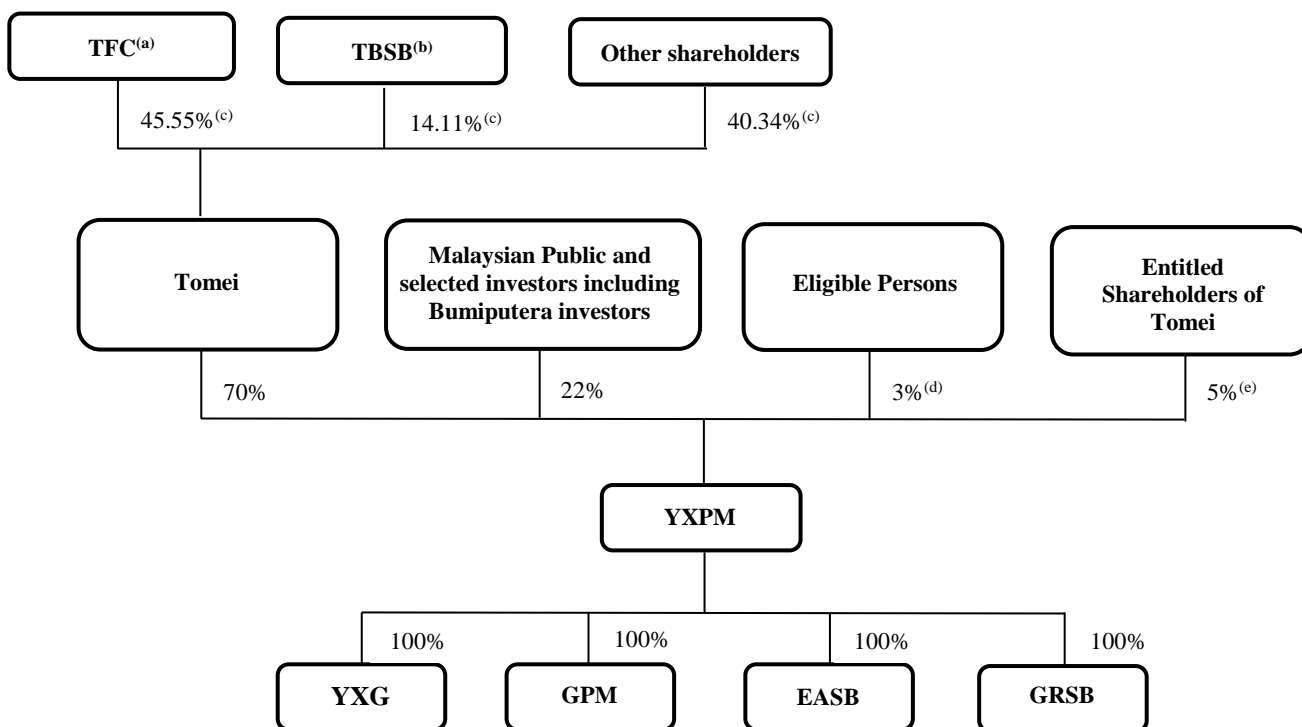
There is no over-allotment or “greenshoe” option that will result in an increase in the amount of IPO Shares.

The salient terms of the Underwriting Agreement are set out in Section 4.6 of this Prospectus.

(c) Listing

Upon completion of our IPO, our Company’s entire enlarged issued share capital of RM83,361,840 comprising 372,150,000 Shares will be listed on the ACE Market.

Our corporate structure after the Listing is as follows:



Notes:

- (a) As at the LPD, TFC is a substantial shareholder of Tomei and its shareholders comprised Datuk Ng Yih Pyng, Ng Yih Chen, Ng Sheau Chyn and Ng Sheau Yuen. The shareholders of TFC are also the ultimate beneficial owners of Tomei by virtue of their interests in TFC and TBSB. TFC is also our substantial shareholder by virtue of its shareholdings in Tomei. Further details on our substantial shareholders are disclosed in Section 5 of this Prospectus.
- (b) As at the LPD, TBSB is a substantial shareholder of Tomei and its shareholders comprised Puan Sri Datin Gan Sao Wah @ Gan Sao Eng, Datuk Ng Yih Pyng, Ng Yih Chen, Ng Sheau Chyn and Ng Sheau Yuen. TBSB is also our substantial shareholder by virtue of its shareholdings in Tomei. Further details on our substantial shareholders are disclosed in Section 5 of this Prospectus.
- (c) Based on Tomei’s issued share capital of 138,600,000 ordinary shares as at the LPD.
- (d) Assuming all the Eligible Persons that are allocated with the Shares under the Pink Form Allocation fully subscribes for their respective entitlements.
- (e) Assuming all the Entitled Shareholders of Tomei that are allocated with the Shares under the Restricted Offering fully subscribes for their respective entitlements.

4. PARTICULARS OF OUR IPO (Cont'd)

4.1.2 Minimum and over-subscription

There is no minimum subscription to be raised from our IPO. However, in order to comply with the public spread requirements of Bursa Securities, the minimum subscription in terms of the number of IPO Shares will be the number of IPO Shares required to be held by public shareholders to comply with the public spread requirements as per the Listing Requirements or as approved by Bursa Securities.

In the event of an over-subscription, acceptance of Applications by the Malaysian Public shall be subject to the ballot to be conducted in a manner approved by our Directors.

Under the Listing Requirements, at least 25.00% of our enlarged issued share capital for which listing is sought must be in the hands of a minimum of 200 public shareholders, each holding not less than 100 Shares upon our admission to the ACE Market. We expect to meet the public shareholding requirement at the point of our Listing. If we fail to meet the said requirement, we may not be allowed to proceed with our Listing on the ACE Market. In such an event, we will return in full, without interest, all monies paid in respect of all Applications. If any such monies are not repaid within 14 days after we become liable to do so, the provision of sub-section 243(2) of the CMSA shall apply accordingly.

4.1.3 Share Capital

Upon completion of our IPO, our share capital will be as follows:

	No. of Shares	Share capital (RM)
Issued share capital as at the date of this Prospectus	260,502,000	52,100,400
New Shares to be issued pursuant to the Public Issue	111,648,000	31,261,440
Enlarged issued share capital upon Listing	372,150,000	83,361,840
IPO Price		RM0.28
- Pro forma consolidated NA per Share (based on our enlarged issued share capital after the IPO of 372,150,000 Shares and the NA after the use of proceeds raised from our Public Issue)		RM0.21
- Market capitalisation upon Listing (based on the IPO Price and our enlarged issued share capital after the IPO)		RM104,202,000

We have only 1 class of shares, being ordinary shares, all of which rank equally with each other. Our IPO Shares will, upon allotment and issue, rank equally in all respects with our existing Shares in issue, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of allotment of our IPO Shares.

Subject to special rights attaching to any Shares which may be issued by us in the future, our shareholders shall, in proportion to the Shares held by them, be entitled to share in the whole of the profits paid out by us as dividends and other distributions, and the whole of any surplus in the event of our liquidation, such surplus to be distributed among the shareholders in proportion to the issued share capital at the commencement of the liquidation, in accordance with our Constitution and provisions of the Act.

At any general meeting of our Company, each shareholder shall be entitled to vote in person, or by proxy, or by his/its representative under the instrument of proxy or certificate of appointment of corporate or power of attorney (“**Representative**”). On a vote by a show of hands, each shareholder present (either in person, or by proxy, or by Representative) shall have 1 vote. On a vote by way of poll, each shareholder present (either in person, or by proxy, or by Representative) shall have 1 vote for each Share held. A proxy may but need not be a shareholder of our Company.

4. PARTICULARS OF OUR IPO *(Cont'd)*

4.2 BASIS OF ARRIVING AT THE IPO PRICE

Our Directors and PIVB, as the Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent, had determined and agreed upon the IPO Price after taking into consideration the following factors:

(i) Financial and operating history

Based on the historical audited combined statements of profit or loss and other comprehensive income of our Group for the FYE 2021, we recorded a PAT attributable to owners of the Company of RM7.10 million, representing an EPS of 1.91 sen (based on the enlarged issued share capital of 372,150,000 Shares upon Listing). The EPS translates into PE Multiple of 14.66 times based on the IPO Price. Our detailed operating and financial history are set out in Sections 6 and 11 of this Prospectus, respectively.

(ii) Business strategies

Our business strategies to sustain and grow our business include expansion on the range of hollow gold jewellery, expansion and upgrading our operational facilities as well as provision of refining and assaying services to external customers.

Further details of our Group's business strategies are set out in Section 6.13 of this Prospectus.

(iii) Competitive advantages and key strengths, and industry overview

Our competitive advantages and key strengths, include among others, being a gold jewellery specialist where our wholesale operations are supported by our own in-house design team and manufacturing operations to meet the needs of our customers. Further, we are a one-stop supply centre with an established track record of 30 years, and we have a wide customer base and market reach to serve as a platform for our business sustainability and growth.

Further details of our competitive advantages and key strengths, and the industry overview are set out in Sections 6.1.3 and 7 of this Prospectus, respectively.

(iv) Pro forma consolidated NA

Our pro forma consolidated NA per Share as at 31 December 2021 of RM0.23 based on our enlarged issued share capital of 372,150,000 Shares in our Company upon Listing and the NA after the use of proceeds raised from our Public Issue.

You should note that the market price of our Shares upon and subsequent to our Listing is subject to the vagaries of market forces and other uncertainties, which may affect the trading price of our Shares. You are reminded to consider the risk factors set out in Section 8 of this Prospectus before deciding to invest in our Shares.

4. PARTICULARS OF OUR IPO (Cont'd)

4.3 DILUTION

Dilution is the amount by which the IPO Price to be paid by investors for our IPO Shares exceeds our pro forma consolidated NA per Share after our IPO and it is illustrated as follows:

	(RM)
IPO Price	0.280
Pro forma consolidated NA per Share as at 31 December 2021 after the Acquisitions but before Public Issue	0.227
Pro forma consolidated NA per Share after the Acquisitions, Public Issue and use of proceeds	0.234
Increase in NA per Share attributable to existing shareholders	0.007
Dilution to our new investors	(0.046)
Dilution to our new investors as a percentage of the IPO Price	16.43%

Save as disclosed below, there has been no acquisition of any of our Shares by our Promoters, substantial shareholders, Directors and/or Key Senior Management or persons connected with them, or any transaction entered into by them, which grants them the right to acquire any of our Shares from the date of our incorporation up to the date of this Prospectus:

Promoters, substantial shareholders, Directors and/or Key Senior Management or persons connected with them	No. of Shares held before IPO	No. of Shares held from IPO	Total consideration (RM)	Effective cash cost per Share (RM)
<u>Promoter and substantial shareholder</u> Tomei	^(a) 260,502,000	-	52,100,400	0.20

Note:

(a) 260,501,990 Shares issued to Tomei pursuant to the Acquisitions.

4.4 USE OF PROCEEDS FROM OUR IPO

The total gross proceeds from our Public Issue amounting to RM31.26 million are intended to be used in the following manner:

Purposes	(RM'000)	(%)	Estimated time frame for use (from the Listing Date)
Purchase of new machinery and equipment for expansion of hollow gold jewellery range	4,400	14.08	Within 24 months
Expansion and upgrading of operational facilities	2,500	7.99	Within 24 months
Working capital			
- Purchase of raw materials	20,861	66.73	Within 12 months
Estimated listing expenses	3,500	11.20	Within 3 months
Total	31,261	100.00	

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

4. PARTICULARS OF OUR IPO (Cont'd)

4.4.1 Purchase of new machinery and equipment for expansion of hollow gold jewellery range

Part of our Group's business strategies and plans is to expand our range of in-house manufactured hollow gold jewellery. To facilitate the manufacturing of our new range of hollow gold jewellery, we intend to allocate RM4.40 million of our gross proceeds from the Public Issue to purchase the following new machinery and equipment:

Item	Description/Function	No. of units/sets	Total estimated cost (RM'000)
• Rope chain machine ^(a)	To manufacture hollow rope chain by using fully automatic 'wire to chain' machine that can produce up to 100 links per minute. It can accommodate the input of hollow gold wire with diameter size ranging from 0.25mm to 1.20mm with wall thickness ranging from 0.10mm to 0.40mm	5 units	2,500
• Electroforming equipment	To manufacture hollow gold jewellery such as hollow gold pendants, charms and earrings using the electroforming process	5 sets	1,800
• Metal dissolving machine	To dissolve the mandrel after the electroforming process	1 unit	100
			4,400

Note:

(a) Rope chain machine can be used to manufacture both solid and hollow chains.

The estimated cost for the purchase of machinery and equipment is inclusive of the installation cost and was derived based on suppliers' quotations. If the actual cost exceeds the amount budgeted above, the deficit will be funded out of the portion allocated for our general working capital requirements and/or our internally generated funds. Conversely, any excess funds not utilised for this purpose will be utilised for our Group's working capital requirements.

Although the new rope chain machines can be used to manufacture rope chain in both solid and hollow form, we intend to utilise the new rope chain machines together with the new electroforming equipment and metal dissolving machine (which can only be used for hollow jewellery) for our new range of hollow gold jewellery. We believe that the addition of new range of hollow gold jewellery in our product offerings would enable our customers, who are mainly retailers to target a wider segment of end consumers as they are more affordable compared to similar designed solid gold jewellery.

We intend to purchase 4 units of rope chain machines as well as 4 sets of electroforming equipment and 1 unit of metal dissolving machine by 4th quarter of 2022 to commence production of the new range of hollow gold jewellery. We intend to purchase the remaining units/sets of the new machinery and equipment by 4th quarter of 2023.

Kindly refer to Section 6.13.1 for further details.

4. PARTICULARS OF OUR IPO (Cont'd)

4.4.2 Expansion and upgrading of operational facilities

We intend to utilise RM2.50 million of our gross proceeds from the Public Issue to expand and upgrade some of our current operational facilities, comprising the following:

Items	Total estimated cost (RM'000)
• Purchase and installation of 2 units of robotic arms ^(a)	800
• Purchase of 2 units of industrial wax 3D printer ^(b)	530
• Purchase of 1 unit of chain cutting machine ^(c)	370
• Purchase of 1 unit of CNC cutting machine ^(d)	170
• Purchase and installation of ERP system and MES ^(e)	350
• Upgrading of security and surveillance facilities ^(f)	280
	2,500

Notes:

- (a) We intend to utilise RM0.80 million of our gross proceeds from the Public Issue to purchase 2 units of robotic arms to automate our chain linking and welding process. Generally, our chain machines can only accommodate the input of wire with size up to 2.5mm thickness. Any wire that is thicker than 2.5mm is linked up into chains using manual labour. We usually carry out manual chain linking in-house for small orders. However, it is a labour intensive and time-consuming process and as such, we would generally subcontract this work out to external manufacturers if we have a large order for this type of jewellery. Part of our future plan is to automate and bring this process in-house by using robotic arms to scale up this chain linking process.

By automating the chain linking process using robotic arms, we will be able to carry out the chain linking and welding process efficiently by minimising human errors and ensure consistency in output. In addition, automating this process will help us to increase our chain linking output in length by approximately 39% from 54cm to 75cm per hour using robotic arms compared to the manual process.

The estimated cost for the acquisition of robotic arms is inclusive of the installation and integration cost. We plan to commence the installation of the robotic arms by 4th quarter of 2022.

- (b) We intend to utilise RM0.53 million of our gross proceeds from the Public Issue to purchase 2 units of industrial wax 3D printers. These 3D printers will enable us to print multiple wax models at the same time including intricate designs. These wax models are then used in the lost wax casting process to manufacture gold jewellery. These industrial wax 3D printers will replace our manual method of making wax models using vulcanised rubber mould. Kindly refer to Section 6.3.6.2 (iv) (c) of this Prospectus for details on our existing lost wax casting method.

Currently, we are producing approximately 12 pieces per hour of wax models using manual method of making wax model. We expect to increase our output by approximately 3 times, from 12 pieces to 37 pieces per hour using industrial wax 3D printer as compared to manual method. We plan to commence the industrial wax 3D printing by 4th quarter of 2022.

4. PARTICULARS OF OUR IPO (Cont'd)

- (c) We intend to utilise RM0.37 million of our gross proceeds from the Public Issue to purchase 1 unit of chain cutting machine. This chain cutting machine will enable us to perform diamond cutting, surfacing and beveling on chains to produce jewellery products such as necklaces, bracelets, anklets as well as basic chains. Currently, we own 2 chain cutting machine with similar functions and it is used in the manufacturing of both gold and silver jewellery. These machines are currently running full time during operational hours due to their capabilities to cut multiple chain designs and hence they are used more frequently to fulfil sales order.

By purchasing one additional chain cutting machine, we are able to dedicate 1 machine for silver jewellery while our existing 2 machines will be dedicated for gold jewellery. This will help us to save on downtime required to clean the cutting machines between manufacturing gold and silver jewellery. We intend to purchase the chain cutting machine by 4th quarter of 2022.

- (d) We intend to utilise RM0.17 million of our gross proceeds from the Public Issue to purchase 1 unit of 5-axis CNC cutting machine. The said CNC cutting machine is intended to automate the cutting and finishing works on circular shaped round type of jewellery such as rings and bangles. This process is currently being undertaken manually by our craftsman.

By using CNC machine to carry out the diamond cutting process, we will be able carry out finishing process efficiently by minimising human errors and ensure consistency in output. In addition, automating this process will help us to increase our finishing output by approximately 2.5 times from 12 pieces to 30 pieces of circular shaped jewellery per hour using CNC machines compared to the manual process. We intend to purchase the CNC cutting machine by 4th quarter of 2022.

- (e) We intend to utilise RM0.35 million of our gross proceeds from the Public Issue to set up a new ERP system and MES. The estimated cost also includes the relevant fees for systems integration, infrastructure and requisite licenses. Our current ERP system is only limited to the inventory management and it is not designed to support our manufacturing operations. The migration to the new ERP system and MES will enable us to streamline and integrate our wholesaling and manufacturing business segments as well as backroom operations such as customer database, inventory control, material management, production costing and accounting functions. The new systems are aimed at facilitating a timely flow of data and information for decision making and reporting purposes. We plan to commence the installation of the new ERP system and MES by 4th quarter of 2022.

- (f) We intend to utilise RM0.28 million of our gross proceeds from the Public Issue to upgrade our security and surveillance facilities by upgrading the CCTV camera system at our operating premises located at Project Jaya Industrial Estate, Jalan Kelang Lama, Kuala Lumpur. We intend to upgrade all our camera system from analogue cameras to digital high-definition cameras. We plan to purchase and commence the installation of the said CCTV camera system by 4th quarter of 2022.

In the event that the actual cost of the above is higher than the budget allocated from the gross proceeds of the Public Issue, we will fund the deficit out of the portion allocated for working capital. Conversely, any excess funds not utilised for this purpose will be utilised for our Group's working capital requirements.

4.4.3 Working capital

We intend to set aside RM20.86 million of our gross proceeds from the Public Issue to purchase raw materials, i.e., gold materials in the form of pure and scrap gold bars for our Group's business operations over a period of 12 months from the Listing Date as an alternative to utilising bankers' acceptances and revolving credit to purchase the said raw materials. We intend to utilise RM16.69 million, representing 80.00% of RM20.86 million to purchase pure gold bars and the remaining RM4.17 million to purchase scrap gold bars. If the actual cost to purchase pure gold bars exceeds the amount budgeted above, the deficit will be funded out of the portion allocated for scrap gold bars. Conversely, any excess funds not utilised for the purchase of pure gold bars will be utilised for the purchase of scrap gold bars.

4. PARTICULARS OF OUR IPO (Cont'd)

Raw materials are the largest component of our cost of sales, consistently constituting more than 90% of our total cost of sales for the Financial Years Under Review. Further, as part of our Group's business strategies to expand the range of hollow gold jewellery and increase manufacturing activities as a result of improved production efficiency through automation process, we expect to utilise more raw materials (i.e., gold materials) for our business operations.

The purchase of raw materials for the Financial Years Under Review were made via bank borrowings (i.e., bankers' acceptances and revolving credit) and internally generated funds as follows:

Gold materials purchase made via:	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Bank borrowings	35,330	29.37	35,096	26.33	28,467	18.36	37,929	15.92
Internal funds	84,947	70.63	98,207	73.67	126,614	81.64	200,353	84.08
Total	120,277	100.00	133,303	100.00	155,081	100.00	238,282	100.00

With the additional working capital of RM20.86 million, it would reduce our usage of bankers' acceptances and revolving credit to finance our purchase of raw materials, which in turn would reduce our interest expenses and improve our profitability. For illustrative purposes, with the additional working capital of RM20.86 million, we would be able to have an interest savings of approximately RM1.03 million per annum (computed based on the average borrowing interest rate of bankers' acceptances and revolving credit of 4.92% as at 31 December 2021). However, the actual interest savings may vary depending on the applicable interest rate at the time of repayment.

4.4.4 Estimated listing expenses

Our listing expenses are estimated to be RM3.50 million, details of which are as follows:

	(RM'000)
Professional fees ^(a)	1,762
Fees to authorities	50
Estimated underwriting, placement and brokerage fees	850
Printing and advertising	300
Contingencies ^(b)	538
	3,500

Notes:

- (a) Includes professional and advisory fees for, among others, Principal Adviser, Solicitors, Reporting Accountants and IMR.
- (b) Other incidental or related expenses in connection with the IPO, which include translators, media related expenses and IPO event expenses.

If the actual listing expenses are higher than budgeted, the deficit will be funded by internally generated funds. Conversely, if the actual listing expenses are lower than budgeted, the excess will be used for working capital purposes.

Pending the eventual utilisation of proceeds from the Public Issue for the abovementioned purposes, the funds will be placed in short term deposits with licensed financial institutions or short term money market instruments.

4. PARTICULARS OF OUR IPO (Cont'd)

4.5 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE

4.5.1 Brokerage fee

We will bear the brokerage fees in respect of the IPO Shares under the Public Issue at the rate of 1.00% of the IPO Price in respect of successful Applications which bear the stamp of PIVB, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association or the Issuing House.

4.5.2 Underwriting commission

PIVB, as our Sole Underwriter, has agreed to underwrite 48,378,000 IPO Shares as set out in Sections 4.1.1(b)(i), 4.1.1(b)(ii) and 4.1.1(b)(iii) of this Prospectus. We will pay our Sole Underwriter an underwriting commission at the rate of 2.00% of the total value of the IPO Shares underwritten at the IPO Price.

Any IPO Shares which are not subscribed for by the Malaysian Public, Eligible Persons and Entitled Shareholders of Tomei, will be made available to selected investors via private placement. Thereafter, any remaining IPO Shares which are not subscribed for, will be subscribed by our Sole Underwriter based on the terms of the Underwriting Agreement. However, in the event that all of our IPO Shares offered to the Malaysian Public are oversubscribed, any IPO Shares not subscribed for by the Eligible Persons and Entitled Shareholders of Tomei, will be made available for the Malaysian Public.

4.5.3 Placement fee

PIVB, as our Sole Placement Agent, has agreed to place out 63,270,000 IPO Shares available under the placement to selected investors as well as selected Bumiputera Investors approved by MITI as set out in Section 4.1.1(b)(iv) and 4.1.1(b)(v) of this Prospectus respectively, at the rate of up to 2.00% of the IPO Price for each IPO Share to be placed out by the Sole Placement Agent.

4.6 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

We have entered into the Underwriting Agreement with PIVB, as our Sole Underwriter, to underwrite 48,378,000 IPO Shares as set out in Sections 4.1.1(b)(i), 4.1.1(b)(ii) and 4.1.1(b)(iii) of this Prospectus and upon the terms and subject to the conditions of the Underwriting Agreement.

The salient terms of the Underwriting Agreement are as follows:

- (i) The underwriting obligations of the Sole Underwriter are subject to certain conditions precedent which must be fulfilled or waived on or before the Closing Date as stated in this Prospectus or such later date as may be mutually agreed in writing by the Company and the Sole Underwriter (“**Extended Closing Date**”).
- (ii) The Sole Underwriter may by notice in writing given to the Company at any time before the Closing Date or the Extended Closing Date, terminate, cancel or withdraw its commitment to underwrite the 48,378,000 IPO Shares if:
 - (a) any of the approvals from SC and/or Bursa Securities for the Listing is revoked or withdrawn; or
 - (b) there is any breach by the Company of any of the representations, warranties or undertakings set out in the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied to the satisfaction of the Sole Underwriter within such number of days as stipulated in a notice to be made by the Sole Underwriter to the Company of such breach or by the Closing Date or Extended Closing Date, whichever is earlier; or

4. PARTICULARS OF OUR IPO (Cont'd)

- (c) there is withholding of information by the Company which is required to be disclosed to the Sole Underwriter pursuant to the Underwriting Agreement, and if capable of remedy, is not remedied within such number of days as stipulated in a notice to be made by the Sole Underwriter to the Company of such breach, which, in the 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 IPO, or the distribution or sale of the Public Issue Shares; or
 - (d) there shall have occurred, happened or come into effect any material and adverse change to the business or financial conditions of the Company or the Group; or
 - (e) approval for the IPO is withdrawn, modified and/or subject to terms and conditions not acceptable to the Sole Underwriter and which, in the reasonable opinion of the Sole Underwriter, 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 Company, the success of the IPO, or the distribution or sale of the IPO Shares, or 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; or
 - (f) there is a failure on the part of the Company to perform any of its obligations herein contained; or
 - (g) any of the conditions precedent set out in the Underwriting Agreement are not duly satisfied by the Closing Date or Extended Closing Date.
- (iii) Upon such notice(s) being given, the Sole Underwriter shall be released and discharged of its obligations under the Underwriting Agreement without prejudice to its rights whereby the Underwriting Agreement shall be of no further force or effect and neither the Company nor the Sole Underwriter shall be under any liability to each other in respect of the Underwriting Agreement, except that the Company shall remain obligated and liable in respect of the underwriting commission, any antecedent breaches and for the payment of the costs and expenses already incurred up to the date of termination or in connection with such termination and for the payment of any taxes, duties or levies within 7 days from the date of the same being due.
- (iv) It will be an event of force majeure if the Sole Underwriter is unable to perform its obligations stipulated under the Underwriting Agreement resulting from any event or series of events beyond the reasonable control of the Sole Underwriter ("**Force Majeure**"), including without limitation any of the following:
- (a) acts of God, national disorder, armed conflict or serious threat of the same, hostilities, embargo, detention, revolution, riot, looting or other labour disputes, any unavailability of transportation or severe economic dislocation, earthquake, typhoon, outbreak of war, outbreak of disease, acts of terrorism or the declaration of a state of national emergency;
 - (b) 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 which is likely to have a material adverse effect on the stock market in Malaysia. For the avoidance of doubt, if the FTSE Bursa Malaysia KLCI ("**Index**") is at the close of normal trading on Bursa Securities, on any Market Day:
 - (aa) on or after the date of the Underwriting Agreement; and

4. PARTICULARS OF OUR IPO (Cont'd)

(bb) prior to the Closing Date or Extended Closing Date,

lower than 85.00% of the Index level at the close of normal trading on the Market Day immediately prior to the date of the Underwriting Agreement and remain at or below that level for 3 or more consecutive Market Days, it shall be deemed a material adverse change in the stock market condition in Malaysia; or

(c) any new law, regulation, directive, policy or ruling or any material change in law, regulation, directive, policy or ruling in any jurisdiction or any change in the interpretation or application thereof by any court or other competent authority which would prohibit or impede the obligations of the Sole Underwriter or any event or series of events beyond the reasonable control of the Sole Underwriter;

which 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 Company or the Group, the success of the IPO, or the distribution or sale of the IPO Shares, or 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.

(v) In the event of a Force Majeure, the Sole Underwriter may, subject to prior consultation with the Company, at any time prior to or on the Closing Date or Extended Closing date:

(a) terminate the Underwriting Agreement by giving a notice in writing to the Company; or

(b) request for the Closing Date or Extended Closing Date to be extended to such reasonable date as the Sole Underwriter may decide.

(vi) Upon delivery of the written notice of termination pursuant to a Force Majeure, the Underwriting Agreement will terminate and each of the Company's and Sole Underwriter's rights and obligations will cease and neither the Company nor the Sole Underwriter will have any claim against each other save and except for any antecedent breach, claims in respect of the costs and expenses of the Sole Underwriter and the underwriting commission.

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

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters' and substantial shareholders' shareholdings

The details of our Promoters and substantial shareholders, and their respective shareholdings in our Company before and after our IPO are as follows:

	Country of incorporation /Nationality	Before our IPO/As at the LPD			After our IPO		
		Direct		Indirect	Direct		Indirect
		No. of Shares	(a)(%)	No. of Shares	(a)(%)	No. of Shares	(b)(%)
<u>Promoters and substantial shareholders</u>							
Tomei	Malaysia	260,502,000	100.00	-	-	260,502,000	70.00
Ng Sheau Chyn	Malaysian	-	-	(e)260,502,000	100.00	(e)62,900	0.02
						(e)271,605,200	72.98
<u>Substantial shareholders</u>							
TFC	Malaysia	-	-	(d)260,502,000	100.00	(e)8,475,900	2.28
TBSB	Malaysia	-	-	(d)260,502,000	100.00	(e)2,624,700	0.71
Datuk Ng Yih Pyng	Malaysian	-	-	(e)260,502,000	100.00	(e)78,000	0.02
Ng Yih Chen	Malaysian	-	-	(e)260,502,000	100.00	-	-
Ng Sheau Yuen	Malaysian	-	-	(e)260,502,000	100.00	(e)13,400	(f)
						(d)260,502,000	70.00
						(d)260,502,000	70.00
						(e)271,605,200	72.98
						(b)271,615,100	72.99
						(e)271,605,200	72.98

Notes:

- (a) Based on our issued share capital of 260,502,000 Shares after the Acquisitions but before our IPO.
- (b) Based on enlarged issued share capital of 372,150,000 Shares after the Public Issue.
- (c) Deemed interested by virtue of his/her shareholdings in TFC and TBSB pursuant to Section 8 of the Act.
- (d) Deemed interested by virtue of its shareholdings in Tomei pursuant to Section 8 of the Act.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

- (e) Assuming the subscription of IPO Shares under the Restricted Offering which is allocated based on a pro-rata basis according to their respective shareholdings in Tomei as at the LPD. However, the final shareholdings will depend on the actual number of IPO Shares subscribed and allocated to them in accordance with the basis set out in Section 4.1.1(b)(iii) of this Prospectus.
- (f) Less than 0.01%.
- (g) Deemed interested by virtue of his/her shareholdings in TFC, TBSB and being a trustee for Ng Teck Fong Foundation pursuant to Section 8 of the Act.
- (h) Deemed interested by virtue of his shareholdings in TFC, TBSB and his children's shareholdings as well as being a trustee for Ng Teck Fong Foundation pursuant to Section 8 of the Act.

5.1.2 Profile of Promoters and substantial shareholders

- (i) **Tomei**
Promoter and substantial shareholder

Tomei was incorporated in Malaysia on 28 May 2005 as a private limited company under the name of Tomei Consolidated Sdn Bhd. It was subsequently converted into a public company on 17 August 2005. Tomei was listed on the Second Board of Bursa Securities on 12 July 2006 and was subsequently transferred to the Main Board (now known as the Main Market) of Bursa Securities on 28 September 2007.

Tomei is principally an investment holding company, while its subsidiaries (excluding our Group) are principally involved in retailing of jewellery.

As at the LPD, the share capital of Tomei is RM73,336,000 comprising 138,600,000 ordinary shares and its directors together with their respective shareholdings in Tomei is as follows:

Name of directors	Nationality	Direct		Indirect	
		No. of shares	^(a) (%)	No. of shares	^(a) (%)
Yang Mulia Raja Tan Sri Dato' Seri Aman Bin Raja Haji Ahmad	Malaysian	-	-	-	-
Datuk Ng Yih Pyng	Malaysian	581,239	0.42	^(b) 82,702,399	59.67
Datin Choong Chow Mooi	Malaysian	1,180,000	0.85	-	-
Ng Yih Chen	Malaysian	-	-	^(c) 82,777,399	59.72
Ng Sheau Yuen	Malaysian	100,000	0.07	^(b) 82,702,399	59.67
Puan Sri Nonadiah Binti Abdullah	Malaysian	1,500,000	1.08	-	-
Datuk M Chareon Sae Tang @ Tan Whye Aun	Malaysian	-	-	-	-
Lau Tiang Hua	Malaysian	-	-	^(d) 269,000	0.19

Notes:

- (a) Based on Tomei's issued share capital of 138,600,000 ordinary shares.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

- (b) Deemed interested by virtue of his/her shareholdings in TFC, TBSB and being a trustee for Ng Teck Fong Foundation pursuant to Section 8 of the Act.
- (c) Deemed interested by virtue of his shareholdings in TFC, TBSB and his children's shareholding as well as being a trustee for Ng Teck Fong Foundation pursuant to Section 8 of the Act.

Ng Teck Fong Foundation is principally engaged in the provision of financial assistance / loan schemes and to award scholarships for young persons. As at the LPD, the directors and trustees of Ng Teck Fong Foundation comprised Ng Sheau Chyn, Datuk Ng Yih Pyng, Ng Sheau Yuen, Ng Yih Chen, Mohd Azhar Bin Md Disa, Lee Ngai Keong, Lim Meng Piew, Cheong Sin Shing, Ewe Hong Tat and Dr. Mok Soon Chong, all of whom are Malaysians.

- (d) Deemed interested by virtue of his child's shareholdings pursuant to Section 8 of the Act.

As at the LPD, the substantial shareholders of Tomei and their respective shareholdings in Tomei are as follows:

Name of substantial shareholders	Country of incorporation /Nationality	Direct		Indirect	
		No. of shares	(a)(%)	No. of shares	(a)(%)
TFC	Malaysia	63,132,177	45.55	-	-
TBSB	Malaysia	19,550,222	14.11	-	-
Datuk Ng Yih Pyng	Malaysian	581,239	0.42	^(b) 82,702,399	59.67
Ng Yih Chen	Malaysian	-	-	^(c) 82,777,399	59.72
Ng Sheau Chyn	Malaysian	468,700	0.34	^(b) 82,702,399	59.67
Ng Sheau Yuen	Malaysian	100,000	0.07	^(b) 82,702,399	59.67

Notes:

- (a) Based on Tomei's issued share capital of 138,600,000 ordinary shares.
- (b) Deemed interested by virtue of his/her shareholdings in TFC, TBSB and being a trustee for Ng Teck Fong Foundation pursuant to Section 8 of the Act.
- (c) Deemed interested by virtue of his shareholdings in TFC, TBSB and his children's shareholding as well as being a trustee for Ng Teck Fong Foundation pursuant to Section 8 of the Act.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

(ii) Ng Sheau Chyn

Promoter, substantial shareholder and our Managing Director

Ms. Ng, a Malaysian, aged 51, is our Managing Director. She was appointed to our Board on 11 January 2021. She is also the former Non-Independent Non-Executive Director (resigned on 12 October 2021) and an indirect major shareholder of Tomei.

She obtained a Bachelor of Science degree in Computer Engineering as well as a Master degree in Computer Engineering from Iowa State University in the United States of America (“USA”) in 1990 and 1991, respectively. She also served as a Research Assistant in the Department of Electrical and Computer Engineering at the same university from 1990 to 1992.

Since her return to Malaysia in 1992, she joined YXG as a director and has been continuously responsible for the wholesale and manufacturing operations of our Group, which is part of the Tomei Group. As our Managing Director and with her involvements in our Group since 1992, she has been instrumental in the growth and development of our Group. Over the years, she has expanded our range of gold jewellery to more than 10,000 SKUs and customer base of approximately 300 customers as at the LPD as well as our business presence in export markets such as Singapore, Germany, Myanmar, Hong Kong and Indonesia. Further, she is responsible for developing the strategic direction and business expansion strategies of our Group.

Ms. Ng is also a director of several other private limited companies involved in investment holding, property investment and manufacturing of precision tools. Save for YXPM, she does not sit on the board of directors of any other public listed companies. Kindly refer to Section 5.2.4(b) of this Prospectus for her involvements in other companies outside of our Group.

Ms. Ng is the sibling of Datuk Ng Yih Pyng (our Non-Independent Non-Executive Director), Mr. Ng Yih Chen and Ms. Ng Sheau Yuen.

(iii) TFC

Substantial shareholder

TFC was incorporated in Malaysia on 17 August 1991 as a private limited company under the name of Prize Edge Sdn Bhd. On 17 April 1992, it changed its name to Tomei Corporation Sdn Bhd and subsequently to Tomei Corporation Bhd on 9 April 1993. It further changed its name to Tomei Corporation Sdn Bhd on 28 July 2005 and assumed its present name on 15 September 2005.

TFC is principally an investment holding company.

As at the LPD, the share capital of TFC is RM17,344,900 comprising 400,000 ordinary shares and its directors are Datuk Ng Yih Pyng, Ng Sheau Chyn and Ng Sheau Yuen.

As at the LPD, the shareholders of TFC and their respective shareholdings in TFC are as follows:

Name of shareholders	Nationality	Direct		Indirect	
		No. of shares	(%)	No. of shares	(%)
Datuk Ng Yih Pyng	Malaysian	200,000	50.00	-	-
Ng Yih Chen	Malaysian	80,000	20.00	-	-
Ng Sheau Chyn	Malaysian	60,000	15.00	-	-
Ng Sheau Yuen	Malaysian	60,000	15.00	-	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

(iv) **TBSB**
Substantial shareholder

TBSB was incorporated in Malaysia on 22 March 2005 as a private limited company.

TBSB is principally an investment holding company.

As at the LPD, the share capital of TBSB is RM100,000 comprising 100,000 ordinary shares and its directors are Puan Sri Datin Gan Sao Wah @ Gan Sao Eng, Datuk Ng Yih Pyng, Ng Sheau Chyn and Ng Sheau Yuen.

As at the LPD, the shareholders of TBSB and their respective shareholdings in TBSB are as follows:

Name of shareholders	Nationality	Direct		Indirect	
		No. of shares	(%)	No. of shares	(%)
Puan Sri Datin Gan Sao Wah @ Gan Sao Eng	Malaysian	1	(a)	-	-
Datuk Ng Yih Pyng	Malaysian	25,000	25.00	-	-
Ng Yih Chen	Malaysian	25,000	25.00	-	-
Ng Sheau Chyn	Malaysian	24,999	24.99	-	-
Ng Sheau Yuen	Malaysian	25,000	25.00	-	-

Note:

(a) Negligible.

(v) **Datuk Ng Yih Pyng**
Substantial shareholder and our Non-Independent Non-Executive Director

Datuk Ng, a Malaysian, aged 50, is our Non-Independent Non-Executive Director. He was appointed to our Board on 11 January 2021 as a corporate representative of our Promoter and substantial shareholder, namely Tomei.

Datuk Ng obtained his Bachelor of Business Administration degree in Finance in 1990 from Iowa State University in the USA and he received a Master in Business Administration in Corporate Finance in 1991 from the same university.

Upon graduation, Datuk Ng joined the Tomei Group and is responsible for the overall management and business development of the Tomei Group. He is currently the Managing Director and an indirect major shareholder of Tomei.

Datuk Ng is also the advisor for the Federation of Goldsmiths and Jewellers Association of Malaysia since April 2014. He is the council member of the Chinese Chamber of Commerce & Industry of Kuala Lumpur & Selangor Darul Ehsan since May 2009, where he holds the position of President. In addition, he was elected as the national council member of the Associated Chinese Chamber of Commerce & Industry Malaysia in July 2012 and serves as its Deputy President.

Datuk Ng is also a director of several Tomei's subsidiaries and several other private limited companies involved in investment holding and property investment activities. Save for YXPM and Tomei, he does not sit on the board of directors of any other public listed companies. Kindly refer to Section 5.2.4(f) of this Prospectus for his involvements in other companies outside of our Group.

Datuk Ng is the sibling of Ms. Ng Sheau Chyn (our Promoter and Managing Director), Mr. Ng Yih Chen and Ms. Ng Sheau Yuen.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

(vi) Ng Yih Chen
Substantial shareholder

Mr. Ng, a Malaysian, aged 55, is the Executive Director and an indirect major shareholder of Tomei.

He obtained a Bachelor of Business Administration degree in Marketing from Iowa State University in the USA in 1988 and further pursued Gemology at the Gemological Institute of America in 1990 before receiving a Master of Business Administration (Finance) from the University of Hull, United Kingdom in 1996.

Mr. Ng joined Tomei Group upon his graduation in 1988 and is currently responsible for corporate customers sales of Tomei Group. He is also a director of several Tomei's subsidiaries and several other private limited companies involved in investment holding and property investment. Save for Tomei, he does not sit on the board of directors of any other public listed companies.

Mr. Ng is the sibling of Ms. Ng Sheau Chyn (our Promoter and Managing Director), Datuk Ng Yih Pyng (our Non-Independent Non-Executive Director) and Ms. Ng Sheau Yuen.

(vii) Ng Sheau Yuen
Substantial shareholder

Ms. Ng, a Malaysian, aged 48, is the Executive Director and an indirect major shareholder of Tomei.

In 1991, she obtained her Bachelor of Business Administration degree from Iowa State University in the USA and subsequently obtained her Master of Business Administration from the same university in 1993. In 2005, she has also obtained a Diploma in Diamond Grading from the Gemological Institute of America. She is also a Fellow Member of the Cambridge Institute of Sustainability Leadership.

Upon graduation in 1993, she started her career as lecturer in Sunway College. In 1996, she joined a textile dyeing and finishing company, PT Safilindo Permata in Bandung, Indonesia as Assistant Manager. In 2003, she joined Tomei Group in the gold division. She is currently responsible for retailing operations within Tomei Group.

Ms. Ng is also a director of several Tomei's subsidiaries and several other private limited companies involved in investment holding and property investment activities. Save for Tomei, she does not sit on the board of directors of any other public listed companies.

Ms. Ng is the sibling of Ms. Ng Sheau Chyn (our Promoter and Managing Director), Datuk Ng Yih Pyng (our Non-Independent Non-Executive Director) and Mr. Ng Yih Chen.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.1.3 Changes in our Promoters' and substantial shareholders' shareholdings

The changes in our Promoters' and substantial shareholders' shareholdings in our Company since 11 January 2021, being the incorporation date up to after our IPO are as follows:

	As at 11 January 2021		As at 14 April 2021 ^(c)		After the Acquisitions and as at the LPD			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(%)	No. of Shares	(%)	No. of Shares	(%)	No. of Shares	(a)(%)
<u>Promoters and substantial shareholders</u>								
Tomei	2	100.00	(c)10	100.00	-	-	260,502,000	100.00
Ng Sheau Chyn	-	-	(d)2	100.00	(d)10	100.00	(d)260,502,000	100.00
<u>Substantial shareholders</u>								
TFC	-	-	(e)2	100.00	(e)10	100.00	(e)260,502,000	100.00
TBSB	-	-	(e)2	100.00	(e)10	100.00	(e)260,502,000	100.00
Tan Sri Datuk Dr. Ng Teck Fong (Deceased)	-	-	(d)2	100.00	(d)10	100.00	(d)-	-
Datuk Ng Yih Pyng	-	-	(d)2	100.00	(d)10	100.00	(d)260,502,000	100.00
Ng Yih Chen	-	-	(d)2	100.00	(d)10	100.00	(d)260,502,000	100.00
Ng Sheau Yuen	-	-	(d)2	100.00	(d)10	100.00	(d)260,502,000	100.00

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

	After our IPO			
	Direct		Indirect	
	No. of Shares	^(b) (%)	No. of Shares	^(b) (%)
<u>Promoters and substantial shareholders</u>				
Tomei	260,502,000	70.00	-	-
Ng Sheau Chyn	^(g) 62,900	0.02	⁽ⁱ⁾ 271,605,200	72.98
<u>Substantial shareholders</u>				
TFC	^(g) 8,475,900	2.28	^(e) 260,502,000	70.00
TBSB	^(g) 2,624,700	0.71	^(e) 260,502,000	70.00
Tan Sri Datuk Dr. Ng Teck Fong (Deceased)	-	-	^(f) -	-
Datuk Ng Yih Pyng	^(g) 78,000	0.02	⁽ⁱ⁾ 271,605,200	72.98
Ng Yih Chen	-	-	⁽ⁱ⁾ 271,615,100	72.99
Ng Sheau Yuen	^(g) 13,400	^(h)	⁽ⁱ⁾ 271,605,200	72.98

Notes:

- (a) Based on our issued share capital of 260,502,000 Shares after the Acquisitions but before our IPO.
- (b) Based on enlarged issued share capital of 372,150,000 Shares after the Public Issue.
- (c) The total number of Shares was split from 2 Shares to 10 Shares pursuant to a Notice of Alteration of Share Capital dated 14 April 2021 as part of our pre-IPO exercise.
- (d) Deemed interested by virtue of his/her shareholdings in TFC and TBSB pursuant to Section 8 of the Act.
- (e) Deemed interested by virtue of its shareholdings in Tomei pursuant to Section 8 of the Act.
- (f) The late Tan Sri Datuk Dr. Ng Teck Fong was the father of Ng Sheau Chyn, Datuk Ng Yih Pyng, Ng Yih Chen and Ng Sheau Yuen. The execution of the late Tan Sri Datuk Dr. Ng Teck Fong's will was completed on 30 December 2021.
- (g) Assuming the subscription of IPO Shares under the Restricted Offering which is allocated based on a pro-rata basis according to their respective shareholdings in Tomei as at the LPD. However, the final shareholdings will depend on the actual number of IPO Shares subscribed and allocated to them in accordance with the basis set out in Section 4.1.1(b)(iii) of this Prospectus.
- (h) Less than 0.01%.
- (i) Deemed interested by virtue of his/her shareholdings in TFC, TBSB and being a trustee for Ng Teck Fong Foundation pursuant to Section 8 of the Act.
- (j) Deemed interested by virtue of his shareholdings in TFC, TBSB and his children's shareholdings as well as being a trustee for Ng Teck Fong Foundation pursuant to Section 8 of the Act.

Our Promoters and substantial shareholders have the same voting rights as the other shareholders of our Company as at the LPD and after our Listing.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.1.4 Persons exercising control over the corporation

Save for our Promoters and substantial shareholders who collectively hold approximately 73.03% of our enlarged number of issued share capital after the IPO, we are not aware of any other person who are able to, directly or indirectly, jointly or severally, exercise control over our Company.

5.1.5 Benefits paid or intended to be paid

Save for the dividends paid to Tomei as disclosed in Section 11.4 of this Prospectus and our Directors' remuneration and benefits as disclosed in Section 5.4.1 of this Prospectus, there is no amount and benefit that has been or is intended to be paid or given to our Promoters, Directors and/or substantial shareholders within the 2 years preceding the date of this Prospectus.

5.2 DIRECTORS AND KEY SENIOR MANAGEMENT

5.2.1 Directors

Our Board comprises the following members:

Name	Age	Nationality	Date of appointment	Designation
Tan Sri Azlan Bin Mohd Zainol (M)	72	Malaysian	31.05.2021	Independent Non-Executive Chairman
Ng Sheau Chyn (F)	51	Malaysian	11.01.2021	Managing Director
Tang Yow Sai (M)	58	Malaysian	31.05.2021	Independent Non-Executive Director
Aw Ee Leng (F)	48	Malaysian	31.05.2021	Independent Non-Executive Director
Wong Phait Lee (F)	47	Malaysian	01.03.2022	Independent Non-Executive Director
Datuk Ng Yih Pyng (M)	50	Malaysian	11.01.2021	Non-Independent Non-Executive Director

Notes:

(M) Male.

(F) Female.

5.2.2 Profiles of our Directors

The profiles of our Directors are as follows:

(i) **Tan Sri Azlan Bin Mohd Zainol**
Independent Non-Executive Chairman

Tan Sri Azlan, a Malaysian, aged 72, is our Independent Non-Executive Chairman. He was appointed to our Board on 31 May 2021.

In 1974, he was admitted as a Fellow of the Institute of Chartered Accountants in England and Wales. He is also a member of the Malaysian Institute of Accountants and a member of the Malaysian Institute of Certified Public Accountants since 1975. In 2015, he was admitted as a Fellow Chartered Banker of the Asian Institute of Chartered Bankers. He is also a member of the Institute of Corporate Directors Malaysia since 2020.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Tan Sri Azlan joined Razak & Co in 1975 as Audit Manager and was a partner with Messrs. Tan Azlan & Company and Binder Hamlyn (BDO) from 1980 to 1982. In 1982, he joined AmFinance Berhad as their Managing Director until 1994. Subsequently, in 1994, he joined AmBank Berhad as their Managing Director. He left AmBank Berhad in April 2001 and joined Employees Provident Fund Board as their Chief Executive Officer and retired in April 2013.

On 6 July 2005, he was appointed as the Non-Independent Non-Executive Director of Rashid Hussain Berhad (in the process of members' voluntary winding up). Subsequently on 27 July 2005, he was also appointed as the Non-Independent Non-Executive Director of RHB Capital Berhad (dissolved on 24 March 2020) and RHB Bank Berhad and was subsequently re-designated as the Non-Independent Non-Executive Chairman of RHB Bank Berhad. He also served as a director for several group of companies of RHB Bank Berhad. He left the RHB banking group on 28 February 2021. He joined Malaysia Building Society Berhad ("MBSB") and MBSB Bank Berhad as the Non-Independent Non-Executive Chairman since 1 March 2021. Tan Sri Azlan has approximately 47 years of working experience in the accounting and financial services sectors.

Aside from YXPM, he also sits on the board of other public listed companies. He is the Independent Non-Executive Chairman of Eco World International Berhad, MBSB and Malaysian Resources Corporation Berhad. He is also the Independent Non-Executive Director of Kuala Lumpur Kepong Berhad. He also holds directorships in several private limited companies, such as Naza Eastern Motors Sdn Bhd, Naza Engineering & Construction Sdn Bhd, Naza Motor Trading Sdn Bhd, NZ Wheels Sdn Bhd and SOGO (K.L.) Department Store Sdn Bhd. Kindly refer to Section 5.2.4(a) of this Prospectus for further details of his directorships and involvement in other companies outside of our Group.

(ii) Ng Sheau Chyn
Managing Director

For the details of Ng Sheau Chyn's profile, kindly refer to Section 5.1.2(ii) of this Prospectus.

(iii) Tang Yow Sai
Independent Non-Executive Director

Mr. Tang, a Malaysian, aged 58, is our Independent Non-Executive Director. He was appointed to our Board on 31 May 2021. He is also the Chairman of our Audit and Risk Management Committee as well as Remuneration Committee and a member of our Nomination Committee.

He is a Certified Public Accountant and is a member of the Malaysian Institute of Certified Public Accountants since June 1993. He also obtained the Associate Qualification in Islamic Finance in 2012 and the Intermediate Qualification in Islamic Finance in 2015, both from the Islamic Banking and Finance Institute Malaysia. Aside from that, he is a Chartered Professional in Islamic Finance and is a member of the Chartered Institute of Islamic Finance Professionals since 2019.

He joined Messrs Hanafiah Raslan Mohamad in 1983 as a contracted articled clerk, which is part of the journey to obtain his professional certificate from the Malaysian Institute of Certified Public Accountants. In 1991, Messrs Hanafiah Raslan Mohamad merged with Messrs Arthur Andersen and he continued working in Messrs Arthur Andersen until 1992.

In 1992, he joined Commerce International Merchant Bankers Berhad ("CIMB"), where his last position in CIMB before he left was Manager of Corporate Finance. In 1995, he left CIMB to join Ekran Berhad as their General Manager in Corporate Finance until 2002.

From 2002 to August 2004, he engaged in freelance work where he provided assistance and advice on accounting and tax matters to his freelance clients. In September 2004, he joined Tebrau Teguh Berhad (now known as Iskandar Waterfront City Berhad) as the Financial Controller until November 2004.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

In December 2004, he joined MBSB as their Group Financial Controller. He was then re-designated as the Chief Financial Officer of MBSB in October 2010. After MBSB acquired MBSB Bank Berhad in February 2018, he was appointed as the Group Financial Officer for MBSB and Chief Financial Officer for MBSB Bank Berhad. On 19 January 2021, he retired from his position in MBSB and MBSB Bank Berhad. Mr. Tang has approximately 39 years of working experience in accounting, property development and financial services sectors.

Save for YXPM, he does not sit on the board of directors of any other public listed companies. He also holds directorships in several private limited companies. Kindly refer to Section 5.2.4(c) of this Prospectus for further details of his directorships and involvement in other companies outside of our Group.

(iv) Aw Ee Leng

Independent Non-Executive Director

Ms. Aw, a Malaysian, aged 48, is our Independent Non-Executive Director. She was appointed to our Board on 31 May 2021. She is also the Chairman of our Nomination Committee and a member of our Audit and Risk Management Committee as well as Remuneration Committee.

She graduated in 1997 from University College London with a Bachelor of Laws (Hons). She obtained her Certificate in Legal Practice in 1998 and was called to the Malaysian Bar as an Advocate and Solicitor in 2002.

After obtaining her Certificate in Legal Practice in 1998, she commenced her career in information technology and hospitality industry, where she started as a copywriter for a travel website marimari.com and shifted to business development of the website in January 1999, focusing on promotion of the website's reservation functions to hotel partners first within Malaysia then to Singapore, Hong Kong and Taiwan. Between early 2000 to mid-2001, she joined Hotelplatform.com Inc., a company operating from Hong Kong which focused on the backend hotel reservations system. She was initially appointed as Vice President (Marketing), responsible for the implementation of marketing strategies as well as the training of sales and marketing recruits. In June 2000, leveraging on her legal qualifications she was re-designated to Vice President (Communications/Legal Affairs) where she was responsible for all legal related matters as well as public relations and human resources which required her to commute frequently between Hong Kong and Shenzhen, People's Republic of China. Upon her return to Malaysia in the 2nd half of 2001, she took the opportunity to chamber and was called to the Malaysian Bar in May 2002. In June 2002, she started her legal career as Advocate and Solicitor with Messrs Teh & Lee and was promoted to Partner in January 2008. Currently, Ms. Aw is a Partner in Messrs Teh & Lee and her areas of practice include commercial advisory, corporate advisory, mergers and acquisitions as well as conveyancing and banking. As at the LPD, Ms. Aw has approximately 23 years of working experience, of which 20 years are in the legal practice.

Save for YXPM, she does not sit on the board of directors of any other public listed companies. She also holds directorships in several other companies. Kindly refer to Section 5.2.4(d) of this Prospectus for further details of her directorships and involvement in other companies outside of our Group.

(v) Wong Phait Lee

Independent Non-Executive Director

Ms. Wong, a Malaysian, aged 47, is our Independent Non-Executive Director. She was appointed to our Board on 1 March 2022. She is a member of our Audit and Risk Management Committee, Nomination Committee as well as Remuneration Committee.

She obtained her Bachelor of Commerce degree from the University of Western Australia in 1996. She is a member of CPA Australia since 1999. In 1999, she was admitted to the status of Associate of the Australian Society of Certified Practising Accountants.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Ms. Wong started her career as an Associate Consultant in Pricewaterhouse Coopers Malaysia in June 1996. In December 1998, she was promoted to Consultant and continued her position until her resignation in June 2000. In July 2000, she joined Alliance Merchant Bank Berhad as an Assistant Manager and her last held position in November 2003 was as a Manager. During that time, she led and participated in various fund-raising exercises in equity and debt capital markets, corporate reorganisation proposals and other advisory work for the company's clients.

In December 2003, she joined Hwang-DBS Investment Bank Berhad as a Manager in Corporate Finance and she left in March 2008 as a Senior Manager in Corporate Finance. During that time, she led and participated in various debt and equity capital markets corporate proposals, assisted in due diligence investigations on a project basis for public listed companies and carrying out the role as a financial advisor for the company's clients.

In April 2008, she joined Astro All Asia Networks Limited as the Senior Assistant Vice President in the Investment/Business Development Division. Her responsibilities include developing business models, negotiating commercial and investment contracts, formulating investment structures and managing due diligence processes. She left her position in Astro All Asia Networks Limited in September 2016.

Subsequently, she spent 6 months from September 2016 to January 2017 at Jiaotong University, Shanghai to improve her proficiency in the Chinese language. In February 2017, she returned to Malaysia and joined Plato Capital Limited as a Senior Manager in the Investment Division where she was responsible for the management of the company's investment portfolios. She left Plato Capital Limited in October 2017.

In November 2017, she joined Measat Broadcast Networks Sdn Bhd as the Senior Assistant Vice President. She was the Head of Operations for 'Astro Go' for 3 years and was the Head of Operations for 'sooka' which is the company's media service. As the Head of Operations for 'sooka', she was involved in the day-to-day operations and continuous development of 'sooka'.

In March 2022, she left Measat Broadcast Networks Sdn Bhd to join Lionsgate Play LLP as the General Manager. She is the Country Head of Lionsgate Play LLP's service in Malaysia where she is responsible to build partnership and expand footprint of Lionsgate Play LLP's service in Malaysia.

Save for YXPM, she does not sit on the board of directors of any other public listed companies. She also holds a directorship in one other company and she is the sole proprietor of a business entity. Kindly refer to Section 5.2.4(e) of this Prospectus for further details of her directorship and involvement in other companies and businesses outside of our Group.

(vi) **Datuk Ng Yih Pyng**
Non-Independent Non-Executive Director

For the details of Datuk Ng Yih Pyng's profile, kindly refer to Section 5.1.2(v) of this Prospectus.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.2.3 Directors' shareholdings

The direct and indirect shareholdings of our Directors in our Company as at the LPD and after our IPO are as follows:

Directors	Before our IPO/As at the LPD			After our IPO		
	Direct		Indirect	Direct		Indirect
	No. of Shares	(a)(%)	No. of Shares	(a)(%)	No. of Shares	(b)(%)
Tan Sri Azlan Bin Mohd Zainol	-	-	-	-	(d)500,000	0.13
Ng Sheau Chyn	-	-	(c)260,502,000	100.00	(e)62,900	0.02
Tang Yow Sai	-	-	-	-	(d)500,000	0.13
Aw Ee Leng	-	-	-	-	(d)500,000	0.13
Wong Phait Lee	-	-	-	-	(d)500,000	0.13
Datuk Ng Y'ih Pyng	-	-	(c)260,502,000	100.00	(e)78,000	0.02
					(f)271,605,200	72.98

Notes:

- (a) Based on our issued share capital of 260,502,000 Shares after the Acquisitions but before our IPO.
- (b) Based on enlarged issued share capital of 372,150,000 Shares after the Public Issue.
- (c) Deemed interested by virtue of his/her shareholdings in TFC and TBSB pursuant to Section 8 of the Act.
- (d) Assuming that he/she will fully subscribe for his/her entitlements under the Pink Form Allocations.
- (e) Assuming the subscription of IPO Shares under the Restricted Offering which is allocated based on a pro-rata basis according to their respective shareholdings in Tomei as at the LPD. However, the final shareholdings will depend on the actual number of IPO Shares subscribed and allocated to them in accordance with the basis set out in Section 4.1.1(b)(iii) of this Prospectus.
- (f) Deemed interested by virtue of his/her shareholdings in TFC, TBSB and being a trustee for Ng Teck Fong Foundation pursuant to Section 8 of the Act.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.2.4 Principal business activities and directorships in other corporations for the past 5 years

Save as disclosed below, as at the LPD, none of our Directors have any principal business activities performed outside our Company (including principal directorships in the past 5 years preceding the LPD):

(a) Tan Sri Azlan Bin Mohd Zainol

Company	Principal activities	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
<u>Present involvement:</u> Amanat Lebuhraya Rakyat Berhad Angsana Fantasi Sdn Bhd	Involved in restructuring tolled highway concessions Investment holding in properties	Director / Shareholder Director / Shareholder	13 December 2021 25 June 1992	- -	20.00 0.10
Eco World International Berhad ^(a)	Investment holding in companies involved in property development and provision of advisory and project monitoring services	Independent Non-Executive Chairman / Shareholder	12 September 2014	-	0.21
Edenview Projects Sdn Bhd	Investment holding company with investment in quoted shares in Malaysia	Director / Shareholder	6 April 1995	-	99.90
Kuala Lumpur Kepong Berhad ^(a)	Producing and processing palm products and natural rubber on its plantations. Through its subsidiaries, it is also involved in plantation, manufacturing of oleochemicals, non-ionic surfactants and esters, rubber gloves and others, as well as property development and investment holding	Independent Non-Executive Director	13 May 2013	-	-
Jaya 33 (Sepang) Sdn Bhd MBSB ^(a)	Investment holding in properties Investment holding in companies involved in Islamic banking and related financial services, property development, leasing of real property and trading operation	Shareholder Non-Independent Non-Executive Chairman	- 1 March 2021	- -	30.00 -

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Company	Principal activities	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
MBSB Bank Berhad	Islamic banking and related financial services	Non-Independent Non-Executive Chairman	1 March 2021	-	-
Malaysian Resources Corporation Berhad ^(a)	Investment holding and provision of management services to its subsidiaries. The company and its subsidiaries also engaged in property development, property investment, engineering and construction related activities, environmental engineering, facilities management and parking services	Independent Non-Executive Chairman / Shareholder	12 January 2005	-	Less than 0.01%
Naza Eastern Motors Sdn Bhd	Wholesale and retail of new motor vehicles	Director	8 January 2021	-	-
Naza Engineering & Construction Sdn Bhd	Building construction	Director	25 September 2017	-	-
Naza Motor Trading Sdn Bhd	Trading of motor vehicles and property investment	Director	10 March 2021	-	-
NZ Wheels Sdn Bhd	Trading of motorcars, providing services for repairing of motorcars, transport and agent transportation	Director	24 May 2021	-	-
OSK Foundation	General charitable for the purpose of education, healthcare and sport, as well as environmental and community development	Director / Trustee	28 May 2015	-	Not applicable
Rashid Hussain Berhad ^(b)	Investment holding in companies involved in commercial banking, Islamic banking, investment banking, leasing, offshore banking, offshore trust services, general insurance, unit trust management, asset management, nominee and custodian services and property investment and management <i>(In the process of members' voluntary winding up)</i> ^(c)	Non-Independent Non-Executive Director	6 July 2005	-	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Company	Principal activities	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
SOGO (K.L.) Department Store Sdn Bhd Yayasan Astro Kasih	Operations of a department store and related trading activities Advancing and benefiting the community	Director Chairman / Trustee	2 May 2013 25 February 2014	- -	- Not applicable
Past involvement: Financial Reporting Foundation (“FRF”)	FRF was established as an independent body under the Financial Report Act 1997 and largely responsible for the establishment of a sound and effective infrastructure for the financial reporting framework and acts as a sounding board for the adoption of the Malaysian Accounting Standards Board (“MASB”) accounting standards, technical pronouncements and its annual work programme. FRF is also responsible for the oversight of the MASB’s performance, financial and funding arrangements	Chairman	1 July 2015	30 June 2021	Not applicable
Jardine Cycle & Carriage Limited	Investment holding in companies involved in manufacture, assembly, distribution and retail of motor vehicles, and financial services, heavy equipment, mining, construction and energy, agribusiness, infrastructure and logistics, information technology and property	Director	30 April 2004	28 April 2017	-
Naza Italia Sdn Bhd	Importers and dealers of Ferrari and Maserati cars and its spare parts, as well as provides services for repairing of motor vehicles	Director	8 January 2021	11 March 2021	-
NCT Alliance Berhad (formerly known as Grand-Flo Berhad) ^(a)	Investment holding in companies involved in property development activities	Independent Non-Executive Chairman	8 September 2017	19 November 2019	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Company	Principal activities	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
Next Bike Sdn Bhd	Dealer of motorbikes, spare parts, sport wear and servicing of all kind of motorbikes	Director	8 January 2021	11 March 2021	-
PT RHB Sekuritas Indonesia	Securities brokerage and underwriting	Director	19 February 2018	27 October 2020	-
RHB Bank Berhad	Commercial banking and finance related business and the provision of related services	Non-Independent Non-Executive Chairman	27 July 2005	28 February 2021	-
RHB Capital Berhad	Dissolved on 24 March 2020	Non-Independent Non-Executive Chairman	27 July 2005	-	-
RHB Hong Kong Limited	Investment holding in companies involved in financial services	Director	9 May 2013	1 February 2018	-
RHB Investment Bank Berhad	Merchant banking business, dealing in securities, stock, debt and derivatives, stockbroking business and the business of brokers and dealers in futures and options contracts	Non-Independent Non-Executive Chairman	27 June 2016	28 February 2021	-
RHB Securities Singapore Pte Ltd	Provision of stock and share broking services and corporate finance advisory services	Director	22 May 2014	11 September 2020	-

Notes:

- (a) Company listed on the Main Market of Bursa Securities.
- (b) Delisted from the Main Board (now known as the Main Market) of Bursa Securities on 17 August 2007.
- (c) Based on the Liquidator's Account of Receipts and Payments and Statement of the Position in the Winding Up for the period of 2 December 2020 to 1 June 2021, the winding up process is expected to be completed by December 2022.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(b) Ng Sheau Chyn

Company	Principal activities	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
<u>Present involvement:</u> Best Arcade Sdn Bhd	Property investment	Director / Shareholder	23 July 1992	-	22.55
Caring Dialysis (Cheras) Sdn Bhd	Provision of car park services	Shareholder	-	-	50.00
Caring Dialysis (Pendang) Sdn Bhd	Operation of kidney dialysis and medical consultation centre	Shareholder	-	-	50.00
Caring Dialysis (Teluk Intan) Sdn Bhd	Operation of confinement centre	Shareholder	-	-	50.00
Catech Trading Sdn Bhd	Property management services	Director / Shareholder	23 August 2006	-	22.55
E-Lifecare Sdn Bhd	Operation of kidney dialysis and medical consultation centre	Shareholder	-	-	50.00
EASB	Currently inactive. EASB intends to provide assaying services for precious metals. As at the LPD, EASB has not commenced operations	Director	9 October 2012	-	-
Gexcel Asia Sdn Bhd	Manufacturing of precision tools and mould	Director	12 May 2009	-	-
GPM	Design and manufacture of gold jewellery, and other related products and services	Director	3 April 1997	-	-
GRSB	Currently inactive. GRSB intends to provide refining services of precious metals. As at the LPD, GRSB has not commenced operations	Director	25 August 2020	-	-
KLSC Caring Holding Sdn Bhd	Investment holding in companies involved in healthcare services	Director	24 April 2009	-	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Company	Principal activities	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
Lifecell Biotech Sdn Bhd	Operation of kidney dialysis and medical consultation centre	Shareholder	-	-	50.00
Life Care Property (PJ) Sdn Bhd	Investment holding company ^(a)	Director	15 June 2021	-	-
Life Care Property (SS2) Sdn Bhd	Investment holding in properties	Director / Shareholder	19 March 2019	-	50.00
Life Care Property Group Sdn Bhd	Investment holding in companies involved in property investment	Director	10 December 2020	-	-
Ng Teck Fong Foundation	Provision of financial assistance / loan schemes and to award scholarships for young persons	Director / Trustee	16 January 2008	-	Not applicable
Ng Teck Fong Holdings Sdn Bhd	Investment holding company of Gexcel Asia Sdn Bhd	Director / Shareholder	3 April 1992	-	99.99
NTF Jewellery Museum Sdn Bhd	Operation of jewellery museum and provision of billboard advertising services	Director / Shareholder	16 May 2013	-	25.00
Oasis Properties Sdn Bhd	Property investment	Director / Shareholder	13 March 2007	-	22.55
Ong Care Scan Sdn Bhd	Investment holding in companies involved in healthcare services	Director	6 June 2008	-	-
Sunrise Strategy Sdn Bhd	Property investment	Director	13 September 2021	-	-
TBSB	Investment holding company, holding Tomei's shares	Director / Shareholder	3 December 2018	-	25.00
Teck Fong Property (Subang) Sdn Bhd	Property investment	Director	15 February 2019	-	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Company	Principal activities	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
Teck Fong Property Sdn Bhd	Property investment and investment holding company of Teck Fong Property (Subang) Sdn Bhd	Director	30 August 2006	-	-
TFC	Investment holding company, holding Tomei's shares	Director / Shareholder	21 April 2006	-	15.00
Tomei	Investment holding in companies involved in retailing, wholesaling and manufacturing of jewellery and provision of other related services, trading of bullion and rental of motor vehicles ^(b)	Former Non-Independent Non-Executive Director / Shareholder	21 April 2006	12 October 2021 ^(c)	0.34
Sinar Raya Micro Loan (SeI) Sdn Bhd	Licensed money lending	Former Director / Shareholder	2 May 2013	23 September 2019	100.00
Unique Avenue Sdn Bhd	Property investment	Director / Shareholder	30 December 1991	-	22.25
YXG	Wholesale of gold jewellery, and other related products and services	Director	15 February 1992	-	-
<u>Past involvement:</u>					
B-Two Technology Sdn Bhd	Dissolved on 12 November 2019	Director	25 February 2008	-	-
Biogenix Sdn Bhd	Provision of medical consultation services	Director	20 May 2020	28 April 2021	-
Biolife Lab Sdn Bhd	Provision of medical laboratory testing, food-testing, abuse of drug testing, forensic, paternity testing and consultancy services	Director	29 March 2010	27 May 2021	-
Bubble Care Sdn Bhd	Provision of laundry services	Director	23 November 2020	19 April 2021	-
Caring Dialysis (Sandakan) Sdn Bhd	Dissolved on 17 May 2021	Shareholder	-	-	50.00

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Company	Principal activities	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
Caring Dialysis (Sg. Besar) Sdn Bhd	Dissolved on 23 October 2020	Shareholder	-	-	50.00
Caring Dialysis Centre (Meru) Sdn Bhd	Dissolved on 26 April 2021	Shareholder	-	-	50.00
Gexcel Engineering Sdn Bhd	Dissolved on 7 October 2019	Director	17 September 2014	-	-
Green Ace Formation Sdn Bhd	Dissolved on 18 January 2019	Director	29 June 2007	-	-
J & G Collections Sdn Bhd	Dissolved on 28 November 2017	Director	20 March 1997	-	-
Jade Care Sdn Bhd	Provision of day-care activities, residential care activities and homes for the elderly with nursing care	Director	17 September 2019	21 April 2021	-
JP Micro Credit Sdn Bhd	Licensed money lending	Director	29 October 2012	30 October 2017	-
Life Care Biocell Sdn Bhd	Operation of kidney dialysis and medical consultation centre	Director	5 August 2020	19 April 2021	-
Life Care Diagnostic Medical Centre Sdn Bhd	Operation of food and beverage business, kidney dialysis and medical consultation centre	Director	27 May 2020	17 May 2021	-
Life Care Gastro Centre Sdn Bhd	Provision of healthcare services	Director	10 February 2021	28 April 2021	-
Life Care International Medical Group Sdn Bhd	Provision of medical consultation services, property developer and general investment	Director	6 June 2008	17 May 2021	-
Life Care Wellness Sdn Bhd	Provision of other management consultancy activities and general medical services	Director	1 March 2021	19 April 2021	-
LLG Care Sdn Bhd	Provision of maternity home services and child day-care activities / nursery	Director	14 September 2020	28 April 2021	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Company	Principal activities	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
LLG Confinement (SS2) Sdn Bhd	Provision of child day-care activities / nursery and maternity home services	Director	9 February 2021	28 April 2021	-
O M Design Sdn Bhd	Ceased operation on 31 December 2020, with no intended principal activity	Director	2 March 2011	11 May 2021 ^(d)	-
Oasis Gemological Sdn Bhd	Dissolved on 3 August 2020	Director	25 June 2004	-	-
TGJH	Investment holding in a company involved in manufacturing of semi-finished jewellery and distribution of jewellery	Director	13 August 1997	11 May 2021	-
Tomei Gold & Jewellery Manufacturing Sdn Bhd	Design and manufacturing of gemstone jewellery	Director	28 July 1998	11 May 2021	-
Tomei Retail Sdn Bhd	Investment holding and retailing of jewellery	Director	21 April 2006	11 May 2021	-
TXG	Licensed money lending, trading of gold bullion and rental of motor vehicle	Director	24 September 2019	11 May 2021	-

Notes:

- (a) Company was newly incorporated in June 2021. The company intends to invest in properties or in companies that are involved in properties.
- (b) Upon completion of the Listing, Tomei (excluding our Group) will be principally involved in retailing of jewellery.
- (c) Resignation was due to work commitment in our Group.
- (d) Resignation was part of streamlining process of her involvement in companies that are inactive.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(c) Tang Yow Sai

Company	Principal activities	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
<u>Present involvement:</u> MBSB Project Management Sdn Bhd	Management consultancy activities (<i>In the process of members' voluntary winding up</i>) ^(a)	Director	29 May 2009	-	-
<u>Past involvement:</u> Definite Pure Sdn Bhd	Property development	Director	29 May 2009	19 January 2021	-
Farawide Sdn Bhd	Provision of hospitality services	Director	29 May 2009	30 January 2020	-
Ganeshia Sdn Bhd	Dissolved on 28 April 2019	Director	13 February 2009	-	-
Home Approach Sdn Bhd	Dissolved on 27 August 2019	Director	8 May 2013	-	-
Idaman Usahamas Sdn Bhd	Dissolved on 25 January 2022	Director	29 May 2009	-	-
Jana Kapital Sdn Bhd	Undertaking an issue of sukuk commodity murabahah and acquiring an identified portfolio of financing receivables from holding company and investment holding	Director	2 August 2013	19 January 2021	-
Malaya Borneo Building Society Limited	Dormant ^(b)	Director	2 June 2008	19 January 2021	-
MBSB Development Sdn Bhd	Property development	Director	29 May 2009	19 January 2021	-
MBSB Properties Sdn Bhd	Letting of real property	Director	29 May 2009	19 January 2021	-
MBSB Tower Sdn Bhd	Property development	Director	12 December 2012	19 January 2021	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Company	Principal activities	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
Ombak Pesaka Sdn Bhd	Provision of hospitality services	Director	16 May 2011	19 January 2021	-
Prudent Legacy Sdn Bhd	Property development	Director	13 February 2009	19 January 2021	-
Raynergy Sdn Bhd	Dissolved on 5 September 2017	Director	29 May 2009	-	-
Sigmaprise Sdn Bhd	Provision of hospitality services	Director	29 May 2009	19 January 2021	-
Springtide Sdn Bhd	Dissolved on 5 September 2017	Director	13 February 2009	-	-
Trimonds Sdn Bhd	Dissolved on 5 September 2017	Director	13 February 2009	-	-
Wembley I.B.A.E. Sdn Bhd	Dissolved on 17 January 2018	Director / Shareholder	12 January 1998	-	(c)
88 Legacy Sdn Bhd	Property investment and dealing in property	Director	12 September 2014	19 January 2021	-

Notes:

- (a) According to the appointed liquidator, the winding up process is expected to be completed by September 2022.
- (b) Company is a wholly-owned subsidiary of MBSB. MBSB is listed on the Main Market of Bursa Securities and based on its latest annual report, the company is a dormant entity with trading operation being its principal activities.
- (c) Less than 0.01%.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(d) Aw Ee Leng

Company	Principal activities	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
<u>Present involvement:</u> Exsim Capital Resources Berhad	Provision of activities auxiliary to the establishment of a Sukuk Musharakah Programme	Director	10 October 2018	-	-
Exsim Ventures Berhad	Provision of activities auxiliary to the establishment of a Sukuk Musharakah Programme	Director	18 October 2019	-	-
Tarts For All Sdn Bhd	Ceased operation in 2014 ^(a)	Director / Shareholder	19 October 2011	-	50.00
<u>Past involvement:</u> Crown Vantage Investment Limited	Property investment	Director	31 January 2011	1 October 2020	-
Merit Hill International Limited	Property investment	Director	31 January 2011	1 October 2020	-

Note:

(a) As at the LPD, the company is intended to be dissolved.

(e) Wong Phait Lee

Company	Principal activity	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
<u>Present involvement:</u> Delightful Bites Sdn Bhd	Wholesale of coffee, tea, cocoa and other beverages	Director / Shareholder	10 August 2020	-	100.00

In addition to the above, Ms. Wong also owns a sole proprietorship business registered under her name since 21 January 2022 that is involved in consultancy services offered to media related businesses.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(f) Datuk Ng Yih Pyng

Company	Principal activities	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
Present involvement: AU Properties Sdn Bhd	Property investment	Director / Shareholder	30 December 2013	-	47.50
Best Arcade Sdn Bhd	Property investment	Director / Shareholder	18 March 1992	-	22.55
Catech Trading Sdn Bhd	Property management services	Director / Shareholder	19 May 1997	-	22.55
Chin Jaya Timber Sdn Bhd	Reforestation	Director	25 November 2020	-	-
De Beers Diamond Jewellers Sdn Bhd ^(a)	Retailing of jewellery	Director	11 December 2012	-	-
Flawless Skin Care Sdn Bhd ^(a)	Dormant, with no intended principal activity	Director	11 September 2014	-	-
Gemological Laboratory Malaysia Sdn Bhd ^(a)	Dormant, with intention to set up training and service centre and laboratory for diamonds	Director	15 April 2004	-	-
Go Gold Shop Sdn Bhd ^(a)	Retailing of jewellery	Director	2 September 2020	-	-
Hasil Jujur Sdn Bhd	Investment holding in a company involved in money lending activities	Director / Shareholder	30 April 2015	-	50.00
Incredible Synergy Sdn Bhd	Property investment	Director / Shareholder	21 March 2012	-	27.50
Le Lumiere Sdn Bhd ^(a)	Retailing of jewellery	Director	21 March 2007	-	-
MyTomei Sdn Bhd ^(a)	Retailing of jewellery	Director	31 March 2021	-	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Company	Principal activities	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
Ng Teck Fong Foundation	Provision of financial assistance / loan schemes and to award scholarships for young persons	Director / Trustee	16 January 2008	-	Not applicable
NTF Jewellery Museum Sdn Bhd	Operation of jewellery museum and provision of billboard advertising services	Director / Shareholder	16 May 2013	-	25.00
Oasis Properties Sdn Bhd	Property investment	Director / Shareholder	13 December 2013	-	22.55
Pajak Gadai JP Sdn Bhd	Engaged in business as pawnbrokers	Director / Shareholder	16 August 2011	-	99.99
SERC Sdn Bhd	Provision of research and analysis on economic, business and social issues	Director	15 September 2021	-	-
TBSB	Investment holding company, holding Tomei's shares	Director / Shareholder	3 December 2018	-	25.00
Teck Fong Property (Subang) Sdn Bhd	Property investment	Director	28 April 2021	-	-
Teck Fong Property Sdn Bhd	Property investment and investment holding company of Teck Fong Property (Subang) Sdn Bhd	Director	27 November 2002	-	-
TFC	Investment holding company, holding Tomei's shares	Director / Shareholder	21 April 2006	-	50.00
TGJH ^(a)	Investment holding in a company involved in manufacturing of semi-finished jewellery and distribution of jewellery	Director	6 January 1997	-	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Company	Principal activities	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
Tomei	Investment holding in companies involved in retailing, wholesaling and manufacturing of jewellery and provision of other related services, trading of bullion and rental of motor vehicles ^(b)	Managing Director / Shareholder	21 April 2006	-	0.42
Tomei Collections Sdn Bhd ^(a)	Retailing of jewellery	Director	28 August 2002	-	-
Tomei Diamond Sdn Bhd ^(a)	Retailing of jewellery	Director	10 August 2001	-	-
Tomei Gold & Jewellery Manufacturing Sdn Bhd ^(a)	Design and manufacturing of gemstone jewellery	Director	28 July 1998	-	-
Tomei Marketing Sdn Bhd ^(a)	Ceased operation on 31 December 2020, with no intended principal activity	Director	31 March 2021	-	-
Tomei Services Sdn Bhd ^(a)	Dormant, with no intended principal activity	Director	22 October 2019	-	-
Tomei Signature Sdn Bhd ^(a)	Retailing of jewellery	Director	10 April 1999	-	-
TXG Bullion Sdn Bhd ^(a)	Trading of gold bullion	Director	17 March 2022	-	-
Unique Avenue Sdn Bhd	Property investment	Director / Shareholder	23 July 1992	-	22.25
<u>Past involvement:</u>					
Absolute Earnings Sdn Bhd	Property investment	Director	6 February 2006	18 October 2018	-
B-Two Technology Sdn Bhd	Dissolved on 12 November 2019	Director	1 December 2010	-	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Company	Principal activities	Involvement / Position held	Date of appointment	Date of resignation	% of direct shareholdings held
Favor Pay Sdn Bhd	Dissolved on 24 June 2021	Director	11 July 2017	-	-
Fedmas Assay Office Sdn Bhd	Assayers	Director	28 March 2001	7 November 2021	-
GPM	Design and manufacture of gold jewellery, and other related products and services	Director	3 April 1997	14 April 2021	-
GRSB	Currently inactive. GRSB intends to provide refining services of precious metals. As at the LPD, GRSB has not commenced operations.	Director	25 August 2020	14 April 2021	-
JP Micro Credit Sdn Bhd	Licensed money lending	Director	29 October 2012	30 October 2017	-
Mashisoyo Café Sdn Bhd	Dissolved on 13 December 2018	Director / Shareholder	5 April 2016	-	33.33
N Strategy Sdn Bhd	Investment holding ^(c)	Director	14 May 2018	28 November 2018	-
O M Technique Sdn Bhd	Wholesale of jewellery	Director	11 November 2020	15 November 2020	-
Sinar Raya Micro Loan (Sel) Sdn Bhd	Licensed money lending	Director	2 May 2013	23 September 2019	-
TXG ^(a)	Licensed money lending, trading of gold bullion and rental of motor vehicle	Director	1 April 2010	24 July 2020	-
YXG	Wholesale of gold jewellery, and other related products and services	Director	17 February 1992	14 April 2021	-

Notes:

- (a) Other than YXG, GPM and GRSB, the company is/was also a wholly-owned subsidiary of Tomei.
- (b) Upon completion of the Listing, Tomei (excluding our Group) will be principally involved in retailing of jewellery.
- (c) Company was incorporated on 14 May 2018. As at the date of Datuk Ng's resignation as director, the company has yet to commence its operations. The company was dissolved on 15 December 2021.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.2.5 Involvement of our Directors in other businesses or corporations

Save as disclosed in Section 5.2.4 of this Prospectus, our Directors are not involved in other businesses or corporations. We wish to highlight that certain Directors have interest, direct or indirect, in other businesses or corporations, which are carrying on a similar or related trade as that of our Group or which are our customers or suppliers. Further details on the conflict of interests are set out in Section 10.1 of this Prospectus.

The involvement of our Managing Director in all other directorships or business activities outside our Group (“**Other Companies**”) are merely a Non-Executive Director role and is not expected to require a significant amount of her time or attention as she is not involved in the management and day-to-day operations of the Other Companies. Further, the Other Companies, which are non-listed companies are predominantly her family holding/investment companies and the business operations of the Other Companies are managed by its other directors and shareholders. As such, she expects to spend only 1 to 2 days a year (mostly after office hours and on weekends) for each of those companies since her role does not entail any executive function. Based on the above, our Board (save for Ng Sheau Chyn and Datuk Ng Yih Pyng), is of the view that her involvement in the Other Companies will not affect her ability to perform her roles and responsibilities as well as her contribution to our Group.

The involvement of our Independent Non-Executive Chairman, Independent Non-Executive Directors and Non-Independent Non-Executive Director 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.

5.2.6 Key Senior Management

Our Key Senior Management comprises the following:

Name	Age	Nationality	Designation
Samuel Sia Hsiao Guong (M)	32	Malaysian	Group Financial Controller
Lim Wai Chee (F)	53	Malaysian	Head of Design and Development
Ong Hui Eng (F)	46	Malaysian	Head of Resource Planning
Whelly @ James Bin Gonsorob @ Roseday (M)	42	Malaysian	Head of Production

Notes:

(M) Male.

(F) Female.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.2.7 Key Senior Management's shareholdings

The direct and indirect shareholdings of our Key Senior Management in our Company before our IPO and after the IPO are as follows:

Name	Before our IPO/As at the LPD				After our IPO			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(%)	No. of Shares	(%)	No. of Shares	^(a) (%)	No. of Shares	^(a) (%)
Samuel Sia Hsiao Guong	-	-	-	-	^(b) 15,000	^(c)	-	-
Lim Wai Chee	-	-	-	-	^(b) 19,000	0.01	-	-
Ong Hui Eng	-	-	-	-	^(b) 19,000	0.01	-	-
Whelly @ James Bin Gonsorob @ Roseday	-	-	-	-	^(b) 15,000	^(c)	-	-

Notes:

- (a) Based on our enlarged issued share capital of 372,150,000 Shares after the Public Issue.
- (b) Assuming that he/she will fully subscribe for his/her entitlements under the Pink Form Allocations.
- (c) Less than 0.01%.

5.2.8 Profiles of our Key Senior Management

The profiles of the Key Senior Management of our Group are as follows:

(i) **Samuel Sia Hsiao Guong**
Group Financial Controller

Mr. Sia, a Malaysian, aged 32, is our Group Financial Controller. He is responsible for overseeing our Group's tax, accounting and financial matters.

He graduated in 2010 from Sunway University with qualification from the Association of Chartered Certified Accountants ("ACCA"). Upon completion of 3 years practical experience in the accounting sector, he was admitted as a member of ACCA in 2013. In 2015, he was admitted as a Chartered Accountant of the Malaysian Institute of Accountants and in 2018, he was admitted as a Fellow Member of the ACCA. In 2020, he obtained his Masters in Business Administration from Victoria University, Australia.

In 2010, he joined BDO PLT, Malaysia as their Senior Manager in Audit until 2016, where he was responsible for conducting and managing statutory audits for BDO PLT's clients. In 2016, he joined Deloitte PLT, Malaysia as their Manager in Audit until 2017 where his responsibilities include the management of statutory audit and assurance assignment for Deloitte PLT's clients.

He later joined Herman Corporate Advisory Sdn Bhd in 2017 as their Senior Manager in Corporate Finance, where he was responsible in assisting the company's clients in their preparation of financial related matters for their initial public offering proposals.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

In 2018, he left Herman Corporate Advisory Sdn Bhd to join Ace Innovate Asia Berhad as their Chief Financial Officer, where he was responsible for financial matters as well as human resource matters. He was also responsible in ensuring the company's compliance with the applicable financial reporting standards.

Subsequently, he left Ace Innovate Asia Berhad in March 2020 to provide freelance accounting services during the MCO and CMCO periods. He subsequently joined our Group as Group Financial Controller in November 2020. He brings with him approximately 12 years of experience in accounting and finance to our Group.

(ii) Lim Wai Chee
Head of Design and Development

Ms. Lim, a Malaysian, aged 53, is our Head of Design and Development. She is responsible for overseeing our Group's product development and jewellery designs.

She received her qualifications from the London Chamber of Commerce and Industry Examinations Board ("LCCI"), where she obtained a distinction in book-keeping and accounts in 1989. She started her career with Qualitypack Sdn Bhd in 1989 as an Accounts Assistant until 1990, where she left the company to further her studies.

In 1991, she started her Diploma studies in Fine Arts and obtained her Diploma in Fine Arts, majoring in Oil Painting from the Malaysian Institute of Art in 1993.

In 1994, she joined Carpets International Malaysia Berhad as their designer, where she was involved in carpet designing. In 1995, she left Carpets International Malaysia Berhad to join Poh Kong Jewellery Manufacturer Sdn Bhd as their Designer, where she embarked on her career in jewellery design.

She left Poh Kong Jewellery Manufacturer Sdn Bhd in 2002 to join YXG as our Senior Designer, where she continued to hone her skills in designing jewellery. With over 25 years of experience in jewellery design, she is responsible for leading our Group's product development and design team. In 2021, she assumed her current role as our Head of Design and Development.

(iii) Ong Hui Eng
Head of Resource Planning

Ms. Ong, a Malaysian, aged 46, is our Head of Resource Planning. She is responsible for overseeing our Group's inventory management.

She received her certification from LCCI, where she obtained distinction in book-keeping and accounts in 1995. She also obtained her Third Level Group Diploma in Accounting from LCCI and her Diploma in Accounting from the School of Accountancy and Business Studies Petaling Jaya in 1995. Further in 1995, she achieved First Class in Accounting Level 3 awarded by the Pitman Examinations Institute, London, England.

In 1995, she started her career with Kawalan Keselamatan Sdn Bhd as their Account Executive until 1997, where she was responsible for the day-to-day finance operations. She then left Kawalan Keselamatan Sdn Bhd to join DIC (Malaysia) Sdn Bhd as their Account Executive where she was responsible for maintaining the company's accounting records.

Subsequently, she left DIC (Malaysia) Sdn Bhd in 2000 to join YXG as our account clerk, where her job responsibilities include day-to-day purchase ordering, inventory level management and co-ordination of YXG's wholesale operations.

With over 20 years of experience working in our Group, she leads the resource planning team of our Group. In 2021, she assumed her current role as our Head of Resource Planning.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

(iv) Whelly @ James Bin Gonsorob @ Roseday *Head of Production*

Mr. Whelly @ James, a Malaysian, aged 42, is our Head of Production. He is responsible for overseeing our Group's manufacturing activities.

He received his Diploma in Wood Technology from Kolej Teknikal Yayasan Sabah in 1999.

In June 2000, he joined GPM as a technician where he was responsible in managing chain production, jewellery cutting and casting process. With over 20 years of experience working in our Group, he was promoted to Production Manager in February 2021, where his responsibilities include managing our manufacturing operations and maintenance of machineries. In June 2021, he assumed his current role as our Head of Production.

5.2.9 Involvement of our Key Senior Management in other businesses or corporations

As at the LPD, none of our Key Senior Management has any principal business activities performed outside our Company (including principal directorships in the past 5 years preceding the LPD).

5.3 BOARD PRACTICES

MCCG

Our Board acknowledges and takes note of the recommendations under the MCCG released on 28 April 2021. As at the LPD, our Board has adopted all relevant recommendations of the MCCG.

5.3.1 Directorship

As at the LPD, the details of the date of expiration of the current term of office for each of the Directors and the period for which the Directors have served in that office are as follows:

Name	Designation	Date of expiration of the current term of office	No. of years in office
Tan Sri Azlan Bin Mohd Zainol	Independent Non-Executive Chairman	At the 1 st AGM of our Company	Less than 1 year
Ng Sheau Chyn	Managing Director	At the 1 st AGM of our Company	1 year
Tang Yow Sai	Independent Non-Executive Director	At the 1 st AGM of our Company	Less than 1 year
Aw Ee Leng	Independent Non-Executive Director	At the 1 st AGM of our Company	Less than 1 year
Wong Phait Lee	Independent Non-Executive Director	At the 1 st AGM of our Company	Less than 1 year
Datuk Ng Yih Pyng	Non-Independent Non-Executive Director	At the 1 st AGM of our Company	1 year

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

In accordance with our Company's Constitution, all Directors shall retire from office at the first AGM of our Company and 1/3 (or the number nearest to 1/3) of our Directors shall retire by rotation at the AGM of our Company in every subsequent year and shall be eligible for re-election provided always that all the Directors shall retire at least once in each 3 years but shall be eligible for re-election. Any Director appointed either to fill a casual vacancy or as an addition to the existing Directors shall hold office only until the next AGM and shall then be eligible for re-election. None of our Directors has been appointed for a fixed term.

5.3.2 Audit and Risk Management Committee

Our Audit and Risk Management Committee was established on 15 July 2021 and its members are appointed by our Board. Our Audit and Risk Management Committee comprises the following members:

Name	Designation	Directorship
Tang Yow Sai	Chairman	Independent Non-Executive Director
Aw Ee Leng	Member	Independent Non-Executive Director
Wong Phait Lee (Appointed on 1 March 2022)	Member	Independent Non-Executive Director
Datuk Ng Yih Pyng (Resigned on 1 March 2022)	Member	Non-Independent Non-Executive Director

The main functions of the Audit and Risk Management Committee include:

- (a) to review the quarterly results to Bursa Securities and year-end financial statements of our Group before submission to our Board, focusing particularly on changes in or implementation of major accounting policy changes, significant matters highlighted and how these matters are addressed, and compliance with accounting standards and other legal requirements;
- (b) to consider the nomination and appointment of external auditors and, if found appropriate, to recommend their appointment and their audit fee;
- (c) to discuss with the external auditors, prior to the commencement of audit, their audit plan, which shall state the nature of the audit, and to ensure an effective co-ordination of audit, where more than one audit firm is involved;
- (d) to review, in respect of internal audit functions, amongst others, the adequacy of the audit scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its functions;
- (e) to monitor any related party transactions and situations where a conflict of interest may arise within our Group, including any transaction, procedure or course of conduct that raises questions of management integrity, as well as to assess the financial risks relating to such transactions, and to ensure that our Directors report such transactions annually to our shareholders via the annual report;
- (f) to review the reports in relation to the adequacy and integrity of our Group's internal control system and to review the results of the annual review done on the system of internal control and the risk management framework;
- (g) to discuss issues and matters arising from the interim and final external audits, and any matters the external auditors and/or internal auditors may wish to discuss in the absence of management, where necessary;
- (h) to assess the effectiveness of the risk management framework, review and monitor risk reporting;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

- (i) to report promptly to Bursa Securities and/or to SC on any matter reported to our Board, which has not been satisfactorily resolved resulting in the breach of the Listing Requirements, rules and guidelines issued by Bursa Securities and/or the SC;
- (j) to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements; and
- (k) to consider other matters as may be directed by our Board from time to time.

5.3.3 Remuneration Committee

Our Remuneration Committee was established on 15 July 2021 and its members are appointed by our Board. Our Remuneration Committee comprises the following members:

Name	Designation	Directorship
Tang Yow Sai	Chairman	Independent Non-Executive Director
Aw Ee Leng	Member	Independent Non-Executive Director
Wong Phait Lee (Appointed on 1 March 2022)	Member	Independent Non-Executive Director
Datuk Ng Yih Pyng (Resigned on 1 March 2022)	Member	Non-Independent Non-Executive Director

The main functions of the Remuneration Committee include:

- (a) to develop and formulate a transparent remuneration policy and procedures framework for the Directors and Key Senior Management;
- (b) to review and recommend to the Board the remuneration of the Directors and Key Senior Management (where necessary), with reference to the Remuneration Policy of the Company (if any), taking into consideration the responsibilities, functions, performance, expertise, Company's operating results, and comparable market statistics where applicable;
- (c) to ensure the levels of remuneration be sufficiently attractive and be able to retain and/or motivate the Directors and Key Senior Management to drive the Company's long term objectives;
- (d) to recommend the engagement of external professional advisers to assist and/or advise the Remuneration Committee on remuneration matters, where necessary; and
- (e) to perform any other functions as defined by the Board.

5.3.4 Nomination Committee

Our Nomination Committee was established on 15 July 2021 and its members are appointed by our Board. Our Nomination Committee comprises the following members:

Name	Designation	Directorship
Aw Ee Leng	Chairman	Independent Non-Executive Director
Tang Yow Sai	Member	Independent Non-Executive Director
Wong Phait Lee (Appointed on 1 March 2022)	Member	Independent Non-Executive Director
Datuk Ng Yih Pyng (Resigned on 1 March 2022)	Member	Non-Independent Non-Executive Director

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

The main functions of the Nomination Committee include:

- (a) to recommend to the Board new candidate(s) for appointment (taking into account gender diversity) and to recommend to the Board re-appointment/re-election of Directors. In making a recommendation to the Board on the candidate(s) for directorship, the Nomination Committee will consider the skills, knowledge, ability, expertise, experience, professionalism and integrity of the candidate(s), and any potential conflict of interest. In the case of candidates for the position of independent non-executive directors, the Nomination Committee will also evaluate the candidates' ability to discharge such responsibilities or functions as expected from independent non-executive directors;
- (b) to conduct annual assessment on Board, Board Committees and individual Directors and to annually review, or as required, the required mix of skills, diversity, business and professional experiences that should be added to the Board;
- (c) to appraise each individual Director in terms of his experience, knowledge, credibility and credential, and assess their effectiveness and contribution in carrying out their obligations and duties as a Board member;
- (d) to examine the ability of each Director in contributing to the effective decision making process of the Board and ensure that the Board and Board Committees are functioning actively, efficiently and effectively in all its decision making;
- (e) to review, when necessary, the criteria to assess independence of the Independent Directors of the Company;
- (f) to assess the effectiveness of the Board as a whole and the Committees of the Board;
- (g) to annually review the term of office and performance of the Audit and Risk Management Committee;
- (h) to review the Board and senior management's succession plans from time to time, taking into account the challenges faced by and/or opportunities available to the Company, the skills and knowledge, including diversity needed by the Board in future, as well as to make recommendations to the Board on succession planning policy for the senior management;
- (i) to make recommendations to the Board on the necessary changes based on the reviews and assessments to the adequacy and relevance of the key duties and responsibilities of the Board and senior management personnel annually;
- (j) to ensure orientation and educational programmes are provided for new members of the Board, and to review/evaluate and/or determine the Directors' continuing education programmes to aid the Directors in the discharge of their duties; and
- (k) to review female personnel's participation in senior management.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.3.5 Anti-Bribery and Anti-Corruption Policy and Procedures

Our Board approved our Anti-Bribery and Anti-Corruption Policy and Procedures on 14 April 2021, which sets out the procedures in relation to any of the following:

- (a) solicitation, offering, or acceptance of any bribe or gratification as an inducement or reward;
- (b) receiving facilitation payments;
- (c) receiving commissions, discounts and secret profits;
- (d) disclosure of any secret profits or gains received;
- (e) receiving gifts and entertainment;
- (f) providing gifts, entertainment, donation and sponsorship; and
- (g) offering gifts and entertainment to government officials or their family members.

In addition to the adoption of the abovementioned policy, our Group took several measures to prevent, detect and resolve instances involving bribery and corruption, which include the following:

- (i) required our employees to read and acknowledge their respective compliance with our Group's Anti-Bribery and Anti-Corruption Policy and Procedures;
- (ii) conducted an anti-corruption awareness training on 23 April 2021;
- (iii) conducted a corruption risk assessment to identify and assess any potential corruption scheme as well as control the effectiveness of current procedures to manage corruption risk. We will conduct the risk assessment annually in accordance with the Anti-Bribery and Anti-Corruption Policy;
- (iv) conducted due diligence on business associates (such as, customers and vendors); and
- (v) adopted a Code of Conduct and Whistle-Blowing Policy.

5.3.6 Environmental, Social, Governance ("ESG") Practices

Our Board approved our Sustainability Framework on 17 September 2021, which sets out policies in meeting our sustainability reporting requirements. Through the implementation of these policies, we strive to comply with the ESG best practices. The key points of our Sustainability Framework are summarised below:

(a) Environmental conservation

Our manufacturing operations, which comply with the relevant requirements under the Environmental Quality Act, 1974 and the applicable regulations made thereunder, have adopted among others, the following practices:

- (i) pollution control system was installed before any effluent and emission is discharged from our manufacturing facilities;
- (ii) a water management system was implemented, where our onsite water treatment system carries out neutralisation and sedimentation of wastewater emitted from our manufacturing operations;
- (iii) reduce waste and recycle any by-products from our manufacturing operations including gold dust, scrap gold and other precious metals such as silver. These waste or by-products are refined to produce new jewellery products, where practicable; and

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

- (iv) promote awareness and encourage our employees to conserve energy, where all electrical appliances, machineries and lights at their workstation are required to be appropriately switched off after use or when not in use.

(b) Social responsibilities

We are committed to maintaining a safe and conducive working environment for our employees. Our operational facilities are well secured by double layered security doors and constant CCTV surveillance as a precaution to avoid or deter robbery or theft. We also have in place operational safety policies such as safety briefings and fire drills. Our manufacturing facilities are regularly inspected by local government authorities, including the Department of Occupational Safety and Health. We are in compliance with the Occupational Safety and Health Act 1994 (“**OSHA**”) in respect of our operations and we will ensure continuous compliance with the OSHA.

In addition to the above, we are committed to training and skills development of our employees. During the FYE 2020 and FYE 2021, more than 90% of our employees have been selected to undergo various training modules to further improve and strengthen their skills. These programmes include production techniques, leadership skills and self-development training.

We also support and practice workplace equal opportunity, gender and cultural diversity. We have a systematic appraisal system where employees are assessed based on their respective skillset and capabilities. Further, we fostered a culture of inclusiveness in our workplace that boosted employee retention, with more than half of our employees have been with us for more than 5 years.

(c) Governance

We conduct our business dealings in a professional and ethical manner and we have among others, the following policies to uphold good corporate governance practices:

- (i) adopted the Anti-Bribery and Anti-Corruption Policy and Procedures and took several measures to prevent, detect and resolve instances involving bribery and corruption as mentioned in Section 5.3.5 of this Prospectus;
- (ii) adopted a Personal Data Protection Policy, which complies with the Personal Data Protection Act, 2010 in order to protect the personal data that we obtained from our customers and employees;
- (iii) promote transparency in our product pricing, where all our products are labelled with the appropriate price tags; and
- (iv) as part of our continuous effort and commitment to the quality of our products, we obtained the ISO 9001:2015 accreditation in quality management systems for our design, manufacture and sales of gold jewellery.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.4 REMUNERATION OF DIRECTORS AND KEY SENIOR MANAGEMENT

5.4.1 Directors' remuneration and material benefits in-kind

The details of the remuneration and material benefits in-kind paid and proposed to be paid to our Directors for services rendered to our Group in all capacities for the FYE 2021 and FYE 2022 are as follows:

FYE 2021	Fees (RM'000)	Salary (RM'000)	Bonus (RM'000)	Allowances (RM'000)	Statutory contributions (EPF, SOCSO and EIS) (RM'000)	Benefits in- kind (RM'000)	Total (RM'000)
<u>Executive Director:</u> Ng Sheau Chyn	-	390	33	-	52	24	499
<u>Non-Executive Directors:</u> Tan Sri Azlan Bin Mohd Zainol	^(a) 35	-	-	^(b)	-	-	35
Tang Yow Sai	^(a) 25	-	-	2	-	-	27
Aw Ee Leng	^(a) 20	-	-	2	-	-	22
Datuk Ng Yih Pyng ^(c)	-	-	-	-	-	-	-

Notes:

- (a) The fees for our Independent Non-Executive Directors are pro-rated from 31 May 2021 and 15 July 2021, being the dates of their appointment to our Board and Board Committees, respectively.
- (b) Amount is less than RM1,000.
- (c) Datuk Ng resigned as a Director (with no executive function) of YXG, GPM and GRSB on 14 April 2021. He did not receive any fees and/or remuneration while he was a Director of YXG, GPM and GRSB for the Financial Years Under Review.

In addition, the total amounts and benefits paid to Ng Sheau Chyn (who is also our Promoter) in the FYE 2020 was RM517,000, comprising salary (RM381,000), bonus (RM159,000), statutory contributions (RM53,000), and benefits in-kind (RM24,000).

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

FYE 2022 (Proposed)	Fees (RM'000)	Salary (RM'000)	^(b) Bonus (RM'000)	Allowances (RM'000)	Statutory contributions (EPF, SOCSO and EIS) (RM'000)	Benefits in- kind (RM'000)	Total (RM'000)
<u>Executive Director:</u> Ng Sheau Chyn	-	431	-	-	53	24	508
<u>Non-Executive Directors:</u> Tan Sri Azlan Bin Mohd Zainol	60	-	-	4	-	-	64
Tang Yow Sai	49	-	-	8	-	-	57
Aw Ee Leng	37	-	-	8	-	-	45
Wong Phait Lee	^(a) 30	-	-	8	-	-	38
Datuk Ng Y'ih Pyng	-	-	-	-	-	-	-

Notes:

- (a) The fees for Wong Phait Lee is pro-rated from 1 March 2022, being the date of her appointment to our Board and Board Committees.
- (b) Bonuses are not included as it will be determined later depending on the performance of the individuals and our Group, subject to the recommendation of the Remuneration Committee and approval by our Board.

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

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.4.2 Key Senior Management's remuneration and material benefits in-kind

The aggregate remuneration and material benefits in-kind paid and proposed to be paid to our Key Senior Management for services rendered to our Group in all capacities for the FYE 2021 and FYE 2022 are as follows:

Key Senior Management	Remuneration band	
	FYE 2021	^(a) Proposed for the FYE 2022
	(RM'000)	(RM'000)
Samuel Sia Hsiao Guong	150 to 200	200 to 250
Lim Wai Chee	50 to 100	50 to 100
Ong Hui Eng	50 to 100	50 to 100
Whelly @ James Bin Gonsorob @ Roseday	50 to 100	50 to 100

Note:

- (a) Bonuses are not included as it will be determined later depending on the performance of the individuals and our Group, subject to the recommendation of the Remuneration Committee and approval by our Board.

5.5 DECLARATIONS BY EACH PROMOTERS, DIRECTOR AND KEY SENIOR MANAGEMENT

None of our Promoters, Directors and Key Senior Management is or was involved in any of the following events, whether within or outside Malaysia:

- (i) a petition under any bankruptcy or insolvency law was filed (and not struck out) against such person or any partnership in 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 such person, 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, judgment 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) reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency in the last 10 years; or
- (viii) any unsatisfied judgment against him.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.6 FAMILY RELATIONSHIPS AND ASSOCIATIONS

Save as disclosed below, there are no family relationships or associations between our substantial shareholders, Promoters, Directors and Key Senior Management:

Name	Position/Designation
<u>Promoters and substantial shareholders</u>	
Tomei	N/A
Ng Sheau Chyn ^(a)	Our Promoter and Managing Director and also the former Non-Independent Non-Executive Director of Tomei ^(b)
<u>Substantial shareholder</u>	
TFC	Major shareholder of Tomei
TBSB	Major shareholder of Tomei
Datuk Ng Yih Pyng ^(a)	Our Non-Independent Non-Executive Director and also the Managing Director of Tomei
Ng Yih Chen ^(a)	Executive Director of Tomei
Ng Sheau Yuen ^(a)	Executive Director of Tomei

Notes:

- (a) Ng Sheau Chyn, Datuk Ng Yih Pyng, Ng Yih Chen and Ng Sheau Yuen are siblings.
- (b) Resigned from her position as the Non-Independent Non-Executive Director of Tomei effective 12 October 2021.

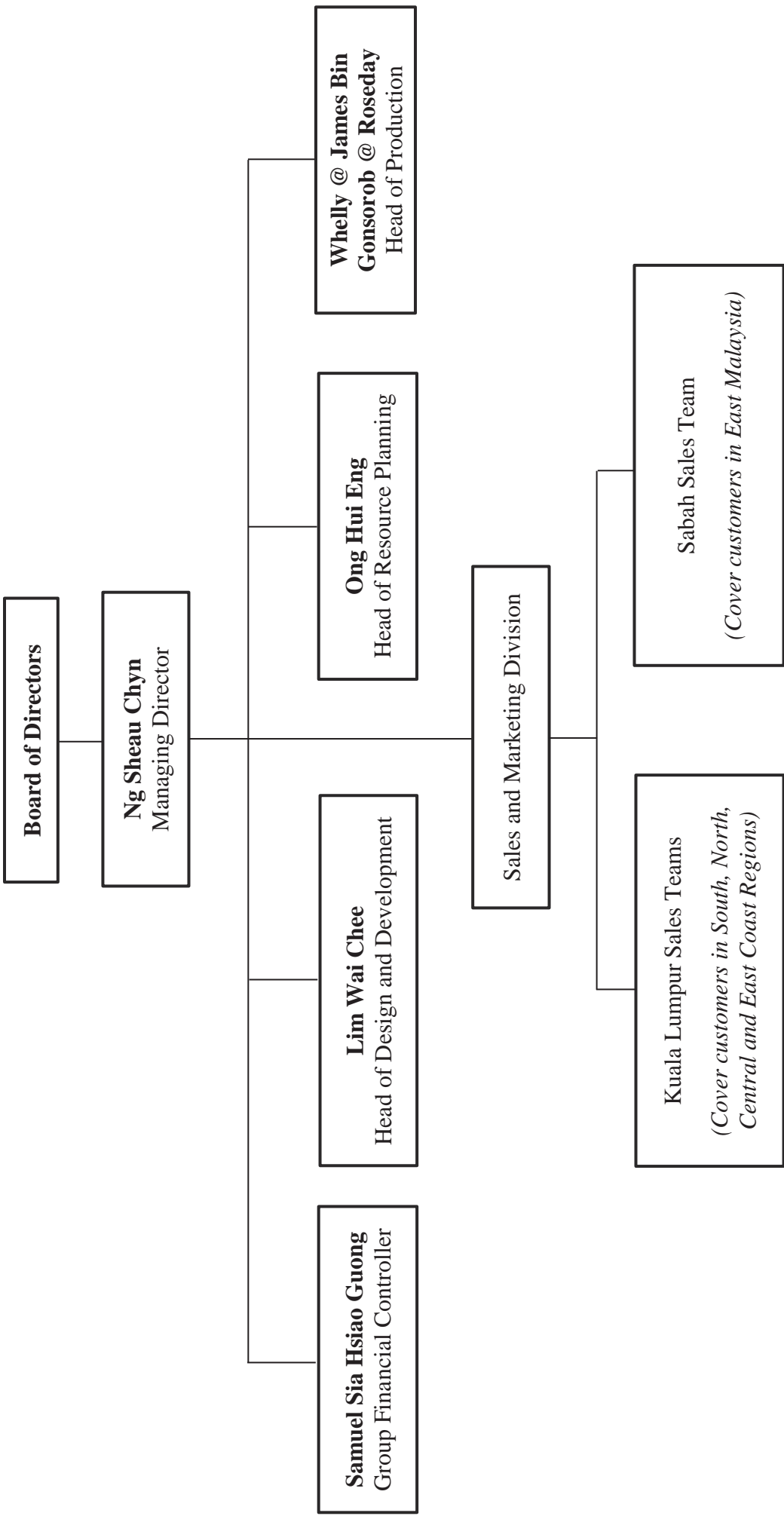
5.7 SERVICE AGREEMENTS

As at the LPD, none of our Directors and/or Key Senior Management have any existing or proposed service agreement with our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.8 MANAGEMENT REPORTING STRUCTURE

The management reporting structure of our Group is as follows:



6. INFORMATION ON OUR GROUP

6.1 INFORMATION ON OUR GROUP

Our Company (Registration No. 202101001245 (1401543-M)) was incorporated in Malaysia under the Act on 11 January 2021 as a private limited company under the name of YX Precious Metals Sdn Bhd and was subsequently converted to a public limited company on 11 March 2021. YXPM is an investment holding company.

We are principally involved in wholesaling, design and manufacturing of gold jewellery. Our other related products and services include sales of scrap and pure gold bars, manufacture of silver chains, and provision of refining services for precious metals.

6.1.1 Our Group's History

The table below sets out the key events and milestones in the history and development of our Group's business operations:

Year	Events
1987	<ul style="list-style-type: none"> YXG was incorporated in October 1987 under the name of Surego Sdn Bhd, where its directors and shareholders were Leong Kwok Heng and Noraini Binti Harun. Subsequently, the shareholders disposed their respective entire equity interests in YXG to Wong Chee Pank and Tan Poh Lian in November 1987, who also became the directors of YXG.
1988 - 1990	<ul style="list-style-type: none"> In March 1988, new YXG Shares were issued to new shareholders, Khoo Huah, Lim King Chuan, Chu Law Jin, Ng Yih Chen and Lee Yoke Lin. In December 1988, the directors of YXG were Wong Chee Pank, Chu Law Jin and Ng Yih Chen. In December 1989, YXG changed its name to Singapore Jewellery Sdn Bhd. Wong Chee Pank and Tan Poh Lian disposed their respective entire equity interests in YXG to Ng Yih Chen in 1990 and the directors were Chu Law Jin and Ng Yih Chen.
1992	<ul style="list-style-type: none"> YXG assumed its current name and commenced wholesale of gold jewellery serving trade customers namely jewellery retailers in 1992. Further to the acquisitions of YXG Shares from Khoo Huah, Lim King Chuan, Chu Law Jin and Lee Yoke Lin, the directors and shareholders of YXG in November 1992 were the late Tan Sri Datuk Dr. Ng Teck Fong, Puan Sri Datin Gan Sao Wah @ Gan Sao Eng, Datuk Ng Yih Pyng, Ng Yih Chen and Ng Sheau Chyn.
1997	<ul style="list-style-type: none"> GPM was incorporated in 1997, where its directors were the late Tan Sri Datuk Dr. Ng Teck Fong, Datuk Ng Yih Pyng and Ng Sheau Chyn and shareholders were the late Tan Sri Datuk Dr. Ng Teck Fong and Datuk Ng Yih Pyng. YXG became a wholly-owned subsidiary of TGJH when TGJH acquired the entire equity interest in YXG from the late Tan Sri Datuk Dr. Ng Teck Fong, Puan Sri Datin Gan Sao Wah @ Gan Sao Eng, Datuk Ng Yih Pyng, Ng Yih Chen and Ng Sheau Chyn.
1998 - 1999	<ul style="list-style-type: none"> In 1998, GPM obtained a manufacturing license from MITI and commenced operations as a manufacturer of jewellery focusing on chain jewellery products in 1999. GPM started manufacturing a range of gold and silver chain jewellery products including box, belcher, cable, curb, double cable and hollow knitted mesh chain designs. GPM also commenced refining of precious metals in 1999, which was mainly for our Group's internal use as part of our jewellery manufacturing process. GPM become a joint venture company in 1999 owned by TGJH, Ratna Unggul Sdn Bhd ("RUSB"), C. Hafner GmbH + Co Gold-und Silberscheide Anstalt ("C. Hafner") and Eugen Schofer GmbH + Co. KG ("Eugen Schofer"). RUSB is principally an investment holding company and C. Hafner is a German company established in 1850 that specialises in refining and recycling of precious metals, while Eugen Schofer is a German company established in 1904 that specialises in design and manufacturing of jewellery chains.

6. INFORMATION ON OUR GROUP (Cont'd)

Year	Events
2000	<ul style="list-style-type: none"> EASB was incorporated in 2000 under the name of Tomei Gold & Jewellery (IOI) Sdn Bhd, where its directors and shareholders were the late Tan Sri Datuk Dr. Ng Teck Fong, Datuk Ng Yih Pyng and Ng Yih Chen. EASB was principally engaged in sale and trading of gold ornaments (such as zodiac signs and Chinese New Year auspicious gold decorative/display items) and jewellery (such as gemstone and precious metals jewellery).
2001	<ul style="list-style-type: none"> GPM commenced precision cutting using CNC cutting machine to perform diamond cutting finishing on gold jewellery such as beads and rings. Diamond cutting is a type of finishing process that creates a uniformed geometric design on the surface of the precious metal in order to achieve light reflecting properties or a shiny appearance to the precious metal. As at the LPD, we are still using this precision cutting as part of our finishing process on our gold jewellery such as beads, chains, rings, bangles and pendants.
2002	<ul style="list-style-type: none"> GPM established our own in-house design team and commenced gold jewellery design.
2003	<ul style="list-style-type: none"> GPM started exporting jewellery products namely silver chains to Germany and gold jewellery to Singapore and Indonesia in 2003 and subsequently expanded its export markets to Hong Kong in 2013 and Myanmar in 2014.
2004	<ul style="list-style-type: none"> C. Hafner disposed its entire equity interests in GPM to Eugen Schofer. GPM commenced bead manufacturing for bead chains, a type of design which involves the formation of balls or beads of chains that are interconnected to become necklaces, bracelets and anklets. The beads can also be used to produce pendants, charms or earrings, as well as assembled to form designs on jewellery.
2006	<ul style="list-style-type: none"> RUSB disposed its entire equity interests in GPM to Tomei. EASB became an indirect wholly-owned subsidiary of Tomei in 2006 when Tomei Gold & Jewellery (MJ) Sdn Bhd (a wholly-owned subsidiary of Tomei in 2006) acquired the entire equity interest in EASB from the late Tan Sri Datuk Dr. Ng Teck Fong, Datuk Ng Yih Pyng, Ng Yih Chen and Sinar Raya Trading Sdn Bhd (directors were the late Tan Sri Datuk Dr. Ng Teck Fong and Ng Yih Chen and shareholder was Tomei Retail Sdn Bhd (a wholly-owned subsidiary of Tomei in 2006)). During that period, EASB was principally involved in retailing of jewellery and subsequently became inactive in 2010. YXG also became a wholly-owned subsidiary of Tomei in 2006 when Tomei acquired the entire equity interest in YXG from TGJH. As subsidiaries of Tomei, YXG, GPM and EASB were part of the listing group of Tomei on the Second Board of Bursa Securities in 2006. Tomei was subsequently transferred to the Main Board (now known as the Main Market) of Bursa Securities in 2007.
2007	<ul style="list-style-type: none"> YXG obtained ISO 9001:2000 accreditation for trading of gold jewellery and related articles from SIRIM QAS International Sdn Bhd. GPM obtained ISO 9001:2000 accreditation for design, manufacture and sales of gold jewellery and related articles from SIRIM QAS International Sdn Bhd. As at the LPD, both certifications were renewed and upgraded to ISO 9001:2015 which is valid until June 2022. These ISO 9001 certifications indicate that YXG and GPM adhere to international standards on quality management systems.
2010	<ul style="list-style-type: none"> Eugen Schofer disposed its entire equity interests in GPM to Schofer Germany - The Chain Company GmbH & Co., KG ("Schofer Germany"). Schofer Germany is principally involved in manufacturing and supplying jewellery chains. <p>Eugen Schofer, C. Hafner and Schofer Germany, being our German partners, have been instrumental in our growth with their transfer of knowledge and technology relating to jewellery chain manufacturing, and precious metal refining respectively.</p>
2011	<ul style="list-style-type: none"> GPM continued to expand our range of in-house designed and manufactured chain jewellery by introducing approximately 150 chain designs including, among others, barley corn, figaro and S-curb chain designs.

6. INFORMATION ON OUR GROUP (Cont'd)

Year	Events
2012	<ul style="list-style-type: none"> EASB assumed its present name in 2012 and became a direct wholly-owned subsidiary of Tomei when Tomei acquired the entire equity interest in EASB from Tomei Gold & Jewellery (MJ) Sdn Bhd. Part of our business strategies includes providing assaying services for precious metals through EASB. As at the LPD, EASB has not commenced operations.
2013	<ul style="list-style-type: none"> As part of our design and development capabilities, GPM registered 2 industrial designs with Intellectual Property Corporation of Malaysia for linked bead chain jewellery products in 2013. Since then, GPM continued to register 3 more industrial designs for linked bead chain jewellery products and 1 design for casting box chain jewellery product between 2014 and 2018. As at the LPD, 4 out of the 6 registered industrial designs registered by GPM are still valid, while the remaining 2 industrial designs have expired. These chain jewellery products are hand-crafted, where each loop is manually linked by our craftsmen.
2014	<ul style="list-style-type: none"> Schofer Germany disposed its entire equity interests in GPM to Tomei and Tomei became the sole shareholder in GPM. As such, GPM became a wholly-owned subsidiary of Tomei.
2015	<ul style="list-style-type: none"> YXG established its first sales office in Kota Kinabalu, Sabah for its wholesale operations to serve trade customers in East Malaysia. Since 1 June 2021, the said sales office in Sabah has been undertaken by GPM. Please refer to Section 6.3.10 of this Prospectus for further details on our sales office in Sabah.
2018	<ul style="list-style-type: none"> GPM started using 3D printing technology for jewellery designs, which enabled us to create complex and customised designs and master patterns for investment casting of jewellery items.
2019	<ul style="list-style-type: none"> GPM expanded our hollow gold jewellery range of products through the manufacturing of hollow cable chain.
2020	<ul style="list-style-type: none"> GPM commenced laser engraving technology and mould making for stamping using fibre laser engraving machine. YXG established and commenced an online sales order system for our trade customers to place orders for gold jewellery. GRSB was incorporated as a wholly-owned subsidiary of Tomei. GRSB intends to provide refining services of precious metals. As at the LPD, GRSB has not commenced operations.
2021	<ul style="list-style-type: none"> YXPM was incorporated as a wholly-owned subsidiary of Tomei and principally as an investment holding company.

For information purposes, Datuk Ng Yih Pyng and Ng Yih Chen mentioned above are deemed persons connected to our Promoters.

6.1.2 Awards, certifications and recognition

In 2007, YXG obtained ISO 9001:2000 accreditation for trading of gold jewellery and related articles from SIRIM QAS International Sdn Bhd and GPM obtained ISO 9001:2000 accreditation for design, manufacture and sales of gold jewellery and related articles from SIRIM QAS International Sdn Bhd. As at the LPD, both certifications were renewed and upgraded to ISO 9001:2015 which is valid until 28 June 2022.

These ISO 9001 certifications indicate that YXG and GPM adhere to international standards on quality management systems in respect of its respective business activities. Nonetheless, there will not be any material impact to our business operations in the event we are unable to renew the said certifications in the future as ISO 9001 certifications are not regulatory requirements for our business operations. In addition, we have an established track record that spans approximately 30 years since the commencement of our wholesaling of gold jewellery business in 1992 and manufacturing of gold jewellery in 1999 to serve as a platform to sustain and grow our business.

Save for ISO 9001:2015 certifications from SIRIM QAS International Sdn Bhd as mentioned above, we do not have any other awards, certifications and recognition as at the LPD.

6. INFORMATION ON OUR GROUP *(Cont'd)*

6.1.3 Our competitive advantages and key strengths

Our competitive advantages and key strengths will provide us with the platform to grow our business. These are as follows:

(i) We are a gold jewellery specialist where our wholesale operations are supported by our own in-house design team and manufacturing operations

We are a wholesaler and manufacturer specialising in gold jewellery including among others, chain jewellery products, bangles and rings. We also provide our customers with one-stop supply centre for gold jewellery as detailed in Section 6.1.3 (ii) of this Prospectus. Our specialisation in gold is demonstrated by our revenue generated from our Gold Jewellery Segment which accounted for 99.40%, 99.41%, 96.89% and 97.25% of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021, respectively.

For the FYE 2018, FYE 2019, FYE 2020 and FYE 2021, our Wholesale Segment accounted for 81.47%, 79.04%, 88.33% and 93.77% of our total revenue respectively. Our wholesale business sources gold jewellery from external manufacturers as well as from our in-house manufacturing operations. Having an in-house manufacturing arm distinguishes us from other jewellery wholesalers who are dependent solely on external manufacturers for their products. According to the Industry Overview Report, as at 5 May 2022, there were 21 members registered with the FGJAM that were involved in both jewellery manufacturing and wholesaling activities.

As a gold jewellery specialist, our wholesale operations are supported by our in-house design team and manufacturing operations. Our wholesale business process begins with the customers choosing the type of jewellery that they intend to purchase from our catalogue or sample stocks. Our catalogue comprises various designs and types of jewellery from our in-house design team and manufacturing operations (undertaken by GPM) and external manufacturers. This provides option to our customers to choose either our in-house designs or external manufacturers' designs to cater to their diverse needs. Our in-house gold jewellery design focuses on value-added gold jewellery that have more complex designs and requires more complicated manufacturing process to create the final products. Meanwhile, the external manufacturers' products comprised generally common, basic or simple designs.

The aggregate revenue from our internally sourced gold jewellery for our Wholesale Segment and revenue from our Design and Manufacture Segment accounted for 46.88%, 47.66%, 35.12% and 30.25% of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. This provides us with the following competitive advantages:

- we are able to offer our customers exclusivity in our gold jewellery designs. As at the LPD, we have accumulated approximately 3,050 in-house designed products that are manufactured and sold since the commencement of our design team in 2002. For the Financial Years Under Review and up to the LPD, approximately 420 active designs were used in our manufacturing operations. The number of designs are derived based on different patterns and finishing of a jewellery product. We can assist our customers who are jewellery retailers and wholesalers to promptly address opportunities created by new jewellery design trends and buyer preferences;
- we can enhance our credentials among our customers demonstrated by our understanding of product and manufacturing knowledge derived from our 30 years and 23 years of experience as a wholesaler and manufacturer of gold jewellery respectively since the commencement of our business activities; and
- we can provide a range of services to our customers including manufacturing and refining where we can assist our customers to refine their old gold jewellery. Moving forward, we intend to provide refining services, through GRSB and gold assaying services via EASB to our customers as part of our business strategies. GRSB intends to commence operations by 3rd quarter of 2022 subject to GRSB obtaining a manufacturing licence from MITI or an exemption letter from MITI/MIDA on the same. EASB intends to commence operations by 3rd quarter of 2022 subject to EASB obtaining an accreditation certificate from the Department of Standards Malaysia.

6. INFORMATION ON OUR GROUP *(Cont'd)*

(ii) We provide a one-stop supply centre for gold jewellery to meet the needs of our customers

We leverage from our capabilities and strengths as a gold jewellery specialist to provide a one-stop supply centre for a wide range of gold jewellery to meet the needs of our customers. Our sources of supply of gold jewellery comprised a combination of our established network of suppliers for gold raw materials, external manufacturing services, as well as our range of in-house manufactured products.

For the FYE 2018, FYE 2019, FYE 2020 and FYE 2021, revenue from our Gold Jewellery Segment was derived from the sales of approximately 14,900 SKU, 13,500 SKU and 12,600 SKU (for both FYE 2020 and FYE 2021) respectively including necklaces, bracelets, anklets, bangles, rings, pendants, charms and earrings of various designs, shape and sizes. The number of SKU is an indication of the wide range of gold jewellery items or products that we carry in order to meet the varying requirements of our customers as a one-stop supply centre for gold jewellery. The decrease in our SKU from our Gold Jewellery Segment was due mainly to the streamlining of our range of products by focusing on more popular design items in response to meeting the demand from our customers.

Additionally, it is not practical for small to medium-sized jewellery retailers to purchase gold jewellery directly from jewellery manufacturers in view of the minimum purchase volume required by many jewellery manufacturers. As such, jewellery retailers that purchase in smaller quantities would benefit from purchasing directly from us via YXG as we are a one-stop supply centre that offers customers the option to purchase in small quantities with a mix of various designs. Further, as trust and reputation are very important in the gold jewellery industry, we can give customers product quality assurance through our established track record since 1992.

The convenience of a one-stop supply centre for gold jewellery has enabled us to cultivate customer loyalty, retain an established customer base as well as attract new customers.

(iii) We have a wide customer base and market reach

Since the commencement of our wholesale operations via YXG in 1992, we have cultivated a wide customer base comprising jewellery retailers, wholesalers and manufacturers. For the FYE 2018, FYE 2019 and FYE 2020, we had approximately 300 customers in each respective years, and for FYE 2021 we had approximately 315 customers, covering the markets in Peninsular Malaysia and East Malaysia, as well as export markets such as Singapore, Germany, Myanmar and Hong Kong.

We mainly utilise indirect distribution channels where we market and sell our products to resellers including jewellery retailers and wholesalers who would then resell our products to their respective customer base and/or to end-consumers. This enables us to use our customers' sales and retail network to reach a wider cross section of end-consumers. For the FYE 2018, FYE 2019, FYE 2020 and FYE 2021, our revenue contributed by sales through indirect distribution channels accounted for 99.59%, 98.99%, 99.46% and 99.67% of our total revenue respectively. The remaining 0.41%, 1.01%, 0.54% and 0.33% of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively was contributed by sales through direct distribution channels namely jewellery manufacturers.

For the FYE 2021, approximately 98% or 310 customers are resellers (jewellery retailers and wholesalers) and approximately 2% or 5 customers are jewellery manufacturers. Furthermore, we have approximately 79% or 250 customers (240 jewellery retailers, 5 wholesalers and 5 manufacturers) with length of relationship of more than 6 years with our Group for the FYE 2021.

The wide customer base of approximately 300 customers and our market reach covering the domestic market in Malaysia as well as export markets help to sustain our business and provide the platform for us to address market opportunities.

6. INFORMATION ON OUR GROUP (Cont'd)

(iv) We have an established track record of 30 years to serve as a platform for business sustainability and growth

We have an established track record that spans approximately 30 years since the commencement of our wholesaling of gold jewellery business in 1992 and manufacturing of gold jewellery in 1999. Dealing in gold jewellery relies significantly on the trust and reputation of suppliers and retailers as most end-consumers have no practical avenue to ascertain the gold content of gold jewellery. It is also not practical for trade customers to carry out gold assaying for all articles of gold jewellery.

All the gold jewellery that are manufactured in-house goes through our internal assaying at various manufacturing stages as part of our quality assurance process. We also perform quality checks on the gold jewellery that we procured from external manufacturers on a sampling basis. As part of our future plans, we intend to obtain the certification to be an accredited laboratory for gold assaying services. This would enhance and strengthen our credibility among our customers.

Our established track record has enabled us to garner the trust among our customers. In this respect, our established track record serves as an important reference for potential customers and our ability to sustain and grow our business.

Between FYE 2018 and FYE 2020, revenue from our Gold Jewellery Segment increased at a CAGR of 11.57% from RM136.71 million in FYE 2018 to RM170.17 million in FYE 2020 which was contributed mainly by the increase in global gold prices. However, the same increase in global gold prices in FYE 2019 as well as the COVID-19 pandemic and MCO conditions in FYE 2020 had affected our sales volume from our Gold Jewellery Segment at a negative CAGR of 8.27% between FYE 2018 and FYE 2020. In FYE 2021, revenue from our Gold Jewellery Segment increased by 51.66% to RM258.08 million, contributed mainly by the increase in sales volume from our Gold Jewellery Segment of 51.78%. Kindly refer to Section 11.3 of this Prospectus for further details.

(v) We have an experienced Managing Director and Key Senior Management team to grow our business

We have an experienced Managing Director, Ng Sheau Chyn who has approximately 30 years of experience in the jewellery industry. As the Managing Director, Ms. Ng has been instrumental in the growth and development of our Group. She is responsible for developing the strategic direction and business expansion strategies of our Group. Over the years, Ms. Ng has contributed significantly to the growth and development of our Group including our market coverage in Malaysia as well as export markets.

She is supported by our Key Senior Management namely our Head of Resource Planning, Head of Design and Development and Head of Production, who have been with our Group for at least 20 years and they are as follows:

- Ong Hui Eng, our Head of Resource Planning has been with our Group since 2000. She has approximately 22 years of experience in resource planning in the jewellery industry. She is responsible for performing the day-to-day purchase ordering, inventory level management and co-ordination of our Group's wholesale operations;
- Lim Wai Chee, our Head of Design and Development has been with our Group for approximately 20 years. She brings with her over 26 years of experience in designing jewellery. She is responsible for leading our Group's product development and design team; and
- Whelly @ James Bin Gonsorob @ Roseday, our Head of Production has been with our Group since 2000. He has approximately 22 years of experience in jewellery manufacturing activities. He is responsible for the day-to-day manufacturing operations of our Group.

In addition, we are also supported by Samuel Sia Hsiao Guong, our Group Financial Controller, who has been with our Group since November 2020. He brings with him approximately 12 years of experience in accounting and finance.

6. INFORMATION ON OUR GROUP (Cont'd)

We believe our Managing Director and Key Senior Management will help us to sustain our business and provide us with the platform to grow our business. Further details on the profiles of our Managing Director and Key Senior Management are set out in Section 5.1.2(vi) and 5.2.8 of this Prospectus respectively.

6.1.4 Share capital and changes in share capital

As at the LPD, our issued share capital is RM52,100,400 comprising 260,502,000 Shares.

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

Date of allotment	No. of Shares allotted	Consideration (RM)	Type of issue	Cumulative issued share capital (RM)
11.01.2021	2	2	Subscribers' shares	2
14.04.2021	10	-	Subdivision of every 1 existing Share into 5 Shares	2
29.03.2022	260,501,990	52,100,398	Otherwise than cash for the Acquisitions	52,100,400

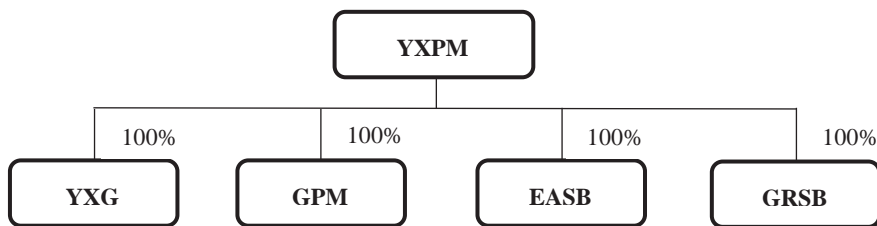
There were no discounts, special terms or instalment payment terms given in consideration of the above allotment.

As at the LPD, we do not have any outstanding warrants, options, convertible securities and uncalled capital.

Upon completion of our Listing, our issued share capital will increase to RM83,361,840 comprising 372,150,000 Shares.

6.1.5 Subsidiaries

Our corporate Group structure upon Listing is illustrated below:



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6. INFORMATION ON OUR GROUP (Cont'd)

The details of our subsidiaries are set out below:

Name and registered no.	Date and place of incorporation	Principal place of business	Issued share capital	Effective equity interest (%)	Principal activities
YXG (198701006292 (164963-M))	5 October 1987 / Malaysia	Malaysia	RM6,500,000	100.00	Wholesale of gold jewellery, and other related products and services
GPM (199701010600 (426096-W))	3 April 1997 / Malaysia	Malaysia	RM10,600,000	100.00	Design and manufacture of gold jewellery, and other related products and services ^(a)
EASB (200001010661 (513267-X))	3 May 2000 / Malaysia	Malaysia	RM500,000	100.00	Currently inactive. EASB intends to provide assaying services for precious metals. As at the LPD, EASB has not commenced operations ^(b)
GRSB (202001025072 (1381392-H))	25 August 2020 / Malaysia	Malaysia	RM2	100.00	Currently inactive. GRSB intends to provide refining services of precious metals. As at the LPD, GRSB has not commenced operations ^(c)

Notes:

- (a) Currently, our refining and assaying activities are undertaken by GPM for internal supporting activities which form part of our manufacturing and quality control processes. The provision of assaying services by GPM for internal supporting activities is not required to be certified. Nonetheless, GPM also provides refining services mainly to our related company, TGJH and some external customers. The provision of refining services accounted for 0.08%, 0.09%, 0.06% and 0.03% of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. Part of our business strategies is to provide refining and assaying services of precious metals to external customers through GRSB and EASB, respectively. Upon commencement of operations of GRSB and EASB, GPM will no longer undertake any refining and assaying activities.
- (b) EASB was incorporated in 2000 under the name of Tomei Gold & Jewellery (IOI) Sdn Bhd and was principally engaged in sale and trading of gold ornaments (such as zodiac signs and Chinese New Year auspicious gold decorative/display items) and jewellery (such as gemstone and precious metals jewellery). During 2006 to 2009, EASB was principally involved in retailing of jewellery. EASB became inactive since 2010 and assumed its present name in 2012. EASB intends to commence operations by 3rd quarter of 2022 subject to EASB obtaining an accreditation certificate from the Department of Standards Malaysia.
- (c) GRSB intends to commence operations to provide refining services of precious metals by 3rd quarter of 2022 subject to GRSB obtaining a manufacturing licence from MITI, which is required for GRSB to carry out any form of manufacturing activities including refining services, or an exemption letter from MITI/MIDA on the same.

6. INFORMATION ON OUR GROUP (Cont'd)

6.2 SHARE CAPITAL INFORMATION ON OUR SUBSIDIARIES

6.2.1 YXG

As at the LPD, the issued share capital of YXG is RM6,500,000 comprising 6,500,000 YXG Shares.

The changes in the issued share capital of YXG during the Financial Years Under Review and up to the LPD are as follows:

Date of allotment	No. of YXG Shares allotted	Consideration/Types of issue	Cumulative issued share capital	
			(RM)	No. of YXG Shares
23.12.2020	1,500,000	RM1,500,000/Otherwise than cash pursuant to the capitalisation of equity loan, i.e. advances from immediate holding company	6,500,000	6,500,000

None of the YXG Shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, YXG does not have any outstanding warrants, options, convertible securities and uncalled capital.

6.2.2 GPM

As at the LPD, the issued share capital of GPM is RM10,600,000 comprising 10,600,000 GPM Shares. The changes in the issued share capital of GPM during the Financial Years Under Review and up to the LPD are as follows:

Date of allotment	No. of GPM Shares allotted	Consideration/Types of issue	Cumulative issued share capital	
			(RM)	No. of GPM Shares
24.12.2020	5,600,000	RM5,600,000/Otherwise than cash pursuant to the capitalisation of equity loan, i.e. advances from immediate holding company	10,600,000	10,600,000

None of the GPM Shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, GPM does not have any outstanding warrants, options, convertible securities and uncalled capital.

6.2.3 EASB

As at the LPD, the issued share capital of EASB is RM500,000 comprising 500,000 EASB Shares. There has been no change in the issued share capital of EASB for the Financial Years Under Review and up to the LPD.

None of the EASB Shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, EASB does not have any outstanding warrants, options, convertible securities and uncalled capital.

6. INFORMATION ON OUR GROUP (Cont'd)

6.2.4 GRSB

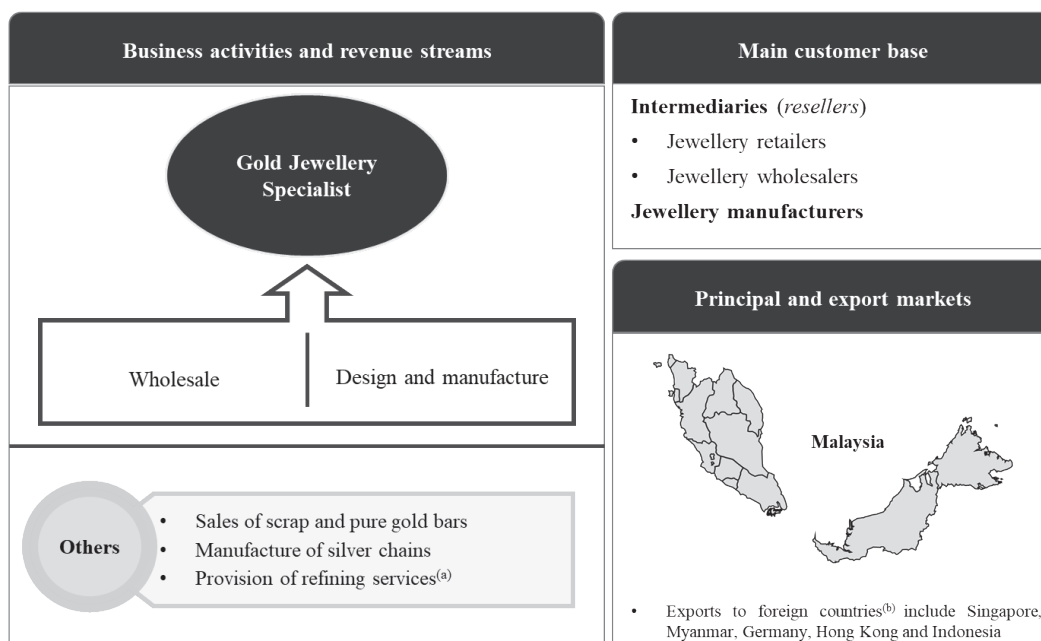
As at the LPD, the issued share capital of GRSB is RM2 comprising 2 GRSB Shares. Save for the subscribers' shares issued for cash on incorporation, there has been no change in the issued share capital of GRSB since its incorporation up to the LPD.

None of the GRSB Shares were issued at a discount, on special terms or based on instalment payment terms. As at the LPD, GRSB does not have any outstanding warrants, options, convertible securities and uncalled capital.

6.3 BUSINESS OVERVIEW

6.3.1 Our business model

For the Financial Years Under Review, our business model is as follows:



Notes:

- (a) The provision of refining services is mainly an internal supporting activity which form part of our manufacturing and quality control processes. For the FYE 2018, FYE 2019, FYE 2020 and FYE 2021, we provide refining services mainly to our related company, TGJH as well as some external customers and this accounted for 0.08%, 0.09%, 0.06% and 0.03% of our total revenue respectively.
- (b) Exports to foreign countries accounted for 7.27%, 9.55%, 3.77% and 2.42% of our total revenue for FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively and Singapore was the largest export market. It accounted for 6.48%, 8.33%, 3.30% and 2.14% of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. Exports to Hong Kong were applicable for FYE 2018, FYE 2019 and FYE 2021, while exports to Indonesia were applicable for FYE 2019 only. There were no export sales to Hong Kong and Indonesia for the FYE 2020 due to the closure of borders relating to COVID-19 pandemic which restricted sales meetings with the customers.

6.3.1.1 Business activities and revenue streams

We are a gold jewellery specialist principally involved in wholesaling, design and manufacturing activities. Our other related products and services include sales of scrap and pure gold bars, manufacture of silver chains, and provision of refining services for precious metals. Our business model is based on sales of gold jewellery to trade customers for resale and this includes jewellery retailers, wholesalers and manufacturers.

6. INFORMATION ON OUR GROUP (Cont'd)

The Wholesale Segment is our largest business segment which accounted for 81.47%, 79.04%, 88.33% and 93.77% of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. Revenue from our Wholesale Segment for the Financial Years Under Review were derived mainly from the sales of gold jewellery to trade customers who were mainly jewellery retailers.

The Design and Manufacture Segment constituted 17.93%, 20.37%, 8.56% and 3.48% of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. Revenue from the Design and Manufacture Segment for the Financial Years Under Review were derived mainly from sales of gold jewellery to trade customers which comprised jewellery wholesalers, manufacturers and large chain-store retailers.

For the Financial Years Under Review, our revenue segmentation by business segments are as follows:

	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Gold Jewellery Segment	136,708	99.40	143,863	99.41	170,171	96.89	258,079	97.25
Wholesale Segment	112,055	81.47	114,377	79.04	155,133	88.33	248,863	93.77
- Externally sourced gold jewellery and services ^(a)	72,234	52.52	74,882	51.75	108,486	61.77	177,787	66.99
· Gold jewellery	70,856	51.52	73,887	51.06	107,610	61.27	176,215	66.40
· Gold jewellery manufacturing services ^(b)	1,378	1.00	995	0.69	876	0.50	1,572	0.59
- Internally sourced gold jewellery ^(c)	39,821	28.95	39,495	27.29	46,647	26.56	71,076	26.78
Design and Manufacture Segment	24,653	17.93	29,486	20.37	15,038	8.56	9,216	3.48
· Gold jewellery ^(c)	22,095	16.07	26,769	18.50	13,111	7.46	6,294	2.38
· Gold jewellery manufacturing services ^(d)	2,558	1.86	2,717	1.87	1,927	1.10	2,922	1.10
Other Related Products and Services^(e)	826	0.60	848	0.59	5,463	3.11	7,305	2.75
Total revenue	137,534	100.00	144,711	100.00	175,634	100.00	265,384	100.00

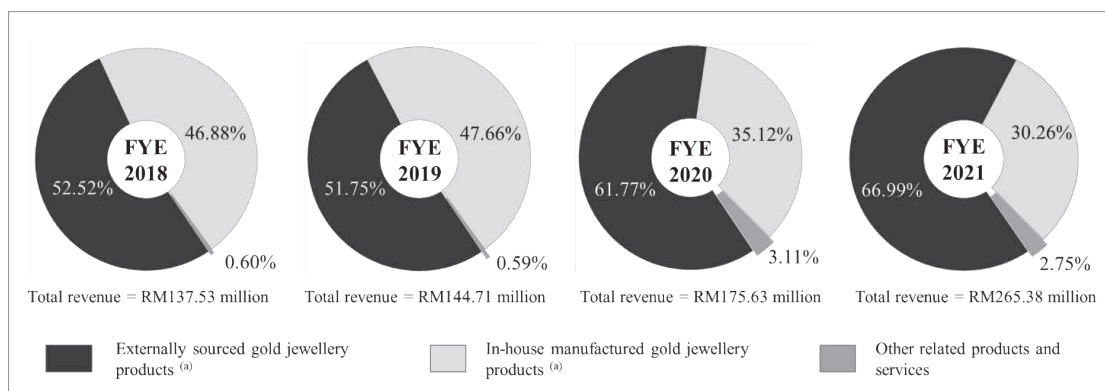
Notes:

- (a) Refers to gold jewellery designed and manufactured as well as manufacturing services provided by external jewellery manufacturers.
- (b) Refers to service fee we charged to customers when we engaged external jewellery manufacturers to carry out the manufacturing services and the gold raw material is supplied by the customers.
- (c) Refers to gold jewellery designed and manufactured by our subsidiary, GPM. The revenue of internally sourced gold jewellery was classified under the Wholesale Segment as the sales orders were secured through our Wholesale Segment (undertaken by YXG). The revenue under the Design and Manufacture Segment is based on the sales orders secured through our Design and Manufacture Segment (undertaken by GPM).
- (d) Refers to service fee we charged to customers when we carry out the manufacturing services through our subsidiary, GPM and the gold raw material is supplied by the customers.
- (e) Include sales of scrap and pure gold bars, manufacture of silver chains and provision of refining services for precious metals.

6. INFORMATION ON OUR GROUP (Cont'd)

Our range of products consist of gold jewellery that are sourced from external manufacturers as well as internally sourced from our manufacturing operations. Our Group's revenue segmented by sources of gold jewellery products and services are as follows:

Group Revenue by Sources of Gold Jewellery Products



Note:

- (a) Includes the provision of gold jewellery manufacturing services where the gold raw material is supplied by the customer. For the Financial Years Under Review, revenue from provision of gold jewellery manufacturing services collectively accounted for 2.86%, 2.56%, 1.60% and 1.69% of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively.

Gold jewellery that was sourced from external manufacturers accounted for RM72.23 million (52.52%), RM74.88 million (51.75%), RM108.49 million (61.77%) and RM177.79 million (66.99%) of our Group's total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. Meanwhile, our in-house manufactured gold jewellery products accounted for RM64.47 million (46.88%), RM68.98 million (47.66%), RM61.69 million (35.12%) and RM80.29 million (30.26%) of our Group's total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. Revenue from our in-house manufactured gold jewellery products declined from RM64.47 million or 46.88% in FYE 2018 to RM61.69 million or 35.12% in FYE 2020. This was due mainly to the decrease in sales to Singapore as a result of the closure of the Singapore border amidst the COVID-19 pandemic. In FYE 2021, revenue from our in-house manufactured gold jewellery products increased by 30.17% to RM80.29 million due to the increase in demand from customers. Meanwhile, revenue from externally sourced gold jewellery products and services increased from RM72.23 million or 52.52% in FYE 2018 to RM177.79 million or 66.99% in FYE 2021 due mainly to the increase in demand from customers in East Malaysia.

For the Financial Years Under Review, our Group's revenue by type of gold jewellery products are as follows:

	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Gold Jewellery Segment	136,708	99.40	143,863	99.41	170,171	96.89	258,079	97.25
Chain jewellery products	75,440	54.85	83,303	57.57	103,579	58.97	161,597	60.89
- Necklaces	35,963	26.15	38,935	26.90	48,308	27.50	84,237	31.74
- Bracelets	35,861	26.07	39,442	27.26	48,251	27.47	70,136	26.43
- Anklets	3,326	2.42	3,281	2.27	4,760	2.71	6,997	2.64
- Basic chains	290	0.21	1,645	1.14	2,260	1.29	227	0.08
Bangles	19,619	14.27	22,108	15.27	26,602	15.15	33,017	12.44
Rings	20,728	15.07	16,150	11.16	18,708	10.65	25,605	9.65
Others ^(a)	20,921	15.21	22,302	15.41	21,282	12.12	37,860	14.27
Other Related Products and Services	826	0.60	848	0.59	5,463	3.11	7,305	2.75
Total revenue	137,534	100.00	144,711	100.00	175,634	100.00	265,384	100.00

6. INFORMATION ON OUR GROUP (Cont'd)

Note:

- (a) Others include earrings, pendants, charms, semi-finished chains and beads, minted gold bars such as gold wafers and coins, and provision of gold jewellery manufacturing services.

We specialise in 916-gold jewellery which accounted for 98.49%, 97.94%, 96.09% and 91.24% of our total revenue for gold jewellery for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. We also offer 999-gold jewellery and products, albeit on a small-scale basis which accounted for 1.51%, 2.06%, 3.91% and 8.76% of our total revenue for gold jewellery for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively.

We offer a wide range of gold jewellery mainly gold chain jewellery products such as necklaces, bracelets, anklets, and basic chains, as well as bangles and rings. Other products include pendants, charms and earrings, semi-finished chains and beads as well as minted gold bars such as gold wafers and coins.

Our gold jewellery products can be further categorised into solid and hollow gold jewellery. Hollow gold jewellery refers to a range of gold jewellery where some part of it is hollow in the inside and thus uses a lower quantity of gold. It is generally lighter in weight and less expensive compared to solid gold jewellery.

For the Financial Years Under Review, our Group's revenue segmented by solid and hollow gold jewellery are as follows:

	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Gold Jewellery Segment	136,708	99.40	143,863	99.41	170,171	96.89	258,079	97.25
Solid gold jewellery	96,028	69.82	98,525	68.08	124,875	71.10	187,185	70.54
Hollow gold jewellery	36,744	26.72	41,627	28.77	42,494	24.19	66,400	25.02
Gold jewellery manufacturing services	3,936	2.86	3,711	2.56	2,802	1.60	4,494	1.69
- Solid gold jewellery	3,038	2.21	2,790	1.93	2,061	1.18	3,261	1.23
- Hollow gold jewellery	898	0.65	921	0.63	741	0.42	1,233	0.46
Other Related Products and Services	826	0.60	848	0.59	5,463	3.11	7,305	2.75
Total revenue	137,534	100.00	144,711	100.00	175,634	100.00	265,384	100.00

As the global average gold prices continue to increase, affordability becomes an important factor for end-consumers. In order to increase the level of affordability for gold jewellery, part of our strategies and plans is to expand on our range of in-house design and manufacturing of hollow gold jewellery to cater to the different market trends, consumer behaviour and preferences. Please refer to Section 6.13.1 of this Prospectus for further details on our plans to expand the range of hollow gold jewellery.

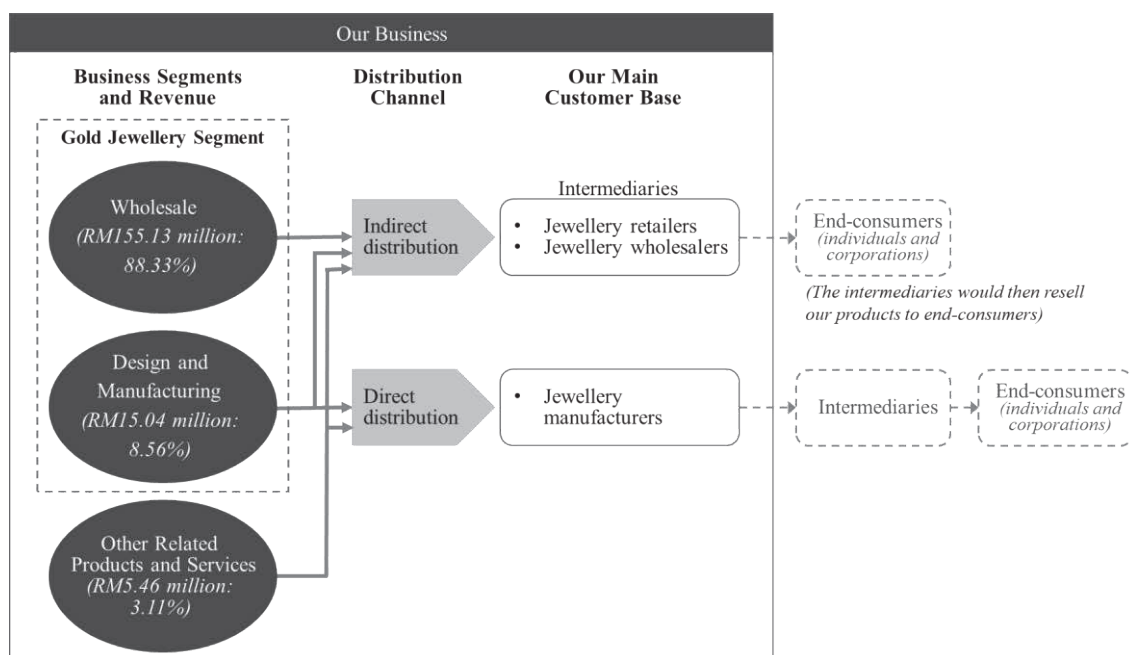
6.3.1.2 Distribution channel and main customer base

We mainly utilise an indirect distribution channel where we market and sell our products to intermediaries including jewellery retailers and wholesalers. These intermediaries would then resell our products to their respective customer base and/or to end-consumers. Our indirect distribution channel enables us to use the existing network of these intermediaries to reach a wider number of end-consumers. We also utilise a direct distribution channel where we sell our products consisting of our in-house manufactured gold jewellery mainly meter chains (in spool form) and basic chains to jewellery manufacturers who would then use our products either to perform further processing or assemble as part of their products.

6. INFORMATION ON OUR GROUP (Cont'd)

As for our gold jewellery manufacturing services, we use both direct and indirect distribution channels to serve our customers who are jewellery retailers, wholesalers and manufacturers. Our indirect distribution channel involves the provision of service to manufacture products for jewellery retailers and wholesalers who will then resell the products to their customers. Our direct distribution channel involves the provision of service to manufacture products for jewellery manufactures who will then either perform further processing or assembling as part of their finished products.

For other related products and services, we also use both direct and indirect distribution channels to serve our customers who are jewellery retailers, wholesalers and manufacturers. Our indirect distribution channel involves the sales of gold bars and provision of refining services to jewellery retailers, as well as sales of silver chains and provision of manufacturing services for silver chains to jewellery retailers and wholesalers. We also utilise direct distribution channel for the sales of silver chains and provision of manufacturing services for silver chains for jewellery manufactures who will then either perform further processing or assembling as part of their finished products.



In FYE 2021, we served approximately 315 customers of which 98% (approximately 310) are resellers comprising jewellery retailers and wholesalers, and 2% (approximately 5) are jewellery manufacturers. For the Financial Years under Review, our revenue segmented by types of customers are as follows:

	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Indirect distribution channel	136,976	99.59	143,250	98.99	174,678	99.46	264,508	99.67
Jewellery retailers	129,391	94.08	135,012	93.30	160,557	91.42	253,524	95.53
Jewellery wholesalers	7,585	5.51	8,238	5.69	14,121	8.04	10,984	4.14
Direct distribution channel	558	0.41	1,461	1.01	956	0.54	876	0.33
Jewellery manufacturers	558	0.41	1,461	1.01	956	0.54	876	0.33
Total revenue	137,534	100.00	144,711	100.00	175,634	100.00	265,384	100.00

6. INFORMATION ON OUR GROUP (Cont'd)

6.3.1.3 Principal markets

Malaysia

Malaysia continues to be our principal market which accounted for 92.73%, 90.45%, 96.23% and 97.58% of our total revenue for FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively.

Within Malaysia, revenue derived from Peninsular Malaysia accounted for 68.80%, 64.16%, 63.57% and 49.29% of our total revenue for FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively.

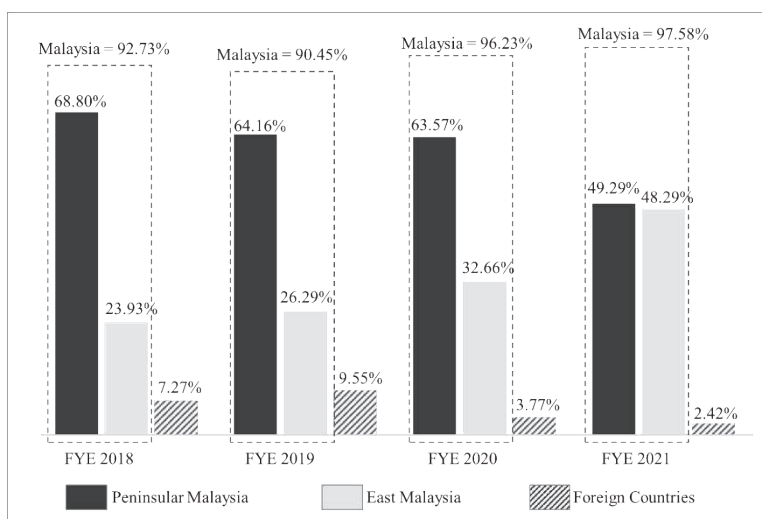
Meanwhile, revenue contribution from East Malaysia accounted for 23.93%, 26.29%, 32.66% and 48.29% of our total revenue for FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively.

Exports to foreign countries

Revenue generated from exports to foreign countries accounted for 7.27%, 9.55%, 3.77% and 2.42% of our total revenue for FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively.

Singapore accounted for 6.48%, 8.33%, 3.30% and 2.14% of our total revenue for FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. This was mainly for the sales of gold jewellery to jewellery wholesalers and retailers in Singapore.

Exports to other foreign countries include Germany, Myanmar, Hong Kong and Indonesia which accounted for 0.79%, 1.22%, 0.47% and 0.28% of our total revenue for FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. Exports to Hong Kong were applicable for FYE 2018, FYE 2019 and FYE 2021, while exports to Indonesia were applicable for FYE 2019 only. There were no export sales to Hong Kong in the FYE 2020 due to the closure of borders relating to COVID-19 pandemic which restricted sales meetings with the customers.



6.3.1.4 Mode of operation

We operate based on purchase orders or sales orders from our customers and we do not have any long-term contracts with our customers. In general, payments are made upon the delivery of goods or services rendered.

Our products are mainly finished jewellery products. The price of gold jewellery includes gold prices and workmanship. Our pricing policy for our products is determined by the prevailing market price of gold at the point of transaction upon issuance of invoice and delivery of products. Generally, the issuance of invoice is on the same day as the purchase order confirmation (if there are ready stocks of finished products) or upon completion of production of the finished products. Meanwhile, the quantity and price of workmanship are confirmed and determined upfront upon purchase order confirmation. In view that the prices of our gold jewellery products are determined at the prevailing gold prices, we would not be able to pass on all future increases in costs of materials and services of our operations to our customers.

As for services, we provide jewellery manufacturing services and refining services where we charge a service fee. Our pricing policy for our services is fixed and determined upfront upon purchase order confirmation.

Our 2 main business activities, namely wholesaling and manufacturing operations complement each other and each of the business activity have their own customer base. Our manufacturing operations complement our wholesale operations by providing customers with a wider range of products other than those sourced from external manufacturers.

6. INFORMATION ON OUR GROUP (Cont'd)

6.3.2 Our wholesale operations

Our wholesale operations are undertaken by our subsidiary, namely YXG, at the following premises:

- (i) sales offices at Project Jaya Industrial Estate, Jalan Kelang Lama, Kuala Lumpur, which covers customers located in Peninsular Malaysia, as well as export markets; and
- (ii) sales office at Menara MAA, Kota Kinabalu, Sabah, which covers customers located in East Malaysia. However, YXG is no longer using this sales office effective 1 June 2021 as our sales personnel in Sabah have adopted a new working arrangement since the MCO, where they work remotely from home. Our sales personnel in Sabah will continue to undertake our sales activities covering customers in East Malaysia via the new working arrangement.

As at the LPD, our wholesale operations are supported by 15 sales personnel, of which 4 sales personnel are in Sabah.

We source gold jewellery from our network of suppliers as well as from our in-house manufacturing arm, namely GPM. We have a wide network of supplier base comprising approximately 50 external manufacturers that we engage to manufacture all types of gold jewellery on our behalf in FYE 2020 and FYE 2021. This includes chain jewellery products such as necklaces, bracelets, and anklets, as well as rings, bangles, pendants and earrings.

Within the Wholesale Segment, revenue derived from jewellery products sourced from external manufacturers and internally from our manufacturing operations segregated by types of products are as follows:

	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Externally sourced products and services	72,234	52.52	74,882	51.75	108,486	61.77	177,787	66.99
- Chain jewellery products ^(a)	30,830	22.42	36,371	25.14	57,767	32.89	95,734	36.07
- Rings	17,704	12.87	14,887	10.29	17,791	10.13	25,411	9.58
- Bangles	8,693	6.32	9,142	6.32	15,223	8.67	23,323	8.79
- Other gold jewellery ^(b)	13,629	9.91	13,487	9.32	16,829	9.58	31,747	11.96
- Gold jewellery manufacturing services	1,378	1.00	995	0.68	876	0.50	1,572	0.59
Internally sourced products	39,821	28.95	39,495	27.29	46,647	26.56	71,076	26.78
- Chain jewellery products ^(a)	31,904	23.20	31,462	21.74	37,557	21.38	63,219	23.82
- Bangles	7,917	5.75	8,033	5.55	9,090	5.18	7,857	2.96
Total revenue from Wholesale Segment	112,055	81.47	114,377	79.04	155,133	88.33	248,863	93.77
Total revenue	137,534	100.00	144,711	100.00	175,634	100.00	265,384	100.00

Notes:

- (a) Includes necklaces, bracelets and anklets.
- (b) Includes earrings, pendants, charms, and minted gold bars such as gold wafer.

6.3.3 Our in-house design and manufacturing operations

Our in-house design and manufacturing operations are undertaken by our subsidiary, namely GPM. Our manufacturing facilities are located in Project Jaya Industrial Estate, Jalan Kelang Lama, Kuala Lumpur. In addition, GPM will start to directly market its gold jewellery in East Malaysia and occupy the sales office at Menara MAA, Kota Kinabalu, Sabah effective 1 June 2021 with a view of addressing further opportunities and establishing a presence in East Malaysia as a gold jewellery manufacturer.

6. INFORMATION ON OUR GROUP (Cont'd)

For the FYE 2018, FYE 2019, FYE 2020 and FYE 2021, revenue contributed by sales of gold jewellery from our in-house manufactured gold jewellery products (including products sold through our Wholesale Segment) are as follows:

	FYE 2018		FYE 2019		FYE 2020		FYE 2021	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Chain jewellery products ^(a)	44,610	32.44	46,930	32.43	45,811	26.08	65,863	24.82
Bangles	10,925	7.94	12,967	8.96	11,380	6.48	9,694	3.66
Other jewellery products ^(b)	6,381	4.64	6,367	4.40	2,568	1.46	1,813	0.68
Gold jewellery manufacturing services ^(c)	2,558	1.86	2,717	1.88	1,926	1.10	2,922	1.10
Total revenue from in-house manufactured gold jewellery products	64,474	46.88	68,981	47.67	61,685	35.12	80,292	30.26
Total revenue	137,534	100.00	144,711	100.00	175,634	100.00	265,384	100.00

Notes:

- (a) Includes necklaces, bracelets, anklets and basic chains.
- (b) Includes rings, pendants, charms, semi-finished chains, beads, earrings, and minted gold bars such as gold wafer, foil and coins.
- (c) Includes the provision of gold jewellery manufacturing services where the gold raw material is supplied by the customer and we manufacture based on the customers' orders and specifications.

6.3.3.1 Design and development

Design of jewellery products is part and parcel of our manufacturing process where we have in-house designers that are involve in designing traditional and contemporary jewellery with the following skills and capabilities:

- technical design and drawing skills relating to two and three-dimension design applications;
- knowledge of principles of design, shape and colour; and
- ability to create from scratch, a piece or a series of jewellery taking into consideration the following parameters:
 - function;
 - aesthetics;
 - use of different materials including metal alloys and electroplating; and
 - types of finishing.

We have an in-house design team of 5 personnel who are responsible for design and product development. As at the LPD, we have accumulated approximately 3,050 in-house jewellery designed products that have been manufactured and sold since the commencement of our design team in 2002. For the Financial Years Under Review and up to the LPD, approximately 420 active designs were used in our manufacturing operations. The number of designs are derived based on different patterns and finishing of a jewellery product.

For the Financial Years Under Review and up to the LPD, the following table summarises our number of active designs:

	FYE 2018	FYE 2019	FYE 2020	FYE 2021	From 1 January 2022 up to the LPD
Chain jewellery products	196	196	177	191	111
Other jewellery products	64	79	80	70	35
Total number of active designs	260	275	257	261	146

6. INFORMATION ON OUR GROUP (Cont'd)

The following diagram depicts a sample of our range of gold jewellery designs:



Our in-house design team's core competency is in designing and developing chain jewellery products such as necklaces, bracelets and anklets. Chain jewellery products are based on a series of connected loops, links, rings or beads to manufacture necklaces, bracelets and anklets. Since 2002, we have accumulated approximately 1,490 in-house designed chain jewellery products. Of this, 280 designs are active and used in our manufacturing operations for the Financial Years Under Review and up to the LPD. Chain jewellery products that we designed represented 69.19%, 68.03%, 74.27% and 82.03% of revenue derived from our in-house manufacturing operations for FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively.

We have registered 6 industrial designs of chain jewellery products namely manual linked bead chain and manual casting box chain designs since 2013. As at the LPD, 4 out of the 6 industrial designs are still valid while the remaining 2 industrial designs have expired. Please refer to Section 6.3.11 of this Prospectus for details of our industrial designs.

6. INFORMATION ON OUR GROUP (*Cont'd*)

Our gold chain jewellery products range from a basic or simple gold chain to a more intricate and complex value-added gold chain design that has undergone various manufacturing processes to create the final product which are set out below:

- **Basic or simple gold chain jewellery** refers to a versatile gold chain that can be used on its own or paired with pendants or charms. These types of chain are manufactured using our chain machines and are cut to the desired length for the use as necklaces, bracelets or anklets. These chains may undergo additional finishing including diamond cutting/milling, sandblasting and polishing.

Basic or simple gold chain



- **Value-added gold chain jewellery** refers to a chain jewellery product that is more intricate and complex and has undergone various manufacturing processes to create the final product. A value-added gold chain jewellery product is created using a combination of machines as well as skilled craftsman. It may include several chain designs which are fabricated and attached to one another to create an aesthetic design. Beads, pendants or charms may also be attached to the gold chain and are sold as part of the design of the gold jewellery. Generally, we charge a higher service fee for these types of gold chain jewellery product as it involves multiple processes including chain and bead manufacturing, casting, electroplating, stamping and additional finishing. Subsequently, we use manual labour to assemble and weld these jewellery parts together to create the final product.

Value added gold chain



6.3.3.2 Manufacturing

There are two main methods of manufacturing jewellery and our Group utilises the combination of hand-made craftsmanship with innovative technological advances to create a jewellery piece.












We have a wide range of tools, equipment and machinery to handle different types of the processes for the manufacture of gold jewellery. The processes involved in manufacturing of gold jewellery includes:

- gold alloying;
- wire and tube forming;
- chain making;
- casting, electroplating and stamping;
- rubber mould making;
- welding and soldering; and
- finishing such as diamond cutting, electroplating, sandblasting, grinding, buffering and polishing.




Please refer to Section 6.3.6.2 of this Prospectus for details of some of our manufacturing of gold jewellery processes.

6. INFORMATION ON OUR GROUP (Cont'd)

As a gold jewellery manufacturer, our specialisation is in chain jewellery products. As at the LPD, we are equipped with 39 chain making machines to manufacture various type of chain designs and sizes. The following are some of the chain jewellery design and sizes that we are capable of manufacturing in-house:

Type of chain jewellery design	Brief description	Types/sizes
Ball or bead chain 	Chains with spheres that are fixed with connector bars, or placed immediately adjacent to each other at regular intervals along the length of the chain.	<ul style="list-style-type: none"> Hollow only Ball sizes ranges from 1.2mm to 1.5mm
Barley corn chain 	Chains made from long thin teardrop-shaped links.	<ul style="list-style-type: none"> Solid only Sizes ranges from 0.5mm to 0.7mm
Belcher chain 	Chains made from uniformed round or oval-shaped links, also known as rolo chains.	<ul style="list-style-type: none"> Solid only Link sizes ranges from 0.45mm to 0.90mm
Bismark chain 	Chains that resemble a chain-linked fence or tight mesh arrangement.	<ul style="list-style-type: none"> Solid only Sizes ranges from 0.5mm to 0.6mm
Box chain 	Chains made from folded over flat, square links that are interlinked tightly resembling a smooth square box.	<ul style="list-style-type: none"> Solid only Square box ranges from 1.0mm to 2.0mm
Cable/link chain 	Chains made from individual oval or round links interlocked in a uniform pattern, with each link lying at ninety degrees to the next.	<ul style="list-style-type: none"> Solid and hollow Link sizes ranges from 0.5mm to 1.0mm
Cobra chain 	Chains that have been hammered or swaged into a chain with flat triangular links.	<ul style="list-style-type: none"> Hollow only Link sizes ranges from 0.5mm to 0.8mm
Curb chain 	A variation of cable chain with uniformly sized round or oval links that have been twisted.	<ul style="list-style-type: none"> Solid and hollow Link sizes ranges from 0.3mm to 2.0mm
Curb chain diamond cut 	A variation of cable chain with diamond cutting on the top and bottom of the chain.	<ul style="list-style-type: none"> Solid only Link sizes ranges from 1.0mm to 2.0mm
Double cable chain 	A variation of cable chain consisting of a repeating pattern with two links lying parallel to each other linking directly to a second set of links lying in parallel.	<ul style="list-style-type: none"> Solid and hollow Link sizes ranges from 0.5mm to 1.0mm
Figaro chain 	Similar to a curb chain, however it does not have a uniform link size or shape. Typically, it will have between one and five shorter links alternating between a longer link, creating an attractive repeating pattern.	<ul style="list-style-type: none"> Solid and hollow Link sizes ranges from 0.5mm to 0.85mm

6. INFORMATION ON OUR GROUP (Cont'd)

Type of chain jewellery design	Brief description	Types/sizes
Knitted mesh chain 	Chain that has fabric like appearance, which is woven tightly together using very fine wire.	<ul style="list-style-type: none"> Hollow only Sizes ranges from 0.25mm to 3.0mm
Serpent chain 	Chains made from hammered 'S' shaped links that are laid next to each other with another identical set of links laid in parallel below the first and connected together.	<ul style="list-style-type: none"> Solid only Sizes ranges from 0.3mm to 0.6mm
Snake chain 	Chains made from smooth round plates or rings with a slight bend in the middle. They are closely connected to form a continuous flexible tube with a light zigzag effect, which resembles a snakeskin.	<ul style="list-style-type: none"> Solid only Sizes ranges from 0.3mm to 0.6mm

6.3.4 Other related products and services

Our other related products and services include sales of scrap and pure gold bars, manufacture of silver chain and provision of refining services of precious metal for external customers.

(i) Sales of scrap and pure gold bars

As gold bars are used as raw materials for our manufacturing operations, the sales of these materials are only made available upon customers' request on an ad-hoc basis and it is also dependent on the availability of the gold bars in our Group's inventories.

For the Financial Years Under Review, sales of pure gold bars amounted to RM0.14 million (0.10%), RM0.26 million (0.18%), RM4.70 million (2.68%) and RM6.54 million (2.46%) of our Group's total revenue for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. There were no sales of scrap gold bars for the Financial Years Under Review.

Please refer to Section 6.10 of this Prospectus for details on the policy in relation to the management of our scrap gold bars.

Scrap and pure gold bars



(ii) Manufacture of silver chains

We also carry out the manufacturing of silver chains at our manufacturing facilities in Project Jaya Industrial Estate, Jalan Kelang Lama, Kuala Lumpur. For the Financial Years Under Review, revenue from the manufacturing of silver chains amounted to RM0.57 million (0.42%), RM0.46 million (0.32%), RM0.65 million (0.37%) and RM0.68 million (0.26%) for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 of our total revenue respectively.

Revenue from the manufacturing of silver chain was derived mainly from the provision of silver chains manufacturing services where the silver raw materials are supplied by the customers. For the Financial Years Under Review, revenue from the provision of silver chains manufacturing services accounted for 59.19% (RM0.34 million), 64.57% (RM0.30 million), 56.99% (RM0.37 million) and 50.37% (RM0.34 million) for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 of our revenue from the manufacturing of silver chains respectively.

The remaining revenue was contributed by sales of silver chain products which accounted for 40.81% (RM0.23 million), 35.43% (RM0.16 million), 43.01% (RM0.28 million) and 49.63% (RM0.34 million) for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 of our revenue from the manufacturing of silver chains respectively.

Our basic silver chain product



6. INFORMATION ON OUR GROUP (Cont'd)

We mainly manufacture two types of silver chain products and this includes semi-finished meter chains in spool form and finished silver chain jewellery products such as necklaces, bracelets, anklets and basic chains. We utilise the same machinery and equipment to manufacture gold and silver chains.

Our silver meter chain in spool form



(iii) Provision of refining services for precious metals

The provision of refining services is part of our internal manufacturing processes. For the Financial Years Under Review, revenue from the provision of refining services amounted to RM0.11 million (0.08%), RM0.13 million (0.09%), RM0.11 million (0.06%) and RM0.09 million (0.03%) for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively.

Majority of the revenue generated from refining services was mainly from our related company, TGJH, which represented 88.18%, 91.20%, 73.64% and 97.78% of our revenue from the refining services for the FYE 2018, FYE 2019, FYE 2020 and FYE 2021 respectively. Please refer to Section 6.3.6.3 of this Prospectus for details on the refining process of precious metals.

6.3.5 Operational facilities

As at the LPD, our head office and operational facilities are located in Malaysia as follows:

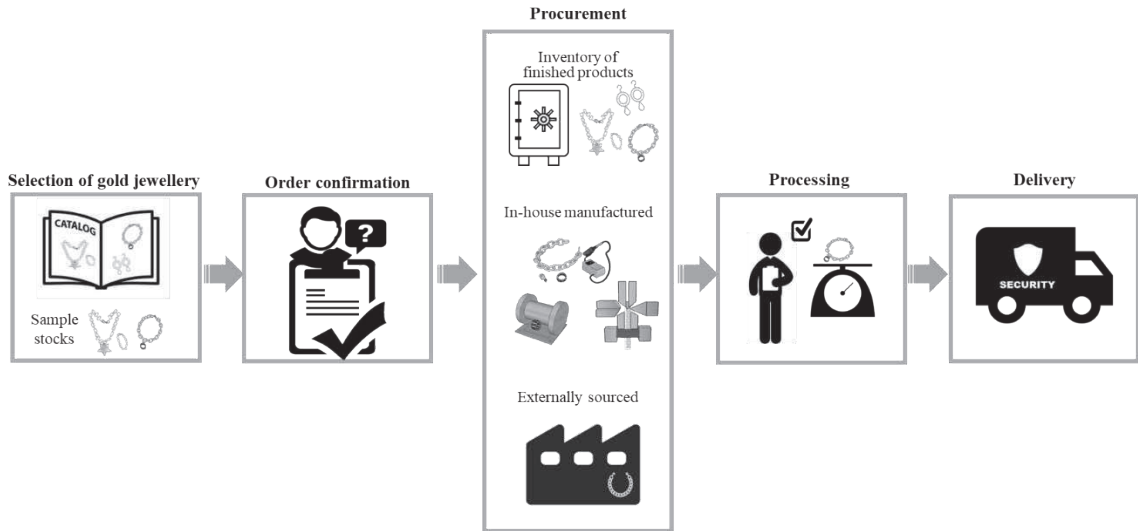
Company	Main functions	Approximate built-up area (sq. ft.)	Location of facilities
YXPM; YXG	Head office, sales and administrative office	3,054	No. 23-LG and 23-G, Jalan 2/131A, Project Jaya Industrial Estate, Batu 6, Jalan Kelang Lama, 58200 Kuala Lumpur.
	Administrative office	1,527	No. 25-G, Jalan 2/131A, Project Jaya Industrial Estate, Batu 6, Jalan Kelang Lama, 58200 Kuala Lumpur.
GPM	Manufacturing facilities	6,108	No. 25-LG, 25-1, 25-2 and 25-3, Jalan 2/131A, Project Jaya Industrial Estate, Batu 6, Jalan Kelang Lama, 58200 Kuala Lumpur.
	Manufacturing facilities	7,635	No. 27-LG, 27-G, 27-1, 27-2 and 27-3, Jalan 2/131A, Project Jaya Industrial Estate, Batu 6, Jalan Kelang Lama, 58200 Kuala Lumpur.
	Manufacturing facilities, sales and administrative office	4,581	No. 23-1, 23-2 and 23-3, Jalan 2/131A, Project Jaya Industrial Estate, Batu 6, Jalan Kelang Lama, 58200 Kuala Lumpur.
	Sales office	1,346	Suite 7-7D, Level 7, Menara MAA, No. 6, Lorong Api-Api 1, 88000 Kota Kinabalu, Sabah.

6. INFORMATION ON OUR GROUP (Cont'd)

6.3.6 Process flow

6.3.6.1 Wholesale of gold jewellery

The following diagram depicts our operational process for the wholesale of gold jewellery:



Upon the confirmation of orders, we commonly take less than a week or up to a month to deliver the products as it depends on the availability of our stocks of finished gold jewellery as follows:

- if there are ready stocks of finished gold jewellery, we will process the purchase orders which will take within a week (on average) to deliver to our customers who are mainly located within Malaysia;
- if there is no ready stock of finished gold jewellery, we will take up to about a month to carry out the manufacturing process or we will engage external manufacturers to manufacture the products.

• **Selection of gold jewellery**

Our wholesale of gold jewellery business process begins with the customers choosing the type of jewellery that they intend to purchase from our catalogue or from our sample stocks. Our catalogue comprises various designs and types of jewellery including our jewellery design as well as our supplier's design. Our sales personnel would also carry some sample stocks of finished gold jewellery to show prospective customers of some of the latest designs when conducting sales and marketing activities. Since travel restrictions began in March 2020 resulted from the MCO imposed arising from the outbreak of COVID-19, our sales personnel would send pictures of ready stocks of finished gold jewellery to customers for their selection via text messaging. As such, in 2020, we established an online catalogue and sales order system to assist our sales personnel when conducting sales and marketing. The online sales order system also enables our sales personnel to check on stock of finished gold jewellery availability. Since then, we have continued to use the online catalogue and online sales order system even after the restrictions are lifted.

• **Order confirmation**

Once customers have selected the desired products, they will issue purchase orders for us to fulfil. At this stage, only the quantity is confirmed and determined upfront upon order confirmation. The price of gold jewellery includes gold prices and workmanship. The price of workmanship is confirmed and determined upfront while the gold prices will be determined at the prevailing market price at the point of transaction upon issuance of invoice and delivery of products. There are no deposits placed when customers make a purchase order.

6. INFORMATION ON OUR GROUP (Cont'd)

- **Procurement**

Our procurement process begins by ascertaining if the required products are in stock, manufactured in-house or by external manufacturers.

Inventory of finished products

Generally, as part of our inventory management, we maintain an adequate level of inventory of finished gold jewellery with average volume ranging between 90,000g and 100,000g, comprising mainly common and popular jewellery designs such as curb chain, box chain and ball chain products including bracelets and necklaces, as well as floral charms, based on historical sales trend. We may also stock up on seasonal designs, for example, Chinese zodiac design during festive seasons such as Chinese New Year.

In-house manufactured

Our in-house manufactured gold jewellery products are based on our designs. Our Group's core competency is in designing and manufacturing chain products such as necklaces, bracelets and anklets. Please refer to Section 6.3.6.2 of this Prospectus for details of our manufacturing processes.

Externally sourced

Externally sourced gold jewellery is based on the external manufacturer's design where we will provide the external manufacturer with our pure or scrap gold bar as the raw material for their manufacturing process. Save for applicable warranties implied by the Sale of Goods Act 1957, there are no other policies for product warranty or refund or rectification of damaged goods with the external manufacturers. If we received defective products from external manufacturers, we will return the said defective products for repair. If our customer returns a defective product manufactured by an external manufacturer, we will assess the defect and may repair the product if the defect is minor or otherwise return it to the external manufacturer for repair or refund. Nevertheless, we do not have a formal back-to-back arrangement with our external manufacturers. Generally, we will bear the repair cost if the repair is carried by us, while the external manufacturer will bear the cost for repairs carried out by them.

- **Processing**

The final process is to undergo product quality inspection, weighing and packing, as well as administrative work such as documentation and recording details into our computer system, before the final product is delivered to customers.

- **Delivery**

For deliveries within Peninsular Malaysia, the items will be delivered by 2 sales personnel using our bullet-proof vehicles to ensure the safe delivery of items and safety of our sales personnel. For deliveries to East Malaysia or export sales, the items are also delivered by 2 sales personnel as well as third party logistic company. In some instances, our customers will come to our sales office to collect the items themselves.

We will bear the logistic costs incurred for the delivery of products and we also have insurance coverage for the delivery of products including local and export sales.

6. INFORMATION ON OUR GROUP (Cont'd)

6.3.6.2 Manufacturing of gold jewellery

The general process flow for our design and manufacturing segment comprises 2 scenarios:

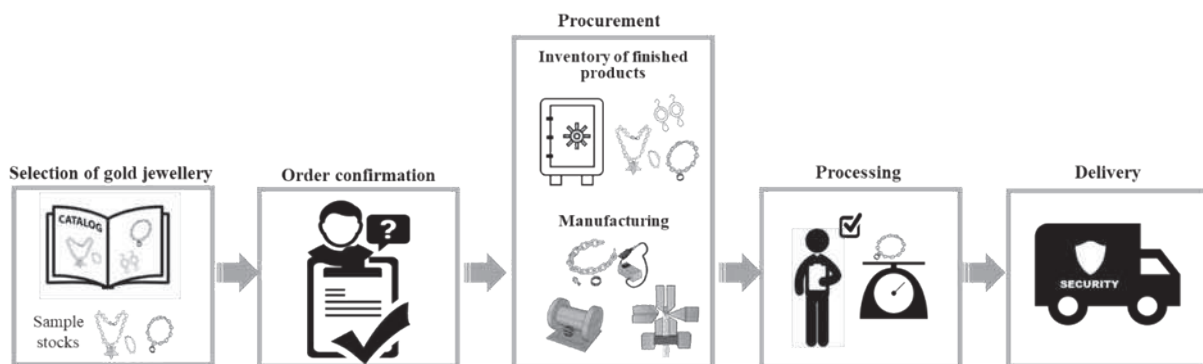
- manufacture to stock based on our design; and
- manufacture based on customised design.

(i) Process flow for the manufacture to stock based on our design

We manufacture the following products to stock based on our design:

- solid and hollow gold chain jewellery;
- bead jewellery; and
- lost wax casting for bangles, pendants, charms and earrings.

The process flow for the manufacture of products to stock based on our design are as follows:



- **Selection of gold jewellery**

Our manufacturing of gold jewellery business process begins with the customers choosing the type of jewellery that they intend to purchase from our catalogue or from our sample stocks. Our catalogue comprises various designs and types of jewellery.

- **Order confirmation**

Once customers have selected the desired products, they will issue purchase orders for us to fulfil. Generally, GPM has a minimum threshold order of 15 pieces of a specific gold jewellery design. At this stage, only the quantity is confirmed and determined upfront upon order confirmation. The price of gold jewellery includes gold prices and workmanship. The price of workmanship is confirmed and determined upfront while the gold prices will be determined at the prevailing market price at the point of transaction upon issuance of invoice and delivery of products. There were no deposits required when customers make a purchase order. Upon the confirmation of orders, we generally take less than a week, if there are ready stocks of finished products, to deliver the products, or up to a month, if there are no ready stocks of finished products, to manufacture and deliver the products as it depends on the availability of our stocks.

- **Procurement**

Generally, as part of our inventory management, we maintain an adequate level of inventory of finished gold jewellery with average volume ranging between 10,000g and 20,000g, comprising mainly common and popular jewellery designs such as ball chain, cable/link chain and curb chain products, based on historical sales trend. We will fulfil the purchased orders from our inventory and if there are no ready stocks, we will issue an internal request for the products to be manufactured.

Please refer to Section 6.3.6.2 (iv) of this Prospectus for details of our manufacturing processes.

6. INFORMATION ON OUR GROUP (Cont'd)

- **Processing**

The final process is to undergo product quality inspection, weighing and packing, as well as administrative work such as documentation and recording details into our computer system, before the final product is delivered to customers.

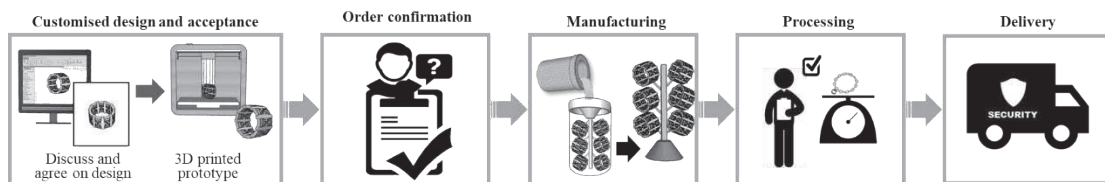
- **Delivery**

For deliveries within Peninsular Malaysia, the items will be delivered by sales personnel using our bullet-proof vehicles to ensure the safe delivery of items and the safety of our sales personnel. For deliveries to East Malaysia or export sales, the items are also delivered by sales personnel as well as a third-party logistics company. In some instances, our customers will come to our sales office to collect the items themselves.

We will bear the logistic costs incurred for the delivery of products and we also have insurance coverage for the delivery of products including local and export sales.

(ii) **Process flow for the manufacture based on customised design**

We manufacture lost wax casting for bangles, pendants, charms and earrings based on customised design. The process flow for the manufacture of products based on customised design are as follows:



- **Customised design and acceptance**

We start by understanding what the customer wants in terms of the overall design and product specifications. We will then sketch the design, which will be fine-tuned with the customer. Once the sketch of the design is agreed upon, we will do a 3D printing of the prototype. The prototype will be discussed and further fine-tuned with the customer. This 3D printing of the prototype may take a few steps until the customer is satisfied with the product design, after which it will be accepted by the customer.

- **Order confirmation**

The customer will sign off the acceptance of the design and will issue purchase orders for us to fulfil. At this stage, only the quantity is confirmed and determined upfront upon order confirmation. The price of gold jewellery includes gold prices and workmanship. The price of workmanship is confirmed and determined upfront while the gold prices will be determined at the prevailing market price at the point of transaction upon issuance of invoice and delivery of products. There were no deposits required when customers make a purchase order. Upon the confirmation of orders, we generally take less than a month to manufacture and deliver the products.

- **Manufacturing**

We will fulfil the purchased orders by manufacturing the desired product. Please refer to Section 6.3.6.2 (vi) (c) of this Prospectus for details of our manufacturing process using lost wax casting.

6. INFORMATION ON OUR GROUP (Cont'd)

- **Processing**

The final process is to undergo product quality inspection, weighing and packing, as well as administrative work such as documentation and recording details into our computer system, before the final product is delivered to customers.

- **Delivery**

For deliveries within Peninsular Malaysia, the items will be delivered by sales personnel using our bullet-proof vehicles to ensure the safe delivery of items and the safety of our sales personnel. For deliveries to East Malaysia or export sales, the items are also delivered by sales personnel as well as a third party logistic company. In some instances, our customers will come to our sales office to collect the items themselves.

We will bear the logistic costs incurred for the delivery of products and we also have insurance coverage for the delivery of products including local and export sales.

(iii) Initial manufacturing process of input materials

The manufacturing of gold jewellery starts with the procurement of gold bars, namely scrap and pure gold bars. Firstly, all the scrap gold bar will undergo refining process to convert into pure gold for further processing. Please refer to Section 6.3.6.3 for details on refining process. Subsequently, the pure gold bars will undergo alloying process to convert into 916-gold for our jewellery manufacturing. 916-gold is 91.67% gold content mixed with some other metals such as silver, copper and zinc. We mainly mix the gold with copper and nickel to enhance the hardness of our jewellery.

In some instances, the gold raw material is supplied by the customer and we manufacture the gold jewellery based on customers' orders and specifications, which is a common industry practice. We will generate a material issue note which specifies the purity and weight of the gold bar and agree to convert the said gold bar into gold jewellery for a fee. Generally, the gold bars supplied by our customers have been assayed by a certified assayer to establish its purity and weight. Our policy for the management of scrap gold bars is that all purchases of scrap gold bars have to be accompanied by a certificate from accredited assaying laboratory to establish its purity and weight. If the scrap gold bars have not been assayed, we will conduct our own internal assaying test to determine if the purity of the gold content matches the supplier's specification. If there is a discrepancy between our supplier's specification and the results of our internal assessment, we will then send a sample to an accredited assaying laboratory to verify the purity content.

If our customers provide us with scrap gold bars, we will refine it for them as part of the manufacturing process. The manufacturing services charges to customer will include, among others, the cost of refining and manufacturing of the said gold jewellery.

Generally, as part of our inventory management of our gold raw materials for our manufacturing operations, we maintain a minimal inventory of gold raw material with average volume of 10,000g of gold raw materials to meet our production schedule for upcoming sales orders.

(iv) Jewellery manufacturing process

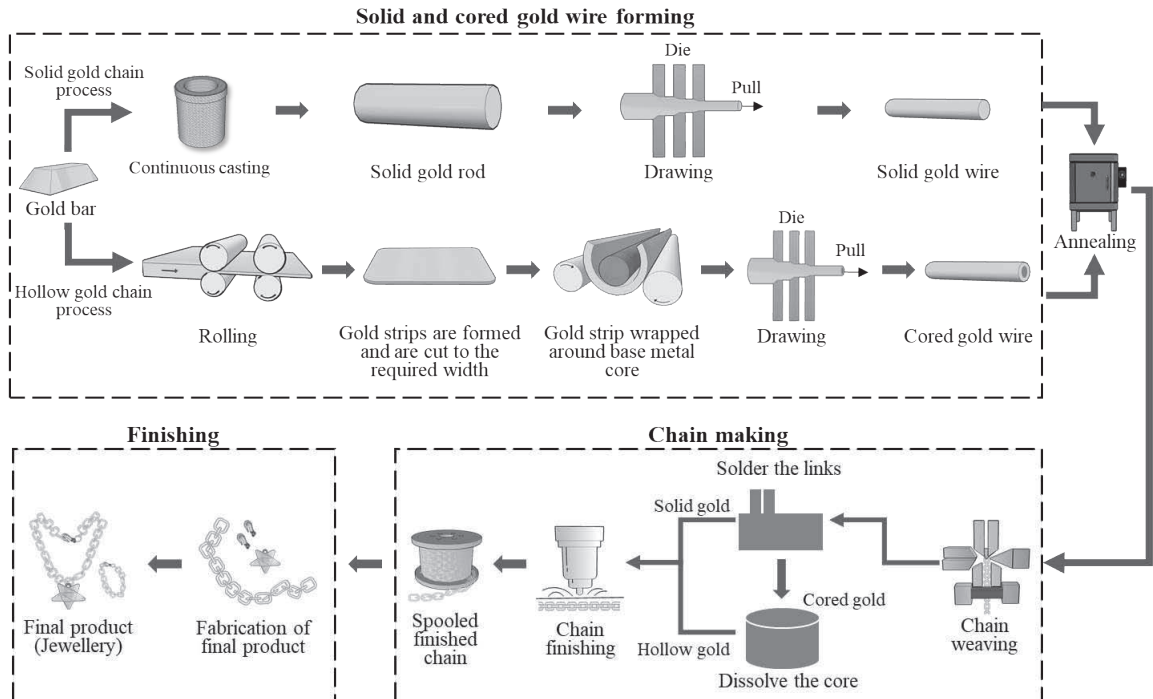
Our gold jewellery manufacturing mainly includes the following processes:

- manufacturing of solid and hollow gold chain;
- bead manufacturing; and
- lost wax casting for manufacturing bangles, pendants, charms and earrings.

6. INFORMATION ON OUR GROUP (Cont'd)

(a) Manufacturing of solid and hollow gold chain

The general process flow for manufacturing solid and hollow gold used for weaving into chains is as follows:



• Solid and cored gold wire forming

The gold bar is put through a forming process to form either solid gold wire or cored gold wire which will eventually be used to form the links of the chain.

- The process of forming the solid gold wire starts with the casting process using a continuous casting machine. The gold bar is placed in a graphite crucible to be melted. The molten gold will enter down a long hollow casting die and is then pulled upwards slowly and away from the casting machine passing through coolers to solidify the gold to form the solid gold rod. Subsequently, the gold rod is drawn through a series of reducing diameter dies to obtain the required diameter to become solid gold wire for the next process.
- The process of forming the cored gold wire starts with the gold bar passing through a series of pairs of rollers with reducing gaps between them until the required thickness is achieved to become a solid gold sheet. The gold sheet is then cut into the required width to become various lengths of solid gold strips. Next, each gold strip is folded over a long round, square or some other shaped base metal core using special dies. We commonly use copper as the metal core to provide the shape and support to the gold strip that wraps around the metal core. This gold-wrapped core is then drawn to the required diameter to become the cored gold wire for the next process.

During the forming process, the gold wires and the cored gold wires will become hard and brittle. As such, the gold wires will go through the annealing process, a heat treatment process, that will change the physical properties of the metal to make it more malleable and workable for subsequent processes. Our annealing process involves heating the gold wires and cored gold wires in a furnace with temperature of 680°C.