

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF WINSTAR CAPITAL BERHAD (“WINSTAR” OR THE “COMPANY”) DATED 26 NOVEMBER 2024 (“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, TA Securities Holdings Berhad or Malaysian Issuing House Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus, subject to availability, from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association. Prospective applicants should note that the Application Forms are not available in electronic format.

Jurisdictional Disclaimer

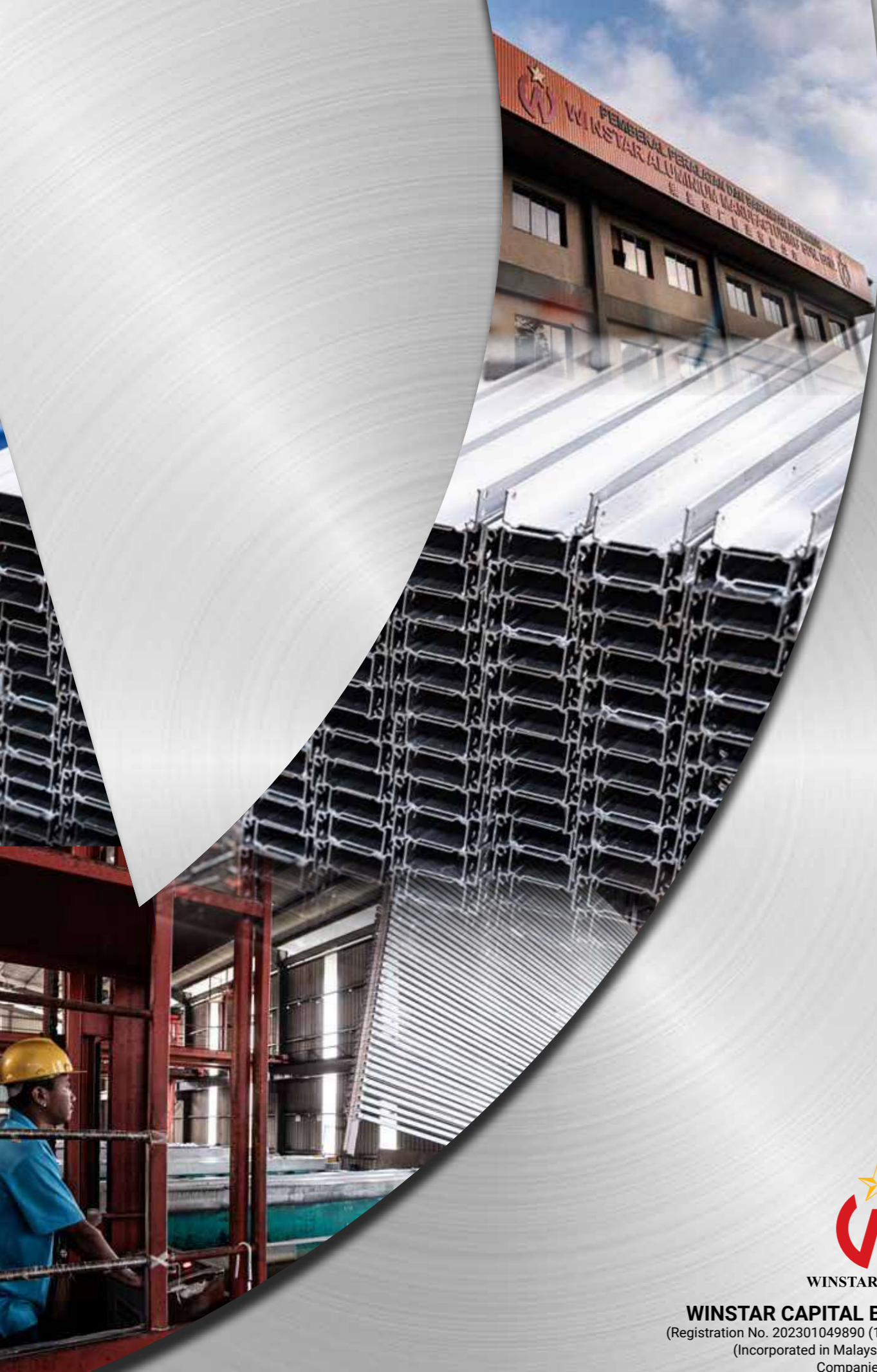
The IPO and the distribution of the Electronic Prospectus are subject to Malaysian law. The Electronic Prospectus will not be distributed outside Malaysia. Bursa Securities, the Company, Directors, Promoters, Selling Shareholders, Principal Adviser, Sponsor, Underwriter and Placement Agent named in the Prospectus have not authorised anyone and take no responsibility for the distribution of the Electronic Prospectus outside Malaysia. No action has been taken to permit any offering of the IPO Shares based on the Electronic Prospectus in any jurisdiction other than Malaysia. The Electronic Prospectus may not be used for the purpose of and does not constitute an offer for the subscription or purchase of, or an invitation to subscribe for or purchase, the IPO Shares to any person outside Malaysia or in any jurisdiction or in any circumstance in which such an offer is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. Prospective applicants who may be in possession of the Electronic Prospectus are required to take note, to inform themselves, and to observe such restrictions.

Close of Application

Applications will be accepted from **10.00 a.m.** on **26 November 2024** and will close at **5.00 p.m.** on **3 December 2024**. Any change to the timetable will be advertised by the Company in a widely circulated Bahasa Malaysia and English newspaper within Malaysia, and an announcement of such changes would be made to the Website accordingly. 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.



WINSTAR CAPITAL BERHAD



WINSTAR CAPITAL

WINSTAR CAPITAL BERHAD
(Registration No. 202301049890 (1543804-K))
(Incorporated in Malaysia under the
Companies Act 2016)

PROSPECTUS



WINSTAR CAPITAL

WINSTAR CAPITAL BERHAD

(Registration No. 202301049890 (1543804-K))
(Incorporated in Malaysia under the Companies Act 2016)

INITIAL PUBLIC OFFERING ("IPO") OF 73,950,000 ORDINARY SHARES IN WINSTAR CAPITAL BERHAD ("WINSTAR" OR "COMPANY") ("SHARES") COMPRISING PUBLIC ISSUE OF 56,550,000 NEW SHARES AND OFFER FOR SALE OF 17,400,000 EXISTING SHARES (COLLECTIVELY, "IPO SHARES") IN CONJUNCTION WITH THE LISTING OF AND QUOTATION FOR THE ENTIRE ENLARGED ISSUED SHARES ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") IN THE FOLLOWING MANNER:

- (I) 14,500,000 IPO SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- (II) 15,950,000 IPO SHARES MADE AVAILABLE FOR APPLICATION BY THE ELIGIBLE DIRECTORS AND EMPLOYEES OF WINSTAR AND ITS SUBSIDIARIES ("GROUP"), AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF THE GROUP; AND
- (III) 43,500,000 IPO SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS,

AT AN IPO PRICE OF RM0.35 PER SHARE, PAYABLE IN FULL UPON APPLICATION, SUBJECT TO THE CLAWBACK AND REALLOCATION PROVISIONS.

Principal Adviser, Sponsor,
Sole Placement Agent and Sole Underwriter



TA SECURITIES HOLDINGS BERHAD
(Registration No. 197301001467 (14948-M))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Financial Adviser



ECO ASIA CAPITAL ADVISORY SDN BHD
(Registration No. 201801022562 (1284581-H))

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

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

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 32 OF THIS PROSPECTUS.

BURSA SECURITIES HAS APPROVED THE ADMISSION OF OUR COMPANY TO THE OFFICIAL LIST OF BURSA SECURITIES AND THE LISTING OF AND QUOTATION FOR THE ENTIRE ENLARGED ISSUED SHARES ON THE ACE MARKET OF BURSA SECURITIES. THIS PROSPECTUS HAS BEEN REGISTERED BY BURSA SECURITIES. THE APPROVAL OF THE LISTING OF AND QUOTATION FOR OUR ENTIRE ENLARGED ISSUED SHARES ON THE ACE MARKET OF BURSA SECURITIES AND REGISTRATION OF THIS PROSPECTUS SHOULD NOT BE TAKEN TO INDICATE THAT BURSA SECURITIES RECOMMENDS THE OFFERING OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. BURSA SECURITIES HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF THE SECURITIES BEING OFFERED FOR INVESTMENT.

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

THE ACE MARKET OF BURSA SECURITIES 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 OF BURSA SECURITIES. THERE IS ALSO NO ASSURANCE THAT THERE WILL BE A LIQUID MARKET IN THE SHARES OR UNITS OF SHARES TRADED ON THE ACE MARKET OF BURSA SECURITIES. 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 SECURITIES COMMISSION MALAYSIA UNDER SECTION 212(8) OF THE CAPITAL MARKETS AND SERVICES ACT 2007.

PROSPECTUS

This Prospectus is dated 26 November 2024

All defined terms used in this Prospectus are defined under "Presentation of Financial and Other Information" commencing on page viii, "Definitions" commencing on page xii and "Glossary of Technical Terms" commencing on page xix.

RESPONSIBILITY STATEMENTS

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

TA Securities, being our Principal Adviser, Sponsor, Sole Placement Agent and Sole Underwriter, 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 our IPO.

STATEMENTS OF DISCLAIMER

Approval has been granted by Bursa Securities for the listing of and quotation for our Shares. Admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares.

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

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

OTHER STATEMENTS

Investors should note that they may seek recourse under sections 248, 249 and 357 of the 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 this Prospectus or the conduct of any other person in relation to our Company.

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

Our Shares are classified as Shariah compliant by the SAC. This classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review undertaken by the SAC. The new status is released in the updated list of Shariah-compliant securities, on the last Friday of May and November.

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 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.

It shall be your sole responsibility if you are or may be subject to the laws of countries or jurisdictions other than Malaysia, to consult your legal and/or other professional advisers as to whether our IPO would result in the contravention of any law of such countries or jurisdictions.

Further, it shall also be your sole responsibility to ensure that your application for the offering would be in compliance with the terms of our IPO as stated in this Prospectus and the Application Form(s) and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subjected to. We will further assume that you have accepted our offering in Malaysia and will at all applicable times be subjected only to the laws of Malaysia in connection therewith.

However, we reserve the right, in our absolute discretion to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

No action has been or will be taken to ensure that this Prospectus complies with the laws of any country or jurisdiction other than the laws of Malaysia. It shall be your sole responsibility to consult your legal and/or other professional adviser on the laws to which our offering or you are or might be subjected to. Neither us nor our adviser nor any other advisers in relation to our offering shall accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, avoidable or void in any country or jurisdiction.

ELECTRONIC PROSPECTUS

This Prospectus can be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the Electronic Prospectus and the copy of this Prospectus registered with Bursa Securities are the same.

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

If you are in doubt of the validity or integrity of an Electronic Prospectus, you should immediately request from us or the Issuing House, a paper printed copy of this Prospectus.

In the event of any discrepancy arising between the contents of the Electronic Prospectus and the contents of the paper/printed copy of this Prospectus, the contents of the paper/printed copy of this Prospectus which are identical to the copy of the Prospectus registered with Bursa Securities, 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 do not endorse and are not affiliated in any way with the Third Party Internet Sites and are not responsible for the availability of, or the contents or any data, information, files or other material provided on the Third Party Internet Sites. You shall bear all risks associated with the access to or use of the Third Party Internet Sites;
- (ii) we are not responsible for the quality of products or services in the Third Party Internet Sites, particularly in fulfilling any of the terms of your agreements with the Third Party Internet Sites. We are also not responsible for any loss or damage or costs that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance of any data, information, files or other material provided by the Third Party Internet Sites; and
- (iii) any data, information, files or other material downloaded from Third Party Internet Sites is done at your own discretion and risk. We are not responsible, liable or under 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 only liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent of the contents of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions and shall not be responsible in any way for the integrity of the contents of an Electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions and thereafter communicated or disseminated in any manner to you or other parties;
- (ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in the Electronic Prospectus, the accuracy and reliability of the Electronic Prospectus cannot be guaranteed as the internet is not a fully secured medium; and
- (iii) the Internet Participating Financial Institutions shall not be liable (whether in tort or contract or otherwise) for any loss, damage or costs, 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 web browsers or other relevant software, any fault or faults on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institutions, and/or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative time and/or dates:

Event	Tentative Date(s)
Issuance of the Prospectus/Opening of the Application	10.00 a.m., 26 November 2024
Closing of Application	5.00 p.m., 3 December 2024
Balloting of Applications	6 December 2024
Allotment/Transfer of IPO Shares to successful applicants	18 December 2024
Listing	19 December 2024

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

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to “our Company” and “Winstar” are to Winstar Capital Berhad. All references to “our Group” and “Winstar Group” are to our Company and our subsidiaries taken as a whole. All references to “we”, “us”, “our” and “ourselves” are to our Company and where the context otherwise requires, our Group. All references to “you” are to our prospective investors.

Unless the context otherwise requires, references to “Management” are to our Executive Directors and Key Senior Management as at the date of this Prospectus.

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

Any reference to provisions of the statutes, rules, regulations, enactments or rules of stock exchange shall (where the context admits), be construed as 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-enactment to the statutes, rules, regulations, enactments or rules of stock exchange for the time being in force.

Any reference to a date and time shall be a reference to a date and time in Malaysia, unless otherwise stated.

All references to the LPD in this Prospectus are to 30 October 2024, being the latest practicable date prior to the registration of this Prospectus with Bursa Securities.

Certain numbers presented in this Prospectus have been rounded off to the nearest thousandth or two decimal places. Any discrepancies in the tables between the amounts listed and the totals in this Prospectus are due to rounding adjustments.

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

This Prospectus includes statistical data provided by us and various third parties and cites third-party projections regarding growth and performance of the industry in which we operate and our estimated market share. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originated from us or is extracted from the IMR Report as included in Section 8 of this Prospectus. We have appointed Protégé to provide an independent market and industry review. In compiling its data for the review, Protégé had relied on its research methodology, industry sources, published materials, its private databanks and direct contacts within the industry.

Further, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. We cannot give any assurance that the projected figures will be achieved and you should not place undue reliance on the statistical data and third-party projections cited in this Prospectus.

EBITDA and the related ratios presented in this Prospectus are supplemental measures of our performance and liquidity that are not required by or presented in accordance with the IFRS and MFRS.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION *(Cont'd)*

Furthermore, EBITDA is not a measure of our financial performance or liquidity under the IFRS and MFRS and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with the IFRS or MFRS or as an alternative to cash flows from operating activities or as a measure of liquidity. In addition, EBITDA is not a standardised term, and hence, a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure.

We believe that EBITDA may facilitate comparisons of operating performance from period to period and company to company by eliminating potential differences caused by variations in capital structures (affecting interest expense and finance charges), tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses), the age and booked depreciation and amortisation of assets (affecting relative depreciation and amortisation expenses). EBITDA has been presented because we believe that it is frequently used by securities analysts, investors and other interested parties in evaluating similar companies, many of whom present such non-IFRS and non-MFRS financial measures when reporting their results. Finally, EBITDA is presented as a supplemental measure of our ability to service debt. Nevertheless, EBITDA has limitations as an analytical tool, and prospective investors should not consider it in isolation from or as a substitute for analysis of our financial condition or results of operations, as reported under the IFRS and MFRS. Due to these limitations, EBITDA should not be considered as a measure of discretionary cash available to invest in the growth of our business.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, plans and objectives of our Group for future operations, and prospects are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our current view with respect to future events and do not guarantee future performance.

Forward-looking statements can be identified by the use of forward-looking terminology such as the words "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast" or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- (i) our business strategies, trends and competitive position;
- (ii) our plans and objectives for future operations;
- (iii) potential growth opportunities;
- (iv) our future financial position, earnings, cash flows and liquidity; and
- (v) regulatory environment and the effects of future regulation.

Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond our control, including, without limitation:

- (i) demands of our customers;
- (ii) general economic, business, social, political and investment environment in Malaysia and globally;
- (iii) government policy, legislation and regulation;
- (iv) interest rates, tax rates and exchange rates;
- (v) shortages in labour;
- (vi) competitive environment in our industry in which we operate;
- (vii) reliance on approvals and licences;
- (viii) delays in availability of supply and fluctuations in prices of input materials;
- (ix) fixed and contingent obligations and commitments; and
- (x) any other factors beyond our control.

FORWARD-LOOKING STATEMENTS *(Cont'd)*

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed in Section 5 of this Prospectus on "Risk Factors" and Section 12.2 of this Prospectus on "Management's Discussion and Analysis of Financial Condition and Results of Operations". We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the LPD.

In light of these uncertainties, the inclusion of such forward-looking statements should not be regarded as a representation or warranty by us or our advisers that such plans and objectives will be achieved.

Should we become aware of any subsequent material change or development affecting matters disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment/transfer of our IPO Shares, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with provision of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6 on Supplementary and Replacement Prospectus) of the Prospectus Guidelines.

DEFINITIONS

The following terms in this Prospectus bear the same meaning as set out below unless the term is defined otherwise or the context requires otherwise:

Act	:	Companies Act 2016
Acquisition	:	Acquisition of the entire equity interest in Winstar Aluminium by Winstar
ADA	:	Authorised Depository Agent
Admission	:	Admission of our Shares to the Official List of the ACE Market of Bursa Securities
AGM	:	Annual general meeting
AmBank	:	Ambank (M) Berhad (Registration No. 196901000166 (8515-D))
Anzen	:	Anzen Sdn Bhd (Registration No. 202001021445 (1377765-X))
Application(s)	:	Application(s) for our IPO Shares by way of Application Form(s), Electronic Share Application(s) or Internet Share Application(s)
Application Form(s)	:	Application form(s) for the application of our IPO Shares accompanying this Prospectus
ATM	:	Automated teller machine
Auditors or Reporting Accountants	:	UHY Malaysia (AF 1411)
Authorised Financial Institution	:	Authorised financial institution participating in the Internet Share Application in respect of the payment for the IPO Shares
Board	:	Board of Directors of our Company
BOMBA	:	Fire and Rescue Department of Malaysia
Bumiputera	:	In the context of: <ul style="list-style-type: none"> (i) Individuals, Malays and the aborigines and the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia; (ii) Companies, companies which fulfil, among others, the following criteria or such other criteria as may be imposed by the MITI: <ul style="list-style-type: none"> (a) registered under the Act as a private company; (b) its shareholders are 100.00% Bumiputera; and (c) its board of directors (including its staff) are at least 51.00% Bumiputera; and (iii) Cooperatives, cooperatives whose shareholders or cooperative members are at least 95.00% Bumiputera or such other criteria as may be imposed by the MITI

DEFINITIONS *(Cont'd)*

Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
CCC	:	Certificate of completion and compliance or such certificate by any other name issued by the relevant authority under the Street, Drainage and Building Act 1974 and any by-laws made under it or such relevant legislation applicable at the material time
CCM	:	Companies Commission of Malaysia
CDS	:	Central Depository System
CEO	:	Chief Executive Officer
Central region	:	Central region of Peninsular Malaysia (Selangor, Kuala Lumpur, Cyberjaya and Putrajaya)
Certificate for Accommodation or CFA	:	A certificate granted under the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 following the amendments made pursuant to the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019 certifying an accommodation as fit for occupation by the employees
CFO	:	Chief Financial Officer
CIDB	:	Construction Industry Development Board Malaysia
CMO	:	Chief Marketing Officer
CMSA	:	Capital Markets and Services Act 2007
Constitution	:	Constitution of our Company
COO	:	Chief Operating Officer
COVID-19	:	An infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)
CSO	:	Chief Sales Officer
Datuk Mastura	:	Datuk Mastura Binti Tan Sri Dato' Mohd Yazid
Department of Labour	:	Department of Labour Peninsular Malaysia
Director(s)	:	Executive Director(s) or Non-Executive Director(s) of our Company within the meaning given in Section 2 of the CMSA
Eastern region	:	Eastern region of Peninsular Malaysia (Kelantan, Pahang and Terengganu)
EBIT	:	Earnings before interest and taxation

DEFINITIONS *(Cont'd)*

EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
EIS	:	Employment Insurance System
Electronic Prospectus	:	Copy of this Prospectus that is issued, circulated or disseminated via the internet and/or an electronic storage medium
Electronic Share Application	:	Application for our IPO Shares through a Participating Financial Institution's ATM
Eligible Persons	:	Collectively, eligible Directors and employees of our Group, and persons who have contributed to the success of our Group who are eligible to apply for IPO Shares under the Pink Form Allocations
EPF	:	Employees Provident Fund
EPS	:	Earnings per Share
EQSWR	:	Environmental Quality (Scheduled Wastes) Regulations 2005
ESG	:	Environmental, social and governance
Executive Directors	:	Collectively, Chua Nyok Chong, Chua Boon Hong and Lee Yong Zhi
Fabulous Sunview	:	Fabulous Sunview Sdn Bhd (Registration No. 201301006831 (1036671-H))
Formosa	:	Formosa Shyen Horng Metal Sdn Bhd (Registration No. 199701018803 (434300-K))
FPE	:	Financial period ended 31 July
FYE	:	Financial year(s) ended/ending 31 December, as the case may be
FYE Under Review	:	Collectively, FYEs 2021, 2022 and 2023
GP	:	Gross profit
Hong Leong Bank	:	Hong Leong Bank Berhad (Registration No. 193401000023 (97141-X))
HSE	:	Health, safety and environment
IFRS	:	International Financial Reporting Standards
Ijok Manufacturing Facility	:	Our Group's existing manufacturing plant located at Lot 901 & 902, Batu 29, Jalan Kepong, Ijok, 45600 Batang Berjuntai, Selangor
IMR or Protégé	:	Protégé Associates Sdn Bhd (Registration No. 200401037256 (675767-H)), the independent market researcher
IMR Report	:	Independent market research report dated 12 November 2024 prepared by Protégé

DEFINITIONS (Cont'd)

Internet Participating Financial Institution	:	Participating financial institution for the Internet Share Application
Internet Share Application	:	Application for the Issue Shares through an Internet Participating Financial Institution
IPO	:	Initial public offering of our IPO Shares in conjunction with our Listing
IPO Price	:	RM0.35 per IPO Share
IPO Shares	:	Collectively, the Offer Shares and the Issue Shares
Issue Shares	:	New Shares to be issued by our Company under the Public Issue
Issuing House	:	Malaysian Issuing House Sdn Bhd (Registration No. 199301003608 (258345-X))
IT	:	Information technology
JKY Sink	:	JKY Sink Sdn Bhd (Registration No. 201301002967 (1032805-K))
Kepong Facility	:	Two units of 1 ½ storey semi-detached light industrial factory located at No. 197 & 198, Jalan 1, Taman Perindustrian Ehsan Jaya, 52100 Kepong, Kuala Lumpur currently used as retail outlet cum warehouse and office
Key Senior Management	:	Key senior management personnel of our Group comprising the Executive Directors, Khoo Nee Cheng, Chong Jun Kang, and Sheng Toy Sei
Listing	:	Listing of and quotation for our entire enlarged issued Shares on the ACE Market of Bursa Securities
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities
Lot 46A	:	Lot 46A, Wisma NCK 2, 3½ Miles, Jalan Sungai Besi, 57100 Kuala Lumpur
Lot 903	:	Leasehold land held under HSD 17567, PT 338, Pekan Simpang Tiga Ijok, Daerah Kuala Selangor, Negeri Selangor, adjacent to Ijok Manufacturing Facility, where the Lot 903 Facility will be erected on
Lot 903 Facility	:	Our Group's new manufacturing facility to be constructed on Lot 903
Lot 904	:	Leasehold land held under HSD 8542, Lot 904, Pekan Simpang Tiga Ijok, Daerah Kuala Selangor, Negeri Selangor, adjacent to Lot 903
LPD	:	30 October 2024, being the latest practicable date for ascertaining certain information contained in this Prospectus
Malaysian Public	:	Malaysian citizens, companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia
Market Day	:	Any day on which Bursa Securities is open for trading of securities
Maybank Islamic	:	Maybank Islamic Berhad (Registration No. 200701029411 (787435-M))
MCCG	:	Malaysian Code on Corporate Governance issued by the SC

DEFINITIONS (Cont'd)

MFRS	:	Malaysian Financial Reporting Standards
MIA	:	Malaysian Institute of Accountants
MIDA	:	Malaysian Investment Development Authority
MITI	:	Ministry of Investment, Trade and Industry (<i>formerly known as Ministry of International Trade and Industry</i>)
MyIPO	:	Intellectual Property Corporation of Malaysia
N/A	:	Not applicable
NA	:	Net assets
NBV	:	Net book value
Northern region	:	Northern region of Peninsular Malaysia (Perlis, Kedah, Penang and Perak)
NTA	:	Net tangible assets
Offer for Sale	:	Offer for sale of 17,400,000 Offer Shares by the Selling Shareholders
Offer Shares	:	Existing Shares to be offered by the Selling Shareholders pursuant to the Offer for Sale
Official List	:	A list specifying all securities listed on Bursa Securities
OSHA	:	Occupational Safety and Health Act 1994
Participating Financial Institution	:	Participating financial institution for the Electronic Share Application
PAT	:	Profit after taxation
PBT	:	Profit before taxation
PB multiple	:	Price-to-book multiple
PE multiple	:	Price-to-earnings multiple
Pink Application Form	:	Application form for the application of the Issue Shares by the Eligible Persons accompanying this Prospectus
Pink Form Allocations	:	15,950,000 Issue Shares made available for application by the Eligible Persons
PPE	:	Property, plant and equipment
Promoter(s)	:	Collectively, Chua Nyok Chong, Chua Boon Hong, Khoo Nee Cheng and Lee Yong Zhi
Prospectus	:	This prospectus dated 26 November 2024 issued by our Company

DEFINITIONS (Cont'd)

Prospectus Guidelines	:	Prospectus Guidelines issued by the SC
Public Bank	:	Public Bank Berhad (Registration No. 196501000672 (6463-H))
Public Issue	:	Public issue of 56,550,000 Issue Shares by our Company
Record of Depositors	:	A record of securities holders established by Bursa Depository under the Rules of Bursa Depository
RHB Bank	:	RHB Bank Berhad (Registration No. 196501000373 (6171-M))
Rules of Bursa Depository	:	The rules of Bursa Depository as issued pursuant to the SICDA
SAC	:	Shariah Advisory Council of the SC
SC	:	Securities Commission Malaysia
Selected Investors	:	Investors that meet the requirements of Schedule 6 or 7 of the CMSA and subscribe for our IPO Shares through private placement
Selling Shareholders	:	Collectively, Chua Nyok Chong, Chua Boon Hong, Lee Yong Zhi and Khoo Nee Cheng
Share Registrar	:	Boardroom Share Registrars Sdn Bhd (Registration No. 199601006647 (378993-D))
SICDA	:	Securities Industry (Central Depositories) Act 1991
SOHO	:	Small office, Home office
Southern region	:	Southern region of Peninsular Malaysia (Johor, Melaka and Negeri Sembilan)
Specified Shareholders	:	Collectively, Chua Nyok Chong, Chua Boon Hong, Khoo Nee Cheng and Lee Yong Zhi
sq. ft.	:	Square feet
sq. m	:	Square metre
Sunview Group	:	Sunview Group Berhad (Registration No. 202101019497 (1419797-M)) and its subsidiaries
TA Securities or Principal Adviser or Sponsor or Sole Placement Agent or Sole Underwriter	:	TA Securities Holdings Berhad (Registration No. 197301001467 (14948-M))
TNB	:	Tenaga Nasional Berhad (Registration No. 199001009294 (200866-W))
Underwriting Agreement	:	Underwriting agreement dated 11 November 2024 between our Company and TA Securities for the purpose of our IPO

DEFINITIONS (Cont'd)

UOB Bank	:	United Overseas Bank (Malaysia) Bhd. (Registration No. 199301017069 (271809-K))
USA	:	United States of America
Vafe System	:	Vafe System Sdn Bhd (Registration No. 201401048114 (1124303-W))
Vendors	:	Collectively, Chua Nyok Chong, Chua Boon Hong, Khoo Nee Cheng, Lee Yong Zhi and Vafe System
Winstar or Company	:	Winstar Capital Berhad (Registration No. 202301049890 (1543804-K))
Winstar Group or Group	:	Collectively, our Company and our subsidiaries, Establish Trading, MIM Industry, Winstar Aluminium and Winstar Solar
Winstar Shares or Shares	:	Ordinary shares in our Company
YM Tengku Loreta	:	Yang Mulia Tengku Loreta Binti Tengku Dato' Setia Ramli Alhaj

Currencies

RM and sen	:	Ringgit Malaysia and sen, the lawful currency of Malaysia
USD	:	United States Dollar, the lawful currency of the USA

Subsidiaries

Establish Trading	:	Establish Trading Sdn Bhd (Registration No. 200901030006 (873112-U))
MIM Industry	:	MIM Industry Sdn Bhd (Registration No. 201501002767 (1128099-M))
Winstar Aluminium	:	Winstar Aluminium Manufacturing Sdn Bhd (Registration No. 200201001127 (568790-K))
Winstar Solar	:	Winstar Solar Sdn Bhd (Registration No. 199801003577 (459703-V))

GLOSSARY OF TECHNICAL TERMS

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

Aluminium billet	:	A long-shaped bar of aluminium used in the extrusion process
Die	:	A die, or extrusion die, is a thick metal disc with an opening whereby the malleable aluminium is passed through during the extrusion process to produce the extruded aluminium profiles
EPCC	:	Engineering, procurement, construction and commissioning
Extrusion	:	A process whereby metal is transformed into desired shapes by forcing or pushing it out through an opening in an extrusion die
kWp	:	Kilowatt 'peak
ISO	:	International Organisation for Standardisation
LRQA	:	Lloyd's Register Quality Assurance
OEM	:	Original equipment manufacturer
PVC	:	Polyvinyl chloride
Solar PV	:	Solar photovoltaic
tonne	:	A unit of mass equivalent to 1,000 kilograms
UST	:	US tonne, a unit of mass equivalent to 2,000 pounds (approximately 907 kilograms) used to measure the amount of force exerted by aluminium extrusion press machines.

1. CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name	Designation	Nationality	Address
YM Tengku Loreta	Independent Non-Executive Chairperson	Malaysian	No. 2, Jalan Temenggong 12/6, Istana Bukit Kayangan, 40100 Shah Alam, Selangor
Chua Nyok Chong	Non-Independent Executive Vice Chairman	Malaysian	No. 67, Jalan Kosas 1/1, Taman Kosas, 68000 Ampang, Selangor
Chua Boon Hong	Non-Independent Executive Director and CEO	Malaysian	No. 67, Jalan Kosas 1/1, Taman Kosas, 68000 Ampang, Selangor
Lee Yong Zhi	Non-Independent Executive Director and COO	Malaysian	No. 25, Jalan Udang Pasir 1, Taman Megah Kepong, 52100 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur
Chow Kian Hung	Non-Independent Non-Executive Director	Malaysian	B-9-3, D'Pines Condo, Jalan Cempaka 6, Taman Nirwana, 68000 Ampang, Selangor
Datuk Mastura	Independent Non-Executive Director	Malaysian	No. 2, Jalan Puncak Setiawangsa 7, Taman Setiawangsa, 54200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur
Low Suet Ann	Independent Non-Executive Director	Malaysian	A-25-03 Ascenda Residences, Jalan Ayer Panas, Taman Ayer Panas, 53200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur
Beh Oi Siew	Independent Non-Executive Director	Malaysian	286-PV8, Park Villa, Jalan BP 11, Bandar Bukit Puchong 2, 47120 Puchong, Selangor

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Low Suet Ann	Chairperson	Independent Non-Executive Director
Datuk Mastura	Member	Independent Non-Executive Director
Beh Oi Siew	Member	Independent Non-Executive Director

NOMINATION AND REMUNERATION COMMITTEE

Name	Designation	Directorship
Datuk Mastura	Chairperson	Independent Non-Executive Director
Low Suet Ann	Member	Independent Non-Executive Director
Beh Oi Siew	Member	Independent Non-Executive Director

1. CORPORATE DIRECTORY (Cont'd)

- COMPANY SECRETARIES** : **Ng Shu Fern**
Professional qualification: Malaysian Institute of Chartered Secretaries and Administrators (“**MAICSA**”)
(MAICSA Membership No.: 7062881)
(CCM Practicing Certificate No. 201908001840)
- Wong Sin Yee**
Professional qualification: MAICSA
(MAICSA Membership No.: 7071946)
(CCM Practicing Certificate No. 202208000421)
- Prominence Corporate Services Sdn Bhd**
(Registration No. 202301032353 (1526276-V))
Lot 1902, 19th Floor, Tower 1, Faber Towers
Jalan Desa Bahagia, Taman Desa
58100 Kuala Lumpur
- Tel. No. : +603 7971 7288
- REGISTERED OFFICE** : Lot 1902, 19th Floor, Tower 1, Faber Towers
Jalan Desa Bahagia, Taman Desa
58100 Kuala Lumpur
- Tel. No. : +603 7971 7288
- HEAD/MANAGEMENT OFFICE** : Lot 901 & 902, Batu 29
Jalan Kepong, Ijok
45600 Batang Berjuntai, Selangor
- Tel. No. : +603 3279 3129
Fax No. : +603 3279 3159
Email : hello@winstargroup.com.my
Website : www.winstargroup.com.my
- PRINCIPAL ADVISER, SPONSOR, SOLE PLACEMENT AGENT AND SOLE UNDERWRITER** : **TA Securities Holdings Berhad**
(Registration No. 197301001467 (14948-M))
28th Floor, Menara TA One
22 Jalan P. Ramlee
50250 Kuala Lumpur
- Tel. No. : +603 2072 1277
- LEGAL ADVISERS** : **Teh & Lee Advocates & Solicitors**
A-3-3 & A-3-4
Northpoint Offices
Mid Valley City
No. 1, Medan Syed Putra Utara
59200 Kuala Lumpur
- Tel. No. : +603 2283 2800
Fax No. : +603 2283 2500

1. CORPORATE DIRECTORY (Cont'd)

AUDITORS AND REPORTING ACCOUNTANTS	: UHY Malaysia (AF 1411) Suite 11.05, Level 11 The Gardens South Tower Mid Valley City, Lingkaran Syed Putra 59200 Kuala Lumpur
	Tel. No. : +603 2279 3088 Fax No. : +603 2279 3099
	Partner-in-charge : Tan Gim-Heng License No. : 03595/09/2025 J Professional Qualification : Chartered Accountant, Fellow Member of the Association of Chartered Certified Accountants and Member of the MIA (MIA Membership No. CA 45520)
FINANCIAL ADVISER	: Eco Asia Capital Advisory Sdn Bhd (Registration No. 201801022562 (1284581-H)) Lot 1904, 19th Floor Tower 1, Faber Towers Jalan Desa Bahagia, Taman Desa 58100 Kuala Lumpur
	Tel. No. : +603 7971 1822
	Person-in-charge : Khoo Chee Siang Qualification : Chartered Accountant, Fellow Member of the Association of Chartered Certified Accountants and Member of the MIA (MIA Membership No. CA 21553)
INDEPENDENT MARKET RESEARCHER	: Protégé Associates Sdn Bhd (Registration No. 200401037256 (675767-H)) Suite C-09-12, Plaza Mont Kiara 2, Jalan Kiara, Mont' Kiara 50480 Kuala Lumpur
	Tel. No. : +603 6201 9301
	Person-in-charge : Seow Cheow Seng Qualification : Master in Business Administration from Charles Sturt University, Australia and Bachelor of Business majoring in Marketing from RMIT University, Australia

1. CORPORATE DIRECTORY (Cont'd)

- SHARE REGISTRAR** : **Boardroom Share Registrars Sdn Bhd**
(Registration No. 199601006647 (378993-D))
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13
46200 Petaling Jaya, Selangor
- Tel. No. : +603 7890 4700
Fax No. : +603 7890 4670
- ISSUING HOUSE** : **Malaysian Issuing House Sdn Bhd**
(Registration No. 199301003608 (258345-X))
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13
46200 Petaling Jaya, Selangor
- Tel. No. : +603 7890 4700
Fax No. : +603 7890 4670
- LISTING SOUGHT** : ACE Market of Bursa Securities
- SHARIAH STATUS** : Approved by the SAC

2. INTRODUCTION

2.1 APPROVALS AND CONDITIONS

2.1.1 Bursa Securities

Bursa Securities had, vide its letter dated 24 October 2024, approved our Admission and our Listing, subject to the following conditions:

No.	Details of condition imposed	Status of compliance
(1)	Submit the following information with respect to the moratorium on the shareholdings of the Specified Shareholders to Bursa Depository: <ul style="list-style-type: none"> (i) Name of shareholders; (ii) Number of Shares; and (iii) Date of expiry of the moratorium for each block of Shares. 	To be complied
(2)	Confirm that approvals from other relevant authorities have been obtained for implementation of the Listing.	Complied
(3)	The Bumiputera equity requirements for public listed companies as approved/exempted by the SC including any conditions imposed thereon.	Complied
(4)	Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Guidance Notes 15 of the Listing Requirements.	To be complied
(5)	Furnish to Bursa Securities a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire issued share capital of the Company on the first day of Listing.	To be complied
(6)	In relation to the public offering to be undertaken by the Company, to announce at least two Market Days prior to the Listing date, the result of the offering including the following: <ul style="list-style-type: none"> (i) Level of subscription of public balloting and placement; (ii) Basis of allotment/allocation; (iii) A table showing the distribution for placement tranche; and (iv) Disclosure of placees who become substantial shareholders of the Company arising from the public offering, if any. <p>TA Securities must ensure that the overall distribution of the Winstar's securities is properly carried out to mitigate any disorderly trading in the secondary market.</p>	To be complied
(7)	Winstar/TA Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the Admission.	To be complied

2. INTRODUCTION (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, vide its letter dated 25 October 2024, approved our resultant equity structure pursuant to our Listing under the Bumiputera equity requirement for public listed companies.

The approval from the SC is subject to the following conditions:

No.	Details of condition imposed	Status of compliance
(1)	Winstar to make available at least 50% of the Shares offered to the Malaysian Public via balloting to Bumiputera public investors in conjunction with the Listing.	Complied
(2)	Winstar to allocate 12.5% of its enlarged number of issued Shares to Bumiputera investors to be approved or recognised by the MITI within one year after achieving the profit requirement for companies seeking listing on the Main Market of Bursa Securities or five years after being listed on the ACE Market of Bursa Securities, whichever is earlier (" Compliance Date ").	To be complied
(3)	Winstar to submit to the SC a proposal to comply with the equity condition stated in Item (2) above, at least six months prior to the Compliance Date.	To be complied
(4)	TA Securities or Winstar to submit Winstar's equity structure to the SC upon completion of the Listing.	To be complied

2.1.3 SAC

The SAC had on 11 July 2024, classified our Shares as Shariah-compliant securities based on the audited combined financial statements for the FYE 2023.

2.2 MORATORIUM ON OUR SHARES

2.2.1 Specified Shareholders' Moratorium

In accordance with Rule 3.19(1) of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of those Shares held by the Specified Shareholders as follows:

- (a) the moratorium applies to the entire shareholdings of our Specified Shareholders for a period of 6 months from the date of our admission to the Official List ("**First 6-Month Moratorium**");
- (b) upon the expiry of the First 6-Month Moratorium, our Company must ensure that our Specified Shareholders' aggregate shareholdings amounting to at least 45.00% of the entire enlarged issued Shares remain under moratorium for another period of 6 months ("**Second 6-Month Moratorium**"); and
- (c) on the expiry of the Second 6-Month Moratorium, our Specified Shareholders may sell, transfer or assign up to a maximum of 1/3 per annum (on a straight-line basis) of those Shares held under moratorium.

2. INTRODUCTION (Cont'd)

The details of the moratorium by our Specified Shareholders who hold Shares in our Company are as follows:

Specified Shareholder	Year 1				Year 2		Year 3	
	First 6-Month Moratorium		Second 6-Month Moratorium		Shares under moratorium		Shares under moratorium	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%
Chua Nyok Chong	75,468,895	26.02	67,449,856	23.26	44,966,571	15.51	22,483,285	7.75
Chua Boon Hong	25,031,144	8.63	22,371,430	7.71	14,914,286	5.14	7,457,143	2.57
Lee Yong Zhi	24,551,380	8.47	21,942,643	7.57	14,628,429	5.04	7,314,215	2.52
Khoo Nee Cheng	20,963,582	7.23	18,736,071	6.46	12,490,714	4.31	6,245,357	2.16
Total	146,015,001	50.35	130,500,000	45.00	87,000,000	30.00	43,500,000	15.00

Note:

(1) Based on our enlarged issued 290,000,000 Shares after our IPO.

The moratorium has been fully accepted by our Specified Shareholders, who have provided written undertakings that they will not sell, transfer or assign their shareholdings under moratorium during the moratorium period.

The moratorium restriction, which is fully accepted by our Specified Shareholders, will be specifically endorsed on the share certificates representing their shareholdings which are under moratorium to ensure that our Share Registrar does not register any sale, transfer or assignment that contravenes with the aforesaid restriction.

2.2.2 Pre-Listing Investor's Moratorium

In accordance with Rule 3.19A of the Listing Requirements, Vafe System has provided a written undertaking that it will not sell, transfer or assign its 70,034,999 Shares, representing 24.15%⁽¹⁾⁽²⁾ of our enlarged issued Shares, for a period of 6 months from the date of our Listing.

Notes:

(1) Based on our enlarged issued 290,000,000 Shares after our IPO.

(2) In relation to Vafe System's acquisition of 20.00% equity interest in Winstar Aluminium which was completed on 7 September 2023 as well as its subsequent acquisition of 10.00% equity interest in Winstar Aluminium which was completed on 8 February 2024.

The following parties have also provided written undertakings that they will not sell, transfer or assign their entire shareholdings in respect of the following, for a period of 6 months from the date of our Listing:

- (i) Fabulous Sunview, the sole shareholder of Vafe System, in respect of its shareholdings in Vafe System; and
- (ii) Sunview Group Berhad, the sole shareholder of Fabulous Sunview, in respect of its shareholdings in Fabulous Sunview.

3. PROSPECTUS SUMMARY

THIS PROSPECTUS SUMMARY ONLY HIGHLIGHTS THE KEY INFORMATION FROM THE 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 OF OUR IPO

Our IPO entails an offering of 56,550,000 Issue Shares and 17,400,000 Offer Shares at an IPO Price of RM0.35 per IPO Share.

Our IPO Shares will be allocated in the following manner:

	Public Issue		Offer for Sale		Total	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%
Malaysian Public via balloting						
- Non-Bumiputera	7,250,000	2.50	-	-	7,250,000	2.50
- Bumiputera	7,250,000	2.50	-	-	7,250,000	2.50
Pink Form Allocations						
- Directors	1,000,000	0.35	-	-	1,000,000	0.35
- Employees	7,000,000	2.41	-	-	7,000,000	2.41
- Persons who have contributed to the success of our Group	7,950,000	2.74	-	-	7,950,000	2.74
Private placement						
- Non-Bumiputera	26,100,000	9.00	17,400,000	6.00	43,500,000	15.00
- Bumiputera	-	-	-	-	-	-
Total	56,550,000	19.50	17,400,000	6.00	73,950,000	25.50

Enlarged number of Shares upon Listing	290,000,000
IPO Price per Share	RM0.35
Market capitalisation upon Listing ⁽²⁾	RM101,500,000

Notes:

(1) Based on our enlarged issued 290,000,000 Shares upon our Listing.

(2) Based on our IPO Price and our enlarged number of Shares upon Listing.

The Specified Shareholders and Vafe System have provided their undertakings not to sell, transfer or assign their respective shareholdings in our Company. Please refer to Section 2.2 of this Prospectus for further details on the moratorium on our Shares. Save for the moratorium on the sale of the existing Shares imposed on our Specified Shareholders and Vafe System, there is no other moratorium imposed on our Shares. For detailed information in relation to our IPO, please refer to Section 4.2 of this Prospectus.

3. PROSPECTUS SUMMARY *(Cont'd)*

3.2 OVERVIEW OF OUR BUSINESS

Our Company was incorporated in Malaysia under the Act on 15 December 2023 as a private limited company under the name of Winstar Capital Sdn Bhd. On 14 June 2024, our Company was converted into a public limited company under our present name.

We are an investment holding company, while our subsidiaries are principally involved in the following:

- (i) extrusion of aluminium profiles and fabrication of aluminium ladders as well as aluminium solar PV mounting structures and related accessories;
- (ii) trading and distribution of building materials; and
- (iii) solar PV system installation services.

We have over 20 years of operating history in the aluminium extrusion market in Malaysia since commencing business operations in 2002. There has been no material change in the manner in which we conduct our business or activities since we commenced business operations and up to the LPD. Please refer to Section 7.1 of this Prospectus for further details of our Group's history and key milestones.

Further details of our Group and our business overview are set out in Sections 6 and 7 of this Prospectus.

3.3 COMPETITIVE STRENGTHS

Our competitive strengths are as follows:

(i) We have an established track record and reputation in the aluminium extrusion market

We have a track record of over 20 years in the aluminium extrusion market. Since we commenced operations in 2002, we have been manufacturing, fabricating, processing, and selling aluminium products as well as building materials. In 2008, we expanded to include fabrication and assembly of various types of aluminium ladders as an OEM and subsequently distributed our own "Asteri" brand from 2016. Our Group has also in 2023, ventured into the provision of solar PV system installation services.

(ii) We have a comprehensive manufacturing facility

We have established a comprehensive manufacturing infrastructure at our Ijok Manufacturing Facility which houses our four aluminium extrusion lines, one automated powder coating line, four anodising lines, 10 fabrication and assembly tables for aluminium ladders, as well as an on-site warehouse. By having our key processes in one facility, we are able to control the quality of our products and efficiency of our operations.

(iii) We offer a wide range of products

We offer a wide range of extruded aluminium profiles that can be customised according to our customers' requirement. We also offer building materials such as extruded aluminium profiles, stainless-steel products, aluminium products, silicone sealants, ironmongery products. Our wide range of products enable us to effectively serve our customers as we are able to provide convenience in offering both internally extruded aluminium profiles and building materials for construction works.

3. PROSPECTUS SUMMARY *(Cont'd)*

(iv) **We have an experienced Key Senior Management**

Our Group is managed by our Key Senior Management with each having more than 10 years of experience in their respective fields. Our experienced management team comprises of a team of individuals with diverse work experiences which allows us to continuously cater and adapt to the changes in the aluminium extrusion market in Malaysia, as well as to provide customised solutions to our customers.

Further details of our competitive strengths are set out in Section 7.5 of this Prospectus.

3.4 FUTURE PLANS AND BUSINESS STRATEGIES

Our business and growth strategies include the following:

(i) **Expansion of manufacturing facility**

We intend to expand our Group's manufacturing facility by the following:

(a) **Construction of new manufacturing facilities**

Our Group has commenced the construction on Lot 903 which is adjacent to our Ijok Manufacturing Facility with the intention of expanding our production capacity. The Lot 903 Facility with an approximate built-up area of 80,000 sq. ft. is expected to house four aluminium extrusion lines and additional storage space.

(b) **Purchase of aluminium extrusion lines**

In line with our business strategy to expand our production capacity, we intend to purchase four additional aluminium extrusion lines with a combined capacity of 8,580 tonnes to be installed at the Lot 903 Facility to increase our aluminium extrusion capacity.

(ii) **Expansion of extruded aluminium products to be used in the solar PV industry**

We intend to increase our focus on the fabrication of aluminium mounting structures and expand our fabrication activities to include other solar PV related aluminium accessories such as brackets and clamps.

Further details of our future plans are set out in Section 7.20 of this Prospectus.

3.5 RISK FACTORS

An investment in our Shares involves a number of risks, many of which are beyond our control. You should carefully consider all the information contained in Section 5 of this Prospectus, including the risks as summarised below, before deciding to invest in our Shares. Our business, financial condition, results of operations and prospects, and your investment in our Shares could be materially and adversely affected by any of these risks.

3. PROSPECTUS SUMMARY *(Cont'd)*

The following are the key risks and investment considerations that we are currently facing or that may develop in the future:

(i) We are dependent on our major supplier

Our Group is dependent on our major supplier, Formosa, for the supply of aluminium billets for our aluminium extrusion activities. Formosa had contributed approximately 49.70%, 45.31%, 43.40% and 42.56% of our Group's total purchases for the FYE 2021, 2022, 2023 and FPE 2024, respectively. Although we do not foresee any difficulty in having to source for aluminium billets from other suppliers, there is no assurance that we will be able to procure our aluminium billets from other suppliers at favourable prices and/or in a timely manner. Any major disruption or sudden cessation of supply from our suppliers for any reason may result in a shortage of supply of aluminium billets which may affect our Group's production schedule and the delivery of our products to our customers.

(ii) Our operations are labour intensive

As at the LPD, more than 75.00% of our workforce are involved in our aluminium extrusion, fabrication, assembly as well as warehousing activities which are relatively more tedious and physically demanding. There is no assurance that we will not face shortage of workers in the future or that we will be able to recruit and retain sufficient workers to meet our operational needs. In addition, we may be subject to additional risks relating to the employment of foreign workers including but not limited to the inability to obtain work permits, potential increases in foreign worker levies, as well as changes in regulations and policies regarding immigration and the employment of foreign workers. As a result, any loss of workers or our Group's inability to recruit workers in a timely manner may adversely affect our Group's business operations and financial performance.

(iii) Our business operations are exposed to disruptions in supply of electricity

Any disruption to the supply of electricity will substantially disrupt our operations at the Ijok Manufacturing Facility as all our machineries and equipment are powered by electricity. In the event of prolonged shortage of electricity supply, our Group's production schedule may be affected and the delivery of our products to our customers may be delayed. Consequently, our business, financial performance and results of operations may be adversely affected.

(iv) Our future plans and business strategies may not be successfully implemented or achieve the intended business objectives or financial and operational results

Our future growth depends to a certain extent on our ability to successfully execute our future plans and business strategies as set out in Section 7.20 of this Prospectus. There is no assurance that our future growth will fully correspond to our plans to increase our production capacity. If we incur significant costs in connection with our plans but our future growth does not meet our expectation, our business, financial condition and results of operations may be materially and adversely affected.

(v) Our insurance coverage may not be adequate

Our business operations involve risks and hazards including, but not limited to, workplace and other accidents, wilful property damage, theft, fire, flood and other natural disasters which may cause loss or damage to our products and/or significant damage to our manufacturing facilities, storage and offices, thus disrupting and affecting our business operations. Our Group reviews the adequacy of our insurance coverage on an annual basis and renews our insurance policies to ensure the continuity of our insurance coverage. However, there is no assurance that our existing insurance policies will be sufficient to cover all potential damages. Where losses, damages or liabilities are uninsured, not covered under our insurance policies, or where the insurance coverage is insufficient, we may have to bear such losses, damages or liabilities and consequently our business operations and financial performance may suffer a material adverse impact.

3. PROSPECTUS SUMMARY (Cont'd)

(vi) We are dependent on our Key Senior Management

Our Group is managed by our experienced Key Senior Management who have extensive knowledge and experience in the aluminium extrusion industry. Our Key Senior Management play a crucial role in our daily operations and in upholding governance, as well as charting, formulating and implementing strategies to drive the future growth of our Group. We believe that our Group's continued success will depend, to a significant extent, upon the capabilities and continued efforts of our Key Senior Management. The loss of our Key Senior Management without suitable and timely replacement or our inability to hire and retain suitable candidates as replacements may adversely affect our Group's business operations, financial performance, and future prospects.

(vii) We are subject to unexpected interruptions caused by breakdown of machineries

Our Group's aluminium extrusion activities are dependent on the smooth operation of our machineries, specifically our aluminium extrusion press machines. While we have regular maintenance of our aluminium extrusion press machines to ensure that they operate optimally, there can be no assurance that we will not experience unexpected interruptions in our aluminium extrusion activities which may be caused by potential breakdowns or sub-optimal performance of our machineries. Any major or prolonged disruption in the operation of our aluminium extrusion press machines may affect the lead time for the extruded aluminium profiles and may affect our delivery schedule.

(viii) We are subject to workplace safety and health regulations

Our business operations involve the usage of heavy machineries and equipment, where we are required to comply with the relevant HSE laws and regulations to ensure the health and safety of our employees. Although we have implemented a HSE policy, there can be no assurance that accidents will not occur. Failure to comply with the relevant HSE laws and regulations, as well as the occurrence of accidents could disrupt our business operations and in turn adversely affect our financial performance.

(ix) We are subject to environmental regulations

Our business operations involve the emission of wastewater and other scheduled wastes, where we are required to comply with the relevant environmental laws and regulations. While we have taken steps to properly manage our scheduled wastes, there can be no assurance that incidences leading to improper management of scheduled wastes will not occur in the future. Our Group's failure to comply with the relevant environmental regulations may result in suspension or restrictions being placed on our business operations as well as the possibly of being imposed penalties or fines. This in turn could disrupt our business operations and adversely affect our financial performance.

(x) We may be subject to disruptions in our operations caused by outbreak of infectious diseases such as COVID-19

Our Group's business may be subject to disruptions caused by outbreaks of infectious diseases such as COVID-19. Any outbreak of infectious diseases may lead to the imposition of lockdown measures to curb the spread of the diseases, thus leading to temporary suspension of business activities.

Although the Malaysian Government has lifted all COVID-19 related restrictions, there can be no assurance that there will not be a resurgence of the disease or the emergence of other infectious diseases in the future. If there is an outbreak of infectious disease in the future, we may experience a disruption to our business operations and an adverse impact on our financial performance.

3. PROSPECTUS SUMMARY (Cont'd)

(xi) **Our business operations and financial performance may be adversely affected by the fluctuation in the price of aluminium billets, our main raw material**

The fluctuation in price of our main raw material, namely aluminium billets are mainly caused by the fluctuations in the price of its raw materials, namely aluminium, which is a globally traded commodity and is mainly priced in USD. The price of aluminium is affected by numerous factors beyond our control, such as global economic and political conditions, supply and demand, inventory levels maintained by suppliers, potential disruptions in the supply chain and currency exchange rates. Although we are generally able to pass on any increase in raw material price to our customers, our profitability may be adversely affected if we are unable to do so on a timely basis, or should we decide not to do so in order to maintain our competitive pricing.

Please refer to Section 5 of this Prospectus for the full list of risk factors which should be carefully considered before investing in our Shares.

3.6 DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, our Directors and our Key Senior Management are as follows:

Name	Designation
Directors:	
YM Tengku Loreta	Independent Non-Executive Chairperson
Chua Nyok Chong	Non-Independent Executive Vice Chairman
Chua Boon Hong	Non-Independent Executive Director and CEO
Lee Yong Zhi	Non-Independent Executive Director and COO
Datuk Mastura	Independent Non-Executive Director
Low Suet Ann	Independent Non-Executive Director
Beh Oi Siew	Independent Non-Executive Director
Chow Kian Hung	Non-Independent Non-Executive Director
Key Senior Management:	
Khoo Nee Cheng	CMO
Sheng Toy Sei	CFO
Chong Jun Kang	CSO

Further details of our Directors and Key Senior Management are set out in Section 9 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

3.7 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 / Nationality / Country of Incorporation	Before our IPO				After our IPO			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Promoters and substantial shareholders								
Chua Nyok Chong / Malaysian	84,462,210	36.18	-	-	75,468,895	26.02	-	-
Chua Boon Hong / Malaysian	28,014,001	12.00	-	-	25,031,144	8.63	-	-
Lee Yong Zhi / Malaysian	27,477,065	11.77	-	-	24,551,380	8.47	-	-
Khoo Nee Cheng / Malaysian	23,461,725	10.05	-	-	20,963,582	7.23	-	-
Substantial shareholders								
Vafe System / Malaysia	(3)70,034,999	30.00	-	-	(3)70,034,999	24.15	-	-
Fabulous Sunview / Malaysia	-	-	(4)70,034,999	30.00	-	-	(4)70,034,999	24.15
Sunview Group Berhad / Malaysia	-	-	(5)70,034,999	30.00	-	-	(5)70,034,999	24.15
New Energy Capital Sdn Bhd / Malaysia	-	-	(6)70,034,999	30.00	-	-	(6)70,034,999	24.15
Chow Kian Hung / Malaysian	-	-	(7)70,034,999	30.00	-	-	(7)70,034,999	24.15
Ong Hang Ping / Malaysian	-	-	(7)70,034,999	30.00	-	-	(7)70,034,999	24.15
Khoo Kah Kheng / Malaysian	-	-	(7)70,034,999	30.00	-	-	(7)70,034,999	24.15

Notes:

- (1) Based on our issued 233,450,000 Shares after the Acquisition and before our IPO.
- (2) Based on our enlarged issued 290,000,000 Shares upon our Listing.
- (3) 46,690,000 Shares are held through Amsec Nominees (Tempatan) Sdn Bhd.
- (4) Deemed interested by virtue of its interests in Vafe System pursuant to Section 8 of the Act.
- (5) Deemed interested by virtue of its interests in Fabulous Sunview, the holding company of Vafe System, pursuant to Section 8 of the Act.
- (6) Deemed interest by virtue of its interests in Sunview Group Berhad, the holding company of Fabulous Sunview, pursuant to Section 8 of the Act.
- (7) Deemed interested by virtue of his interests in Sunview Group Berhad and/or New Energy Capital Sdn Bhd pursuant to Section 8 of the Act.

Further details of our Promoters and substantial shareholders are set out in Section 9 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

3.8 FINANCIAL AND OPERATIONAL HIGHLIGHTS

The following table sets out a summary of our combined financial information for the FYE Under Review, FPE 2023 and FPE 2024:

	Audited			Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FPE 2023	FPE 2024
	RM'000	RM'000	RM'000	RM'000	RM'000
Combined statements of comprehensive income					
Revenue	89,755	109,910	153,685	77,760	107,984
GP	18,265	21,290	30,354	13,966	18,829
Profit from operations	5,512	9,229	14,960	5,518	8,785
PBT	3,729	7,356	11,715	3,700	6,670
PAT	2,625	5,263	8,017	2,532	4,853
Other selected financial information					
GP margin (%)	20.35	19.37	19.75	17.96	17.44
PBT margin (%)	4.15	6.69	7.62	4.76	6.18
PAT margin (%)	2.92	4.79	5.22	3.26	4.49
Current ratio (times)	1.38	1.48	1.45	*	1.36
Cash and cash equivalents	(6,925)	(5,086)	(368)	(871)	130
Total borrowings ⁽¹⁾	42,029	41,207	55,741	*	77,755
Cash flow					
Net cash from/(used in) operating activities	649	7,072	2,102	(11,872)	(12,165)
Net cash from/(used in) investing activities	2,019	(1,948)	(8,855)	(4,035)	(1,863)
Net cash (used in)/from financing activities	(4,587)	(3,285)	11,471	20,121	14,526
Net (decrease)/increase in cash and cash equivalents	(1,919)	1,839	4,718	4,214	498

Notes:

* Not available as no comparative figure was prepared for our Company's combined statements of financial position as at 31 July 2023.

(1) Include bank overdrafts, bankers' acceptance, term loans and lease liabilities (excluding lease liabilities arising from the rented properties of RM0.73 million as at 31 December 2021, RM0.17 million as at 31 December 2022, RM2.84 million as at 31 December 2023 and RM2.52 million as at 31 July 2024).

Further details of our financial information are set out in Sections 12 and 13 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

Order book

Generally, we do not maintain an order book for both our aluminium extrusion and trading and distribution of building materials segments. Our sales are mainly based on purchase orders received from customers with specifications and quantity required on an ongoing basis.

As at the LPD, the unbilled purchase orders for our aluminium extrusion and trading and distribution of building materials segments stood at approximately RM24.10 million and RM1.82 million, respectively, and is expected to be fully recognised by the first quarter of 2025.

As at the LPD, unbilled order books for our solar PV system installation services segment stood at RM4.03 million. The majority of the unbilled order book as at the LPD is expected to be recognised as revenue by the fourth quarter of 2024 and the remaining to be fully recognised as revenue in FYE 2025.

3.9 USE OF PROCEEDS

The gross proceeds from the Public Issue amounting to RM19.79 million will be utilised by our Group in the following manner:

Utilisation of proceeds	Estimated timeframe for use from the date of our Listing	RM'000	%
Capital expenditure for the purchase of new aluminium extrusion press machines and equipment	Within 24 months	9,550	48.25
Working capital requirements	Within 12 months	6,242	31.54
Defray fees and expenses relating to our Listing	Within two months	4,000	20.21
Total		19,792	100.00

Our Company will not receive any proceeds from the Offer for Sale. The total gross proceeds from the Offer for Sale of RM6.09 million will accrue entirely to the Selling Shareholders. The Selling Shareholders shall bear the entire incidental expenses and fees such as placement fees and other miscellaneous fees in relation to the Offer for Sale which is estimated to be approximately RM0.15 million.

Further details of the use of proceeds are set out in Section 4.6 of this Prospectus.

3.10 DIVIDEND POLICY

As our Company is an investment holding company, our income and therefore our ability to pay dividends is dependent upon the dividends from our subsidiaries, present or future. It is the policy of our Board in recommending dividends to allow shareholders to participate in our profits, as well as to retain adequate reserves for our future growth.

We target to declare dividends of 30.00% of our audited consolidated PAT of each financial year. Our Board will take into account various factors including our Group's financial performance, capital expenditure requirements, general financial condition and any other factors considered relevant before recommending the dividends.

The future dividends proposed and declared, may vary depending on the financial performance and cash flows and operations of our Group. Save for certain banking restrictive covenants which our subsidiary is subject to, there are no other specific legal, financial, or economic restrictions imposed on our subsidiaries and our Company.

3. PROSPECTUS SUMMARY (Cont'd)

The dividends declared and paid for the FYE Under Review and FPE 2024 are as follows:

	Audited			
	FYE 2021	FYE 2022	FYE 2023	FPE 2024
	RM'000	RM'000	RM'000	RM'000
Dividends declared and paid	-	(1)2,000	-	-

Note:

(1) Paid on 30 August 2023.

Further details of our dividend policy are set out in Section 12.14 of this Prospectus.

4. DETAILS OF OUR IPO

4.1 INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative time and/or dates:

Events	Time and/or date
Issuance of this Prospectus/Opening of Applications	10.00 a.m., 26 November 2024
Closing of Applications	5.00 p.m., 3 December 2024
Balloting of Applications	6 December 2024
Allotment/Transfer of IPO Shares to successful applicants	18 December 2024
Listing	19 December 2024

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

4.2 PARTICULARS OF OUR IPO

Our IPO is subject to the terms and conditions of this Prospectus. Upon acceptance, our IPO Shares are expected to be allocated in the manner described below, subject to the clawback and reallocation provisions as set out in Section 4.2.5 of this Prospectus.

Our IPO consists of the Public Issue and the Offer for Sale, totaling 73,950,000 IPO Shares, representing 25.50% of our enlarged issued Shares.

4.2.1 Public Issue and Offer for Sale

Our Public Issue of 56,550,000 Issue Shares and Offer for Sale of 17,400,000 Offer Shares, representing 25.50% of our enlarged issued Shares, at the IPO Price shall be allocated in the following manner, subject to the clawback and reallocation provisions as set out in Section 4.2.5 of this Prospectus:

(i) Malaysian Public

14,500,000 Issue Shares, representing 5.00% of our enlarged issued Shares, will be made available for application by the Malaysian Public through a balloting process, of which at least 50.00% is to be set aside for Bumiputera Investor.

(ii) Eligible Persons

15,950,000 Issue Shares, representing 5.50% of our enlarged issued Shares, will be made available for application by the Eligible Persons under the Pink Form Allocations as follows:

Eligible Persons	No. of persons	Aggregate no. of Issue Shares allocated
Eligible Directors ⁽¹⁾	4	1,000,000
Eligible employees ⁽²⁾	100	7,000,000
Persons who have contributed to the success of our Group ⁽³⁾	30	7,950,000
Total	134	15,950,000

4. DETAILS OF OUR IPO (Cont'd)**Notes:**

- (1) *The allocation to the eligible Directors is based on, among others, their respective roles and responsibilities in our Company and a total of 1,000,000 Issue Shares have been allocated to them as follows:*

Name	Designation	No. of Issue Shares allocated
YM Tengku Loreta	Independent Non-Executive Chairperson	250,000
Datuk Mastura	Independent Non-Executive Director	250,000
Low Suet Ann	Independent Non-Executive Director	250,000
Beh Oi Siew	Independent Non-Executive Director	250,000
Total		1,000,000

- (2) *The allocation to the eligible employees of our Group who are full-time confirmed employees is based on, among others, job grade, performance, length of service and their past contribution to our Group. A total of 750,000 Issue Shares has been allocated to our Key Senior Management as follows:*

Name	Designation	No. of Issue Shares allocated
Sheng Toy Sei	CFO	250,000
Chong Jun Kang	CSO	500,000
Total		750,000

- (3) *The allocation to persons who have contributed to the success of our Group is based on, among others, the level of their contribution and support to the success of our Group and their length of business relationship with our Group. The persons who have contributed to the success of our Group include our customers and suppliers.*

(iii) Private placement to Selected Investors

43,500,000 IPO Share (comprising 26,100,000 Issue Shares and 17,400,000 Offer Shares), representing 15.00% of our enlarged issued Shares, will be made available by way of private placement to Selected Investors.

4. DETAILS OF OUR IPO (Cont'd)

4.2.2 Selling Shareholders

The Selling Shareholders will offer a total of 17,400,000 Offer Shares, representing 6.00% of our enlarged issued Shares. Details of the Selling Shareholders are as follows:

Name/Address	Nature of relationship	Before our IPO		Offer for Sale			After our IPO	
		No. of Shares	(1)%	No. of Shares	(1)%	(2)%	No. of Shares	(2)%
Chua Nyok Chong No. 67, Jalan Kosas 1/1, Taman Kosas, 68000 Ampang, Selangor	Promoter, substantial shareholder, Non-Independent Executive Vice Chairman	84,462,210	36.18	8,993,315	3.85	3.10	75,468,895	26.02
Chua Boon Hong No. 67, Jalan Kosas 1/1, Taman Kosas, 68000 Ampang, Selangor	Promoter, substantial shareholder, Non-Independent Executive Director and CEO	28,014,001	12.00	2,982,857	1.28	1.03	25,031,144	8.63
Lee Yong Zhi No. 25, Jalan Udang Pasir 1, Taman Megah Kepong, 52100 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Promoter, substantial shareholder, Non-Independent Executive Director and COO	27,477,065	11.77	2,925,685	1.25	1.01	24,551,380	8.47
Khoo Nee Cheng No. 12, Jalan Setia Tropika U13/18B, Setia Eco Park, 40170 Shah Alam, Selangor	Promoter, substantial shareholder and CMO	23,461,725	10.05	2,498,143	1.07	0.86	20,963,582	7.23

Notes:

(1) Based on our issued 233,450,000 Shares after the Acquisition and before our IPO.

(2) Based on our enlarged issued 290,000,000 Shares upon our Listing.

4. DETAILS OF OUR IPO (Cont'd)

4.2.3 Underwriting and allocation of the IPO Shares

A summary of our IPO Shares to be allocated under our IPO is as follows:

	<u>No. of IPO Shares</u>	<u>(1)%</u>
Malaysian Public (via balloting)		
- Bumiputera	7,250,000	2.50
- Non-Bumiputera	7,250,000	2.50
Eligible Persons	15,590,000	5.50
Private placement to Selected Investors	43,500,000	15.00
Total	<u>73,950,000</u>	<u>25.50</u>

Note:

(1) Based on our enlarged issued 290,000,000 Shares upon our Listing.

The 14,500,000 IPO Shares made available for application by the Malaysian Public and the 15,950,000 IPO Shares reserved for application by the Eligible Persons under the Pink Form Allocations are fully underwritten.

The private placement of 43,500,000 IPO Shares to Selected Investors are not underwritten. Irrevocable undertakings will be obtained from the investors to subscribe for our IPO Shares made available under the private placement.

Our IPO is subject to the public spread requirements as stipulated under the Listing Requirements. There is no over-allotment or “greenshoe” option that will increase the number of IPO Shares.

4.2.4 Clawback and reallocation

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

(i) Malaysian Public

In the event of under-subscription of our IPO Shares by the Malaysian Public, and subject to a corresponding over-subscription by the Eligible Persons or Selected Investors under the private placement, the remaining portion will be clawed back and reallocated to the Eligible Persons and/or offered to the Selected Investors under the private placement, at the discretion of our Sole Placement Agent and our Board.

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

(ii) Eligible Persons

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

4. DETAILS OF OUR IPO (Cont'd)

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

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

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

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

(iii) Selected Investors

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

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

Our IPO Shares will be allocated in a fair and equitable manner, to be determined by our Board, and the basis of allocation for such IPO Shares shall take into account the desirability of distributing such IPO Shares to a reasonable number of applicants with a view of broadening our Company's shareholding base to meet the public shareholding spread requirement of Bursa Securities and to establish a liquid market for our Shares.

As at the LPD, to the best of our knowledge and belief, save as disclosed in Section 4.2.1(ii):

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

4.2.5 Minimum subscription level

There is no minimum subscription level in terms of the amount of proceeds to be raised from our IPO. However, in order to comply with the public spread requirements under the Listing Requirements, the minimum subscription level will be the number of Shares required to be held by public shareholders.

Pursuant to the Listing Requirements, at least 25% of our enlarged issued Shares must be held by a minimum of 200 public shareholders holding not less than 100 Shares each at the time of our Admission. Prior to the Admission, we will ensure that this requirement is met through the balloting process and the private placement exercise such that a minimum of 200 public shareholders holding not less than 100 Shares each is in place and at least 25% of our enlarged issued Shares are held by public shareholders.

4. DETAILS OF OUR IPO (Cont'd)

If we fail to meet the public spread requirement, we may not be allowed to proceed with our Listing. In such event, we will return in full, without interest or any share of revenue or benefits arising therefrom, all monies paid in respect of all applications. If any such monies are not returned in full within 14 days after we become liable to do so, the provision of Section 243(2) of the CMSA shall apply accordingly.

4.2.6 Share capital

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

	No. of Shares	RM
After the Acquisition	233,450,000	72,369,501
To be issued under our Public Issue	56,550,000	⁽¹⁾ 18,601,575
Total upon our Listing	290,000,000	90,971,076

IPO Price 0.35

Market capitalisation upon Listing (based on our IPO Price and our enlarged total number of 290,000,000 Shares upon Listing) 101,500,000

Note:

- (1) *Calculated based on the IPO Price and after deducting the estimated listing expenses of RM1.19 million which is directly attributable to the Public Issue and is allowed to be debited against the share capital of our Company.*

4.2.7 Classes of shares and ranking

As at the date of this Prospectus, we have only one class of shares being ordinary shares.

The Issue Shares will, upon allotment and issuance, rank equally in all respects with our then existing Shares including voting rights and will be entitled to all rights, dividends and other distributions that may be declared subsequent to the date of allotment of the Issue Shares, subject to any applicable Rules of Bursa Depository.

Subject to any special rights attached to any Shares which we may issue in the future, our shareholders shall, in proportion to the number of Shares held by them, be entitled to share the profits paid out by us in the form of dividends or other distributions. Similarly, if we are liquidated, our shareholders shall be entitled to the surplus (if any), in accordance with our Constitution after the satisfaction of any preferential payments in accordance with the Act and our liabilities.

Each shareholder shall be entitled to be present and vote at our general meetings in person or by proxy or by attorney or by other duly authorised representative. Each shareholder shall be entitled to appoint more than one proxy to attend and vote at our general meetings provided the shareholder specifies the proportion of their shareholdings to be represented by each proxy. At any general meeting convened by us, a resolution put to the vote at the meeting shall be decided by way of a poll. On a poll, each shareholder present in person or, by proxy or, by attorney or by other duly authorised representative shall have one vote for each Share held or represented.

4. DETAILS OF OUR IPO (Cont'd)

4.3 OBJECTIVES OF OUR IPO

The objectives of our IPO are as follows:

- (i) to establish liquidity for our Shares by the listing of and quotation for our enlarged total number of 290,000,000 Shares on the ACE Market of Bursa Securities;
- (ii) to enable our Group to raise funds for the purposes as set out in Section 4.6 of this Prospectus;
- (iii) to enable our Group to gain recognition through our listing status which will further enhance our corporate reputation and brand name which is aimed at expanding our customer base as well as to retain and attract new employees;
- (iv) to provide an opportunity for the Malaysian Public, eligible Directors and employees of our Group, and persons who have contributed to the success of our Group to participate in our equity; and
- (v) to enable us to tap into the equity capital market for future fund raising and to provide us the financial flexibility to pursue growth opportunities.

4.4 BASIS OF ARRIVING AT THE IPO PRICE

The IPO Price was determined and agreed upon between our Directors, our Promoters and the Selling Shareholders together with TA Securities, being our Principal Adviser, Sponsor, Sole Placement Agent and Sole Underwriter, after taking into consideration the following factors:

- (i) our pro forma combined NA per Share of approximately RM0.32 as at 31 July 2024 based on our enlarged total number of 290,000,000 Shares after our IPO and use of proceeds from our Public Issue set out in Section 4.6 of this Prospectus;
- (ii) PE multiple of approximately 12.65 times based on our Group's EPS of approximately 2.76 sen for the FYE 2023 after taking into account our Group's PAT of RM8.02 million and our enlarged total number of 290,000,000 Shares after our IPO;
- (iii) our historical financial track record as summarised below:

	FYE 2021	FYE 2022	FYE 2023	FPE 2024
	RM'000	RM'000	RM'000	RM'000
Revenue	89,755	109,910	153,685	107,984
GP	18,265	21,290	30,354	18,829
PAT	2,625	5,263	8,017	4,853
GP Margin (%)	20.35	19.37	19.75	17.44
PAT Margin (%)	2.92	4.79	5.22	4.49

- (iv) our competitive strengths as set out in Section 7.5 of this Prospectus;
- (v) our future plans and business strategies as set out in Section 7.20 of this Prospectus; and
- (vi) outlook and prospects of the aluminium extrusion market in Malaysia in which our Group operates as described in Section 8 of this Prospectus.

4. DETAILS OF OUR IPO (Cont'd)

You should note that the market price of our Shares upon Listing is subject to the vagaries of market forces and other uncertainties which may affect the market price of our Shares. You should form your own views on the valuation of our IPO Shares before deciding to invest in our IPO Shares. You are also reminded to consider carefully the risk factors as set out in Section 5 of this Prospectus.

4.5 DILUTION

4.5.1 NA per Share

Dilution is the amount by which the IPO Price exceeds our pro forma combined NA per Share immediately after our IPO. The following table illustrates such dilution on a per Share basis:

	<u>RM</u>
IPO Price	0.35
Pro forma combined NA per Share as at 31 July 2024 after adjusting for the Acquisition	0.33
Pro forma combined NA per Share as at 31 July 2024, after adjusting for the Acquisition, the Public Issue and the use of the proceeds from the Public Issue	0.32
Decrease in pro forma combined NA per Share to our existing shareholders	0.01
Dilution in the pro forma combined NA per Share to new investors	0.03
Dilution in the pro forma combined NA per Share to new investors as a percentage of the IPO Price	8.57%

Save for the issuance of our Shares at an issue price of RM0.31 per Share to the Vendors as settlement of the consideration for the Acquisition, none of our substantial shareholders, Directors, Key Senior Management or persons connected to them had acquired, obtained the rights to acquire and/or subscribe for our Shares in the past three years up to the LPD.

4.6 USE OF PROCEEDS

The gross proceeds from the Public Issue amounting to RM19.79 million will be utilised by our Group in the following manner:

<u>Use of proceeds</u>	<u>Estimated timeframe for use from the date of our Listing</u>	<u>RM'000</u>	<u>%</u>
Capital expenditure for the purchase of new aluminium extrusion press machines and equipment	Within 24 months	9,550	48.25
Working capital requirements	Within 12 months	6,242	31.54
Defray fees and expenses relating to our Listing	Within two months	4,000	20.21
Total		<u>19,792</u>	<u>100.00</u>

4. DETAILS OF OUR IPO (Cont'd)

Further details on the use of proceeds from the Public Issue are as follows:

4.6.1 Capital expenditure for purchase of new aluminium extrusion press machines and equipment

In line with our business strategy to expand our aluminium extrusion capacity, we intend to utilise RM9.55 million, representing approximately 48.25% of the proceeds from our Public Issue, to purchase four new aluminium extrusion press machines and equipment to be installed at our Lot 903 Facility as follows:

Type of machine	No. of unit	Estimated cost RM'000
Aluminium extrusion press machine and equipment - 770 UST	1	1,370
Aluminium extrusion press machine and equipment - 1,100 UST	1	1,702
Aluminium extrusion press machine and equipment - 1,450 UST	1	2,530
Aluminium extrusion press machine and equipment - 1,800 UST	1	3,948
Total	4	9,550

We intend to purchase aluminium extrusion press machines and equipment in the various specifications above in order to expand our overall aluminium extrusion capacity as well as to increase the variety of extruded aluminium profiles (in terms of diameters) to be offered to our customers. For example, by utilising the aluminium extrusion press machines and equipment with higher UST, we will be able to extrude aluminium profiles which are larger in diameter.

The purchase of the abovementioned aluminium extrusion press machines and equipment will increase our total aluminium extrusion capacity by 8,580 tonnes, from approximately 6,705 tonnes per annum to 15,285 tonnes per annum.

The aluminium extrusion press machines and equipment will be procured from a local supplier. The estimated cost for the four aluminium extrusion press machines and equipment is based on our supplier's quotations and is subject to change if the prices are revised subsequently.

In the event the allocated proceeds are insufficient for the purchase of the new machines and equipment, any shortfall will be funded via internally generated funds and/or additional bank borrowings. Conversely, if the actual cost is lower than the amount budgeted above, the excess will be allocated for our working capital requirements.

4.6.2 Working capital requirements

A total of RM6.24 million, representing approximately 31.54% of the proceeds from our Public Issue, will be used to finance our additional working capital requirements in tandem with the expected growth in our business and operations. The entire RM6.24 million has been earmarked for the purchase of aluminium billets. Aluminium billets are the main raw materials that we purchase for our aluminium extrusion segment. The purchase of aluminium billets accounted for 48.47% (or RM32.74 million), 44.28% (or RM41.36 million), 42.19% (or RM52.05 million) and 41.26% (or RM37.39 million) of our Group's total purchases for FYEs 2021, 2022, 2023 and FPE 2024, respectively.

4. DETAILS OF OUR IPO (Cont'd)

4.6.3 Defray fees and expenses relating to our Listing

An amount of RM4.00 million is allocated to defray the estimated expenses of our Listing. The following summarises the estimated expenses incidental to our Listing to be borne by us:

Estimated listing expenses	RM'000
Professional fees ⁽¹⁾	2,650
Underwriting, placement and brokerage fees	655
Other fees and expenses such as printing and advertising in connection with our IPO and Listing	695
Total	4,000

Note:

(1) Includes advisory/professional fees for, amongst others, our Principal Adviser, Financial Adviser, Solicitors, Reporting Accountants, IMR, and other professional advisers.

Any variations from the amounts budgeted above shall be adjusted towards or against, as the case may be, the proceeds allocated for our working capital requirements.

Our Company will not receive any proceeds from the Offer for Sale. The total gross proceeds from the Offer for Sale of RM6.09 million will accrue entirely to the Selling Shareholders. The Selling Shareholders shall bear the entire incidental expenses and fees such as placement fees and other miscellaneous fees in relation to the Offer for Sale which is estimated to be approximately RM0.15 million.

Pending the use of the proceeds from our Public Issue, we intend to place the proceeds (including accrued interest, if any) or any balance thereof in interest-bearing accounts with licensed financial institutions in Malaysia and/or in money market instruments. Where applicable and required under Rule 8.24 of the Listing Requirements, we will seek shareholders' approval for any material variation to the intended use of the IPO proceeds.

4.7 UNDERWRITING COMMISSION, BROKERAGE FEE AND PLACEMENT FEE

4.7.1 Underwriting commission

We have entered into the Underwriting Agreement with TA Securities, our Sole Underwriter for the underwriting of 30,450,000 Issue Shares made available for application by the Malaysian Public as well as the Pink Form Allocations ("**Underwritten Shares**"). We will pay an underwriting commission of 3.00% of the total value of the Underwritten Shares based on the IPO Price.

4.7.2 Brokerage fee

We will pay brokerage fee in respect of the 30,450,000 Issue Shares made available for application by the Malaysian Public as well as the Pink Form Allocations, at the rate of 1.00% of our IPO Price in respect of successful applicants which bear the stamp of either the participating organisations of Bursa Securities, member of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association or the Issuing House.

TA Securities, being our Sole Placement Agent, is entitled to charge brokerage fee to successful applicants for the IPO Shares made available to Selected Investors by way of private placement. For the avoidance of doubt, such brokerage fee under the abovementioned successful applications will not be payable by us.

4. DETAILS OF OUR IPO (Cont'd)

4.7.3 Placement fee

Our Sole Placement Agent has agreed to place out 26,100,000 IPO Shares to Selected Investors. Our Company will pay a placement fee of 2.50% of the total value of IPO Shares successfully placed out by our Sole Placement Agent.

4.8 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

Pursuant to the Underwriting Agreement entered on 11 November 2024, the Sole Underwriter has agreed to underwrite 30,450,000 Underwritten Shares for an underwriting commission of 3.00% of the total value of the Underwritten Shares based on the IPO Price and on the terms and conditions as set out in the Underwriting Agreement.

The salient terms of the Underwriting Agreement are as follows:

Conditions precedent

- (i) The obligations of the Sole Underwriter under the Underwriting Agreement are conditional upon:
 - (a) the acceptance of the Listing and the clearance of registrable Prospectus from Bursa Securities and the lodgement of registrable Prospectus with the CCM, respectively together with copies of all documents required under Section 154 of the Act prior to the issuance of the Prospectus to the public;
 - (b) the issuance of the Prospectus (including all procedures, requirements, letters and documents) required under Section 154 of the Act to the public within three months from the date thereof or such extension as consented by our Sole Underwriter;
 - (c) there having been, as at any time thereafter up to and including the date adopted in this Prospectus as the last date for acceptance and receipt of the Application(s) ("**Closing Date**"), no material adverse change, or any development involving a prospective material adverse change, in the condition, financial or otherwise of our Group (which in the reasonable opinion of our Sole Underwriter is or will be material in the context of the issue of the Issue Shares) from that set forth in the Prospectus, nor the occurrence of any event nor the discovery of any fact rendering inaccurate, untrue or incorrect to an extent which is or will be material in any of the representations, warranties and undertakings contained in the Underwriting Agreement, if they are repeated on and as of the Closing Date;
 - (d) the issue, offer and subscription of the Issue Shares in accordance with the provisions thereof and the Prospectus not being prohibited by any statute, order, rule, regulation, directive or guideline (whether or not having the force of law) promulgated or issued by any legislative, executive or regulatory body or authority of Malaysia (including Bursa Securities);
 - (e) all necessary approvals and consents required in relation to the Public Issue including but not limited to governmental approvals having been obtained and are in full force and effect;
 - (f) our Sole Underwriter having been satisfied that arrangements have been made by our Company to ensure payment of the expenses referred to in the Underwriting Agreement;

4. DETAILS OF OUR IPO (Cont'd)

- (g) the delivery to our Sole Underwriter prior to the date of registration of the Prospectus of (i) a copy certified as a true copy by an authorised officer of our Company of all the resolutions of our Directors and our shareholders in general meeting approving the Underwriting Agreement, the Prospectus, the Public Issue and authorising the execution of the Underwriting Agreement and the issuance of the Prospectus; (ii) a certificate dated the date of the Prospectus signed by duly authorised officers of our Company stating that, after having made all reasonable enquiries, there has been no such change, development or occurrence as referred to in Paragraph (i)(c) above;
- (h) the delivery to our Sole Underwriter on the Closing Date of such reports and confirmations dated the Closing Date from our Board as our Sole Underwriter may reasonably require to ascertain that there is no material change subsequent to the date of the Underwriting Agreement that will adversely affect the performance or financial position of our Group nor the occurrence of any event rendering, untrue or incorrect, to a material extent any representations and/or warranties contained in the Underwriting Agreement as though they have been given and/or made on such date; and
- (i) our Sole Underwriter being satisfied that our Company will, following completion of the Public Issue be admitted to the Official List and its issued and paid-up share capital listed and quoted on the ACE Market of Bursa Securities without undue delay,

collectively, the “**Conditions Precedent**”.

- (ii) In the event any of the Conditions Precedent are not satisfied by the Closing Date, our Sole Underwriter shall thereupon be entitled but not bound to terminate the Underwriting Agreement by notice given to our Company not later than three Market Days after the Closing Date and upon such termination our Company and our Sole Underwriter shall be released and discharged from their obligations save for our Company’s obligations pursuant to the Underwriting Agreement and none of the parties shall have a claim against the other save for antecedent breaches by our Company and claims arising therefrom. Each party shall in such event return any and all monies paid to the other under the Underwriting Agreement within 72 hours of the receipt of such notice (except for monies paid by our Company for the payment of the expenses as provided in the Underwriting Agreement). Our Sole Underwriter reserves the right to waive or modify any of the conditions aforesaid and such waiver or modification shall not prejudice our Sole Underwriter’s rights under the Underwriting Agreement.

Termination

Notwithstanding anything contained in the Underwriting Agreement, our Sole Underwriter may by notice in writing to our Company given at any time on or before the allotment and issuance of the Issue Shares, terminate and cancel and withdraw its commitment to underwrite the Underwritten Shares if:

- (i) there is any breach by our Company of any of the representations, warranties or undertakings, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to our Company, or by the Closing Date, whichever is earlier, or withholding of information of a material nature from our Sole Underwriter, which is required to be disclosed pursuant to the Underwriting Agreement which, in the opinion of our Sole Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of the Public Issue, or the distribution of the Issue Shares; or

4. DETAILS OF OUR IPO (Cont'd)

- (ii) there is withholding of information of a material nature from our Sole Underwriter, which, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to our Company, which, in the opinion of our Sole Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group and the success of the Public Issue, or the distribution of the Issue Shares; or
- (iii) there shall have occurred, happened or come into effect in the opinion of our Sole Underwriter any material and/or adverse change to the business or financial condition of our Group; or
- (iv) there shall have occurred, happened or come into effect any of the following circumstances:
- (a) 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 interbank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or
- (b) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of our Company and/or our Sole Underwriter (including without limitation, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents); which, (in the reasonable opinion of our 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 our Group and the success of the Public Issue, or the distribution of our Issue 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
- (c) the FTSE Bursa Malaysia KLCI Index ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:
- on or after the date of the Underwriting Agreement; and
 - prior to the allotment of the Issue Shares,
- lower than 90% of the level of the Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to such date and remains at or below that level for at least three Market Days; or
- (d) in the event of national disorder, outbreak of war or the declaration of a state of national emergency; or
- (v) there is failure on the part of our Company to perform any of their respective obligations herein contained; or
- (vi) any matter which arose immediately before the date of the Prospectus would have constituted a material and adverse omission in the context of the Public Issue; or
- (vii) any event, act or omission which gives or is likely to give rise to any liability which will have a material and adverse effect on our Company pursuant to the indemnities contained under the Underwriting Agreement.

4. DETAILS OF OUR IPO (Cont'd)

Upon such notice(s) being given, our Sole Underwriter shall be released and discharged of its obligations without prejudice to its rights whereby the Underwriting Agreement shall be of no further force or effect and no party shall be under any liability to any other in respect of the Underwriting Agreement, except that our Company shall remain liable in respect of our obligations and liabilities for the payment of the costs and expenses already incurred prior to or in connection with such termination, for the payment of any taxes, duties or levies or such outstanding fees, and for any antecedent breach, and our undertaking to indemnify our Sole Underwriter.

4.9 TRADING AND SETTLEMENT IN SECONDARY MARKET

Our Shares will be admitted to the Official List of the ACE Market and an official quotation will commence after, among others, the receipt of confirmation from Bursa Depository that all of our IPO Shares have been duly credited into the respective CDS Accounts of the successful applicants and the notices of allotment have been issued and despatched to all the successful applicants.

Pursuant to Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as securities to be deposited into the CDS. Following this, we will deposit our Shares directly with Bursa Depository and any dealings in our Shares will be carried out in accordance with the SICDA and Depository Rules. We will not issue any share certificates to successful applicants.

Upon our Listing, transactions in our Shares under the book-entry settlement system will be reflected by the sellers' CDS Accounts being debited with the number of Shares sold and the buyers' CDS Accounts being credited with the number of Shares acquired.

Trading of shares of companies listed on Bursa Securities is normally done in "board lots" of 100 shares. Investors who desire to trade less than 100 shares will trade under the odd lot board. Settlement of trades done on a "ready" basis on Bursa Securities generally takes place on the second Market Day following the transaction date, and payment for the securities is generally settled on the second Market Day following the transaction date.

5. RISK FACTORS

AN INVESTMENT IN OUR SHARES INVOLVES A NUMBER OF RISKS, MANY OF WHICH ARE BEYOND OUR CONTROL. YOU SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THIS PROSPECTUS, INCLUDING THE RISKS DESCRIBED BELOW, BEFORE DECIDING TO INVEST IN OUR SHARES. OUR BUSINESS, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS, AND YOUR INVESTMENT IN OUR SHARES COULD BE MATERIALLY AND ADVERSELY AFFECTED BY ANY OF THESE RISKS.

5.1 RISKS RELATING TO OUR BUSINESS OPERATIONS

5.1.1 We are dependent on our major supplier

Our Group is dependent on our major supplier, Formosa, for the supply of aluminium billets for our aluminium extrusion activities. Formosa has been a supplier of our Group for approximately 20 years as at the LPD and had contributed approximately 49.70%, 45.31%, 43.40% and 42.56% of our Group's total purchases for the FYEs 2021, 2022, 2023 and FPE 2024, respectively.

While there are local and overseas suppliers of aluminium billets, our aluminium billets are sourced almost exclusively from Formosa. For the FYE Under Review and FPE 2024, other suppliers accounted for less than 1.00% of our total purchases of aluminium billets. We have not entered into any long-term supply agreement with Formosa for the supply of aluminium billets at a fixed price or at a minimum quantity per year due to the fluctuations in our raw material prices as further explained in Section 5.2.1 below. Our production output and production costs remain dependent on a stable and adequate supply of aluminium billets at competitive prices for our Group to maintain our profit margins. If we are unable to procure aluminium billets in the quantities or at prices that we require, our production output and profit margins may be adversely affected. During the FYE Under Review and FPE 2024, we have not experienced any material disruptions in terms of the supply of aluminium billets from Formosa.

Although we have identified other suppliers for the supply of aluminium billets, we have continued to purchase most of our aluminium billets from Formosa as our longstanding working relationship has afforded us with a consistent supply of aluminium billets at terms which are more favourable than those offered by other suppliers. Notwithstanding, we do not foresee any difficulty in having to source for aluminium billets from other suppliers as these raw materials are commodities which are readily available and can be sourced both locally and internationally.

However, there is no assurance that we will be able to procure our aluminium billets from other suppliers at favourable prices and/or in a timely manner. Any major disruption or sudden cessation of supply from our suppliers for any reason may result in a shortage of supply of aluminium billets which may affect our Group's production schedule and the delivery of our products to our customers or result in our Group having to pay a higher cost for aluminium billets which consequently, may materially and adversely affect our Group's business operations, financial performance and future growth.

5.1.2 Our operations are labour intensive

As at the LPD, more than 75.00% of our workforce are involved in our aluminium extrusion, fabrication, assembly as well as warehousing activities which are relatively more tedious and physically demanding. We employ both local and foreign workers for our aluminium extrusion, fabrication, assembly as well as warehousing activities and as at the LPD, 101 (or 67.79%) of them are foreign workers with the remaining 48 (or 32.21%) are local workers. For the FYE Under Review and up to the LPD, there has been no past incidents of worker shortages which had an adverse impact on our operations.

5. RISK FACTORS *(Cont'd)*

However, there can be no assurance that we will not face shortage of workers in the future or that we will be able to recruit and retain sufficient workers to meet our operational needs. In addition, we may be subject to additional risks relating to the employment of foreign workers including but not limited to the inability to obtain work permits, potential increases in foreign worker levies, as well as changes in regulations and policies regarding immigration and the employment of foreign workers. Any loss of these workers or our inability to recruit workers in a timely manner may affect our Group's production schedule and the delivery of our products to our customers, which may in turn adversely affect our Group's business operations and financial performance.

5.1.3 Our business operations are exposed to disruptions in supply of electricity

We are dependent on the consistent supply of electricity for our operations at the Ijok Manufacturing Facility. Although the cost of electricity only contributed less than 2.00% of our total cost of sales for the FYE Under Review and FPE 2024, any disruption to the supply of electricity will substantially disrupt our operations at the Ijok Manufacturing Facility as all our machineries and equipment are powered by electricity.

As at the LPD, although we have installed solar PV panels at our Ijok Manufacturing Facility, the electricity generated by these solar PV panels is insufficient to support our operational needs.

For the FYE Under Review and up to the LPD, we have not experienced any major disruptions in the supply of electricity at our Ijok Manufacturing Facility. Nevertheless, there can be no assurance that there will be no major disruptions in electricity supply in the future. In the event of prolonged shortage of electricity supply, our Group's production schedule may be affected and the delivery of our products to our customers may be delayed. Consequently, our business, financial performance and results of operations may be adversely affected.

5.1.4 Our future plans and business strategies may not be successfully implemented or achieve the intended business objectives or financial and operational results

Our future growth and financial performance depend to a certain extent on our ability to successfully execute our future plans and business strategies. As set out in Section 7.20 of this Prospectus, we plan to grow our business by, among others, expanding our manufacturing facilities. We have earmarked RM9.55 million, representing approximately 48.25% of the IPO proceeds, for the purchase of four new aluminium extrusion press machines and equipment to be installed at our Lot 903 Facility which will increase our total aluminium extrusion capacity by 8,580 tonnes, from approximately 6,705 tonnes per annum to 15,285 tonnes per annum. In addition, the construction of the Lot 903 Facility, which commenced in April 2024, costs approximately RM14.50 million.

The expansion of our production capacity may involve the following risks:

- (i) our production volume is affected by the demand and purchase orders for extruded aluminium profiles which in turn may be affected by general market conditions, customers' preferences, competition or other factors which are beyond our control;
- (ii) the demand for our extruded aluminium profiles may not be sufficient to efficiently utilise our additional production capacity; and
- (iii) the availability of workers may not be sufficient for the efficient operation of our Lot 903 Facility.

5. RISK FACTORS (Cont'd)

There is no assurance that our future growth will fully correspond to our plans to increase our production capacity. If we incur significant costs for our plans but our future growth does not meet our expectation, our business, financial performance and results of operations may be materially and adversely affected. In addition, any failure or delay in implementing any parts of our planned expansion of production capacity may affect our planned future business growth and consequently adversely affect our business, financial condition and results of operations.

5.1.5 Our insurance coverage may not be adequate

Our business operations involve risks and hazards including, but not limited to, workplace and other accidents, wilful property damage, theft, fire, flood and other natural disasters which may cause loss of or damage to our products and/or significant damage to our manufacturing facilities, storage and offices, thus disrupting and affecting our business operations. We have purchased insurance policies to mitigate various risks that are relevant to our business and operations which include, among others, all risks, fire, flood, and burglary. The types of insurance coverage and sum insured of the insurance policies purchased by our Group as at the LPD are as set out below:

No.	Types of insurance	Sum insured RM'000
1.	Fire (for our Ijok Manufacturing Facility)	28,200
2.	Fire (for our Kepong Facility, other retail outlets cum warehouses and investment property)	30,760
3.	Burglary and money in transit	1,315
4.	All risks (for our machines and equipment)	1,110
5.	Public liability	50
6.	Credit insurance	11,070
7.	Motor vehicles	1,765

In December 2021, our Group experienced a flood at our Ijok Manufacturing Facility which affected the areas housing our aluminium extrusion lines, fabrication and assembly tables, anodising lines and powder coating line. Save for the flood incident in December 2021, there were no other incidents of flooding experienced by our Group at our Ijok Manufacturing Facility since we moved into the facility in 2016. In June 2022, due to damage resulting from the flood incident, the perimeter fencing and its concrete base at the Ijok Manufacturing Facility collapsed. Also, in December 2022, our Group experienced a break-in at the Kepong Facility where items such as cash, laptops, mobile phones, and furniture were stolen. In April 2024, the hydraulic pump in our 1,800-UST extrusion machine burst, causing a spillover into the billet oven which in turn caused a fire. For further information in relation to the financial impact, please refer to Section 12.2 of this Prospectus. The table below shows the total loss incurred and claim sum received for the aforementioned incidents:

Type of incident	Total loss incurred RM'000	Claim sum received RM'000
Flood incident	1,725	1,771
Perimeter fencing collapse incident	150	191
Burglary incident	88	58
Extrusion machine fire incident	403	331

5. RISK FACTORS (Cont'd)

Nevertheless, our insurance coverages are subject to certain limitations and exclusion in terms of claimable amount and insurable events. There can be no assurance that our existing insurance policies will be sufficient to cover all potential damages. Furthermore, we may also face an increase in insurance premiums and/or deductibles or a reduced coverage and/or additional exclusions in relation to our existing insurance policies. Where losses, damages or liabilities are uninsured, not covered under our insurance policies, or where the insurance coverage is insufficient, we may have to bear such losses, damages or liabilities and consequently our business operations and financial performance may suffer a material adverse impact.

5.1.6 We are dependent on our Key Senior Management

Our Group is managed by our experienced Key Senior Management who have extensive knowledge and experience in the aluminium extrusion industry. Our Key Senior Management play a crucial role in our daily operations and upholding governance, as well as charting, formulating and implementing strategies to drive the future growth of our Group. We believe that our Group's continued success will depend, to a significant extent, upon the capabilities and continued efforts of our Key Senior Management.

In view of the above, the loss of our Key Senior Management without suitable and timely replacement or our inability to hire and retain suitable candidates as replacements may adversely affect our Group's business operations, financial performance, and future prospects.

5.1.7 We are subject to unexpected interruptions caused by breakdown of machineries

Our Group's aluminium extrusion activities are dependent on the smooth operation of our machineries, specifically our aluminium extrusion press machines. While we have regular maintenance of our aluminium extrusion press machines to ensure that they operate optimally, there can be no assurance that we will not experience unexpected interruptions in our aluminium extrusion activities which may be caused by potential breakdowns or sub-optimal performance of our machineries. Any major or prolonged disruption in the operation of our aluminium extrusion press machines may affect the lead time for the extruded aluminium profiles and may affect our delivery schedule. Failure to meet the scheduled delivery may lead to loss of customer satisfaction, affect the business relationship with our customers, and damage our Group's reputation. Such incidents may lead to a material adverse impact on our business operations and financial performance.

5.1.8 We are subject to workplace safety and health regulations

As our business operations involve the usage of heavy machineries and equipment such as extrusion machines as well as puller and cutting machines, we are required to comply with the relevant HSE laws and regulations to ensure the health and safety of our employees, as well as to ensure that we are providing our employees with a safe working environment.

We have implemented a HSE policy to provide and maintain a safe and healthy workplace, including complying with various HSE laws and regulations, periodically reviewing and updating our HSE objectives, and providing employees with training to prevent risk of accidents or injuries. While we have implemented a HSE policy, there can be no assurance that accidents will not occur. Failure to comply with the relevant HSE laws and regulations, as well as accidents which result in any injury to our employees may result in suspension or restrictions placed on our business operations as well as potential penalties or fines. This could disrupt our business operations and in turn adversely affect our financial performance.

5. RISK FACTORS *(Cont'd)*

For the FYE Under Review and up to the LPD, we have not experienced any major accidents which resulted in serious injuries sustained by our employees, nor have we been imposed with any suspension or restrictions on our business operations, as well as penalties or fines due to non-compliances with the relevant HSE laws and regulations. Nevertheless, there can be no assurance that our business operations will not be adversely affected by accidents or any unforeseen non-compliances with the relevant HSE laws and regulations in the future.

5.1.9 We are subject to environmental regulations

As our business operations involve the emission of wastewater and other scheduled wastes, we are required to comply with the relevant environmental laws and regulations to ensure that we do not pollute the environment.

We ensure that we record, store, label, treat and dispose scheduled waste in accordance with the EQSWR and we have appointed a licenced service provider to collect and transport scheduled wastes from our facilities, and dispose of the scheduled wastes according to the regulations. While we have taken steps to properly manage our scheduled wastes, there can be no assurance that incidences leading to improper management of scheduled wastes will not occur in the future. Our Group's failure to comply with the relevant environmental regulations may result in suspension or restrictions being placed on our business operations as well as possibly being imposed with penalties or fines. This in turn could disrupt our business operations and adversely affect our financial performance.

For the FYE 2022, our Group was imposed with a fine of RM66,000 due to the improper handling of scheduled waste. Please refer to Section 6.7 of this Prospectus for further details on the non-compliance.

For the FYE Under Review and up to the LPD, our business operations had not experienced any material adverse impact on our operations and financial performance arising from the improper handling of scheduled wastes. Nevertheless, there can be no assurance that our business operations will not be adversely affected by accidents or non-compliance with the relevant environmental regulations in the future.

5.1.10 We may be subject to disruptions in our operations caused by outbreak of infectious diseases such as COVID-19

Our Group's business may be subject to disruptions caused by outbreaks of infectious diseases such as COVID-19. Any outbreak of infectious diseases may lead to the imposition of lockdown measures to curb the spread of the diseases, thus leading to temporary suspension of business activities.

Although the Malaysian Government has lifted all COVID-19 related restrictions, there can be no assurance that there will not be a resurgence of the disease or the emergence of other infectious diseases in the future. If there is an outbreak of infectious disease in the future, we may experience a disruption to our business operations and an adverse impact on our financial performance. While our Group's financial performance was not adversely affected by the COVID-19 pandemic, there can be no assurance that future lockdown measures imposed in response to infectious diseases will not adversely impact our ability to operate or the demand for our products and services. Suspension of our operations or a decline in demand for our products and services may adversely affect our financial performance and future business growth.

5. RISK FACTORS (Cont'd)

5.2 RISKS RELATING TO OUR INDUSTRY

5.2.1 Our business operations and financial performance may be adversely affected by the fluctuation in the price of aluminium billets, our main raw material

Our main raw material, namely aluminium billets, is sourced from local suppliers. For the FYEs 2021, 2022, 2023 and FPE 2024, aluminium billets accounted for approximately 48.47%, 44.28%, 42.19% and 41.26% of our total purchases, respectively. Hence, we require a consistent supply of aluminium billets from our suppliers to meet the orders from our customers.

The fluctuations in the price of aluminium billets are mainly caused by the fluctuations in the price of its raw materials, namely aluminium, which is a globally traded commodity and is mainly priced in USD. The diagram below depicts the global average aluminium price from January 2014 to October 2024.



Source: IMR Report

The price of aluminium is affected by numerous factors beyond our control, such as global economic and political conditions, supply and demand, inventory levels maintained by suppliers, potential disruptions in the supply chain and currency exchange rates.

In the ordinary course of business, we maintain inventories of aluminium billets of up to two weeks supply to minimise any delays and potential disruptions in the supply chain. Occasionally, we commit to purchase aluminium billets in bulk of up to 1,000 tonnes when prices are favourable through purchase orders and arrange for periodic delivery based on schedules determined by us.

We also maintain inventory of work-in-progress products (i.e., products that are partially finished before undergoing further processing into finished goods in our aluminium extrusion segment) as well as finished goods made from aluminium such as aluminium ladders and extruded aluminium profiles under the trading and distribution of building materials segment.

We may be impacted by fluctuations in the price of aluminium if the market price of aluminium is higher at the time of purchase and lower at the time of the sale to our customers as we price our aluminium products according to the global price of aluminium. We are generally able to pass on any increase in raw material price to our customers. However, our profitability may be adversely affected if we are unable to do so on a timely basis, or should we decide not to do so in order to maintain our competitive pricing. Therefore, there can be no assurance that any fluctuations in the price of aluminium will not affect the future profitability of our Group.

5. RISK FACTORS *(Cont'd)*

5.2.2 We are subject to competition in the aluminium extrusion industry

According to the IMR Report, there were approximately 40 players operating within the aluminium extrusion market in Malaysia in 2023. Our Group generated revenue of approximately RM87.94 million from our aluminium extrusion business segment in the FYE 2023, which translates to a market share of approximately 2.73% based on the RM3.22 billion market size of the Malaysian aluminium extrusion market in 2023.

Our Group competes with both existing industry players and new market entrants in terms of, amongst others, pricing, delivery times, product and service offerings, customer service, and relationships with suppliers and customers. Nevertheless, competition from new market entrants is minimised due to the following barriers of entry:

- (a) intensive capital required to set up manufacturing facilities and acquiring the required machineries and equipment for aluminium extrusion. For illustration purposes, the estimated cost of our Lot 903 Facility is approximately RM24.05 million. Please refer to Sections 7.20.1 of this Prospectus for further details;
- (b) technical expertise and specialised knowledge; and
- (c) established relationship with customers and suppliers.

Notwithstanding that we are able to capitalise on our competitive advantages such as our established track record and reputation in the aluminium extrusion market, our comprehensive operational facilities, our offering of a wide range of products, as well as our experienced Key Senior Management, there can be no assurance that we will be able to continue to effectively compete with our competitors as some of our competitors may have a longer operating history, better financial resources, stronger technical capabilities, higher quality of products and services, as well as better relationship with customers. In the event that we are unable to compete effectively or are unable to adapt to changing market conditions and trends in a timely manner, we may experience loss of market share and our business operations and financial performance may be adversely affected.

5.2.3 We are subject to political, economic and regulatory changes in Malaysia

For the FYE Under Review and up to the LPD, our business activities are conducted solely in Malaysia. Thus, any political, economic and regulatory changes in Malaysia, such as changes in political landscape, fiscal and/or monetary policies as well as laws and regulations may materially and adversely affect our business, results of operations and financial condition.

Notwithstanding the above, for the FYE Under Review and FPE 2024, our operations and financial performance were not materially affected by any material adverse political, economic or regulatory changes. However, there can be no assurance that our future plans and business strategies, business operations and financial performance will not be adversely affected by political, economic and regulatory changes in the future, which are beyond our control.

5.2.4 We are subject to competition from substitute materials

While the characteristics of aluminium (i.e., lightweight metal that is strong, malleable, and non-magnetic, good electrical and thermal conductivity, high reflectivity, and resistance to oxidation) make it a good material for use in various industries including construction and property development, there can be no assurance that customers will not opt for products made of other materials or that newer more cost-effective composites with similar characteristics will be developed in the future.

5. RISK FACTORS *(Cont'd)*

In addition, the demand for our aluminium extrusion services and our traded aluminium-related products may be affected by competition from substitute materials such as conventional steel, composites, and plastics. Depending on the characteristics of the final product, our customers may opt for products made from materials aside from aluminium subject to their budgets and the cost competitiveness of different materials. We may also be subject to changes in regulations favouring or restricting usage of specific materials. If adverse regulatory changes restricting the use of aluminium are enacted, the demand for our products and services may decline.

If customers begin to opt for different materials more frequently, the demand for our aluminium-related products and aluminium extrusion services may decline and thus adversely affect our financial performance and growth prospects.

5.3 RISKS RELATING TO OUR SHARES AND OUR LISTING

5.3.1 Our Listing may not result in an active liquid market for our Shares

As there is no public trading of our Shares prior to our Listing, there can be no assurance as to the liquidity of the market for our Shares. Further, there can be no assurance that our IPO Price will correspond to the price in which our Shares will be traded on the ACE Market of Bursa Securities upon or subsequent to our Listing or that an active market for our Shares will develop and continue upon or subsequent to our Listing.

In addition, there can be no assurance that the market price of our Shares will reflect our operations and financial condition as well as the growth prospects of the industry in which we operate.

5.3.2 Our Share price and trading volume may be volatile

The market price and trading volume of our Shares could be affected by numerous factors, some of which are not within our control. Some of the factors include the following:

- (i) general market, political and economic conditions;
- (ii) perceived prospects of our business and the industry in which we operate;
- (iii) differences in our actual financial and operating results as compared to the expectation of our investors and analysts;
- (iv) changes in market valuations of listed shares in general or shares of comparable companies to ours;
- (v) additions or departure of key personnel;
- (vi) involvement in claims, litigation, arbitration or other form of dispute resolution;
- (vii) changes in government policy, legislation or regulation; and
- (viii) general operational and business risks.

The performance of Bursa Securities is also affected by external factors such as the performance of regional and world bourses, inflow or outflow of foreign funds, economic and political conditions of the country as well as growth potential of various sectors of the economy. Other factors that may negatively affect investor sentiment generally include natural disasters, health epidemics and outbreak of contagious diseases. These factors invariably contribute to the volatility of trading volumes witnessed on Bursa Securities, thus adding risks to the market price of our Shares.

5. RISK FACTORS *(Cont'd)*

5.3.3 There can be no assurance that we will declare and pay dividends in the future

Our ability to pay dividends is not guaranteed and will depend on, among others, our future financial performance, excess funds and cash flows. As we are a holding company, our ability to pay dividend will depend on the dividend and other distributions from our subsidiaries, which may also be affected by the passing of new laws, adoption of new regulations and other events outside our control, and we or our subsidiaries may not continue to meet the applicable legal and regulatory requirements for the payment of dividends in the future. In addition, changes in accounting standards may also affect our ability to pay dividends.

Our dividend payments are not guaranteed and our Board, at its sole and absolute discretion, may decide, at any time and for any reason, not to pay dividends. If we do not pay dividends or pay dividends at levels lower than that anticipated by investors, the market price of our Shares may be negatively affected and the value of your investment in our Shares may be reduced.

Kindly refer to Section 12.14 of this Prospectus for further information on our dividend policy.

5.3.4 Delay in or termination of our Listing

Our Listing may be potentially delayed or aborted due to the possible occurrence of certain events which include, amongst others, the following:

- (i) our Sole Underwriter exercising their rights pursuant to the Underwriting Agreement to discharge themselves from its obligations under such agreement;
- (ii) our inability to meet the minimum public shareholding spread requirement under the Listing Requirements of having at least 25.00% of the total number of our Shares for which our Listing is sought being in the hands of at least 200 public shareholders holding at least 100 Shares each at the point of our Listing; or
- (iii) the revocation of the approvals from the relevant authorities for our Listing for whatever reason.

Where prior to the issuance and allotment/transfer of the IPO Shares:

- (i) the SC issues a stop order under Section 245(1) of the CMSA, the applications shall be deemed to be withdrawn and cancelled and we shall repay all monies paid in respect of the applications for the IPO Shares within 14 days of the date of service of the stop order, failing which we shall be liable to return such monies with interest at the rate of 10.00% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(a) of the CMSA; or
- (ii) our Listing is aborted other than pursuant to a stop order by the SC under Section 245(1) of the CMSA, investors will not receive any IPO Shares, and all monies paid in respect of all applications for the IPO Shares will be refunded free of interest.

Where subsequent to the issuance and allotment/transfer of the IPO Shares and the proceeds from the Public Issue form part of our share capital:

- (i) the SC issues a stop order under Section 245(1) of the CMSA, any issue of the IPO Shares shall be deemed to be void and all monies received from the applicants shall be forthwith repaid and if any such money is not repaid within 14 days of the date of service of the stop order, we shall be liable to return such monies with interest at the rate of 10.00% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(b) of the CMSA; or

5. RISK FACTORS (Cont'd)

- (ii) our Listing is aborted other than pursuant to a stop order by the SC, a return of monies to our shareholders could only be achieved by way of a cancellation of our share capital as provided under the Act and its related rules. Such cancellation can be implemented by the sanction of our shareholders by way of special resolution in a general meeting and supported by either:
 - (a) consent by our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya, in which case there can be no assurance that such monies can be returned within a short period of time or at all under such circumstances; or
 - (b) a solvency statement from our Directors.

5.3.5 The interest of our Promoters and substantial shareholders who control our Group may not be aligned with the interest of our other shareholders

As disclosed in Section 4.2 of this Prospectus, our Promoters and substantial shareholders will collectively hold in aggregate 74.50% of our enlarged issued Shares upon Listing. As a result, they will be able to control the business direction and management of our Group. This includes the election of Directors, the timing and payment of dividends as well as having voting control over our Group. As such, our Promoters and substantial shareholders will likely influence the outcome of certain matters requiring the vote of our shareholders except where they are required to abstain from voting either by law and/or by the relevant guidelines or regulations. We cannot assure you that the interests of our Promoters and substantial shareholders will be aligned with those of our other shareholders.

6. INFORMATION ON OUR GROUP

6.1 OUR COMPANY

6.1.1 Background

Our Company was incorporated in Malaysia under the Act on 15 December 2023 as a private limited company under the name of Winstar Capital Sdn Bhd. On 14 June 2024, our Company was converted into a public limited company under our present name.

We are an investment holding company, while our subsidiaries are principally involved in the following:

- (i) extrusion of aluminium profiles and fabrication of aluminium ladders as well as aluminium solar PV mounting structures and related accessories;
- (ii) trading and distribution of building materials; and
- (iii) solar PV system installation services.

We have 22 years of operating history in the aluminium manufacturing industry in Malaysia since commencing business operations in 2002. There has been no material change in the manner in which we conduct our business or activities since we commenced business operations and up to the LPD. Please refer to Section 7.1 of this Prospectus for further details of our Group's history.

6.1.2 Acquisition

On 13 June 2024, we entered into a conditional share sale agreement with the Vendors to acquire the entire equity interest in Winstar Aluminium comprising 8,060,000 ordinary shares ("**Winstar Aluminium Sale Shares**") for a purchase consideration of RM72,369,499.

The purchase consideration of RM72,369,499 was arrived at on a "willing-buyer willing-seller" basis and represents a PB multiple of approximately 1.00 time of the audited NA of Winstar Aluminium as at 31 December 2023 of RM72,637,353. The purchase consideration was satisfied entirely by the issuance of 233,449,998 new Shares at an issue price of RM0.31 each.

The details of the Vendors and the number of Shares credited to them pursuant to the Acquisition are as follows:

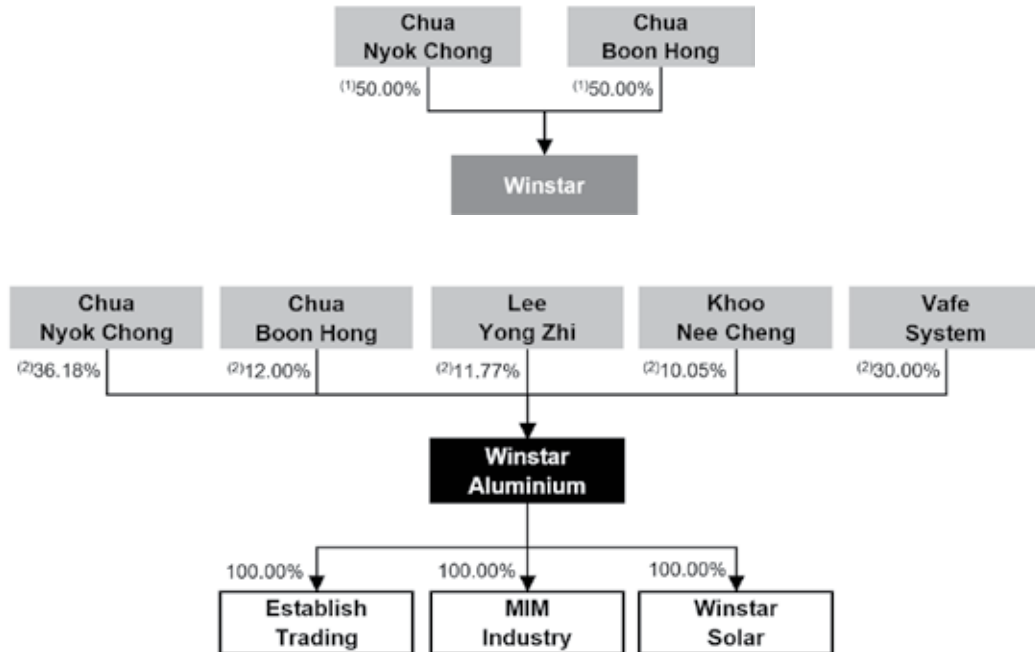
Vendors	No. of Winstar Aluminium Sale Shares acquired	% of share capital	Purchase consideration	No. of new Shares issued
			RM	
Chua Nyok Chong	2,916,610	36.18	26,183,285	84,462,209
Chua Boon Hong	967,000	12.00	8,684,340	28,014,000
Lee Yong Zhi	948,459	11.77	8,517,890	27,477,065
Khoo Nee Cheng	809,931	10.05	7,273,134	23,461,725
Vafe System	2,418,000	30.00	21,710,850	70,034,999
Total	8,060,000	100.00	72,369,499	233,449,998

6. INFORMATION ON OUR GROUP (Cont'd)

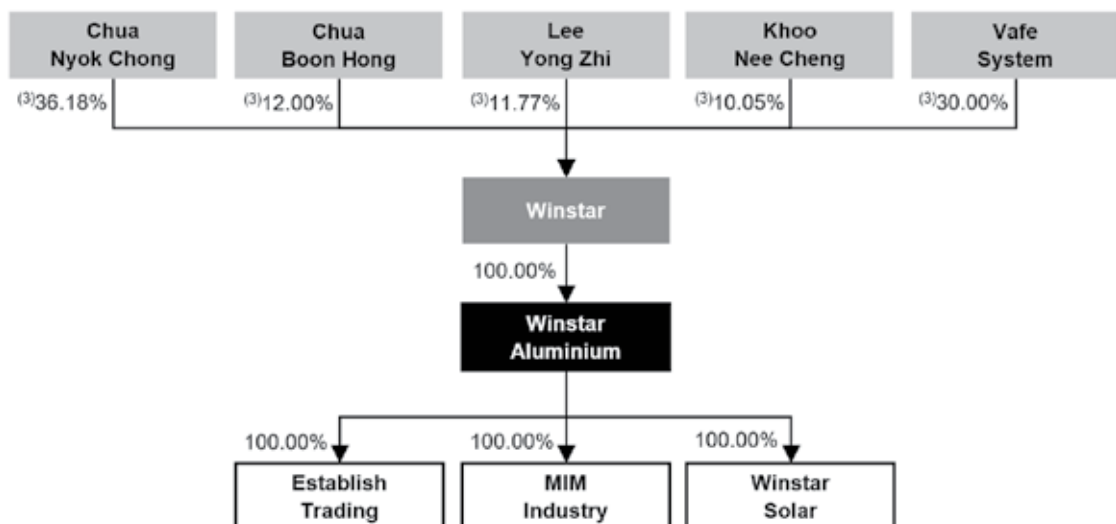
The Acquisition was completed on 30 October 2024. The Winstar Aluminium Sale Shares were acquired free from all charges, liens, pledges, trusts and other encumbrances and with all rights, benefits and entitlements attaching thereto from the date of completion of the Acquisition.

The shareholding structure of our Group before and after the Acquisition are as follows:

Before the Acquisition



After the Acquisition



Notes:

- (1) Based on our issued 2 subscribers' Shares at the point of incorporation and before the Acquisition.
- (2) Based on the issued 8,060,000 ordinary shares in Winstar Aluminium.
- (3) Based on our issued 233,450,000 Shares after the Acquisition and before our IPO.

6. INFORMATION ON OUR GROUP (Cont'd)

6.2 SHARE CAPITAL

Our issued share capital is RM72,369,501 comprising 233,450,000 Shares as at the LPD. Our Company does not have any treasury shares as at the LPD.

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

<u>Date of allotment</u>	<u>No. of Shares allotted</u>	<u>Consideration/ Nature of transaction/ Types of issue</u>	<u>No. of cumulative Shares</u>	<u>Cumulative issued share capital</u>
				RM
15 December 2023	2	RM2/ Subscribers' Shares ⁽¹⁾ / Cash	2	2
30 October 2024	233,449,998	RM72,369,499/ Shares issued for the Acquisition/ Otherwise than cash	233,450,000	72,369,501

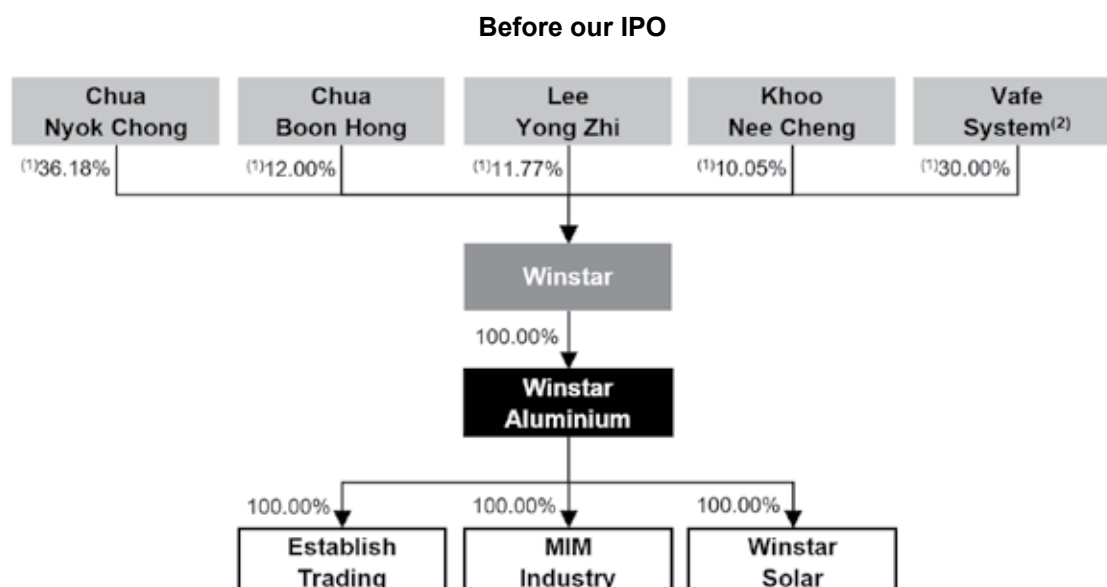
Upon our Listing, our issued share capital will increase to RM90,971,076⁽²⁾ comprising 290,000,000 Shares.

Notes:

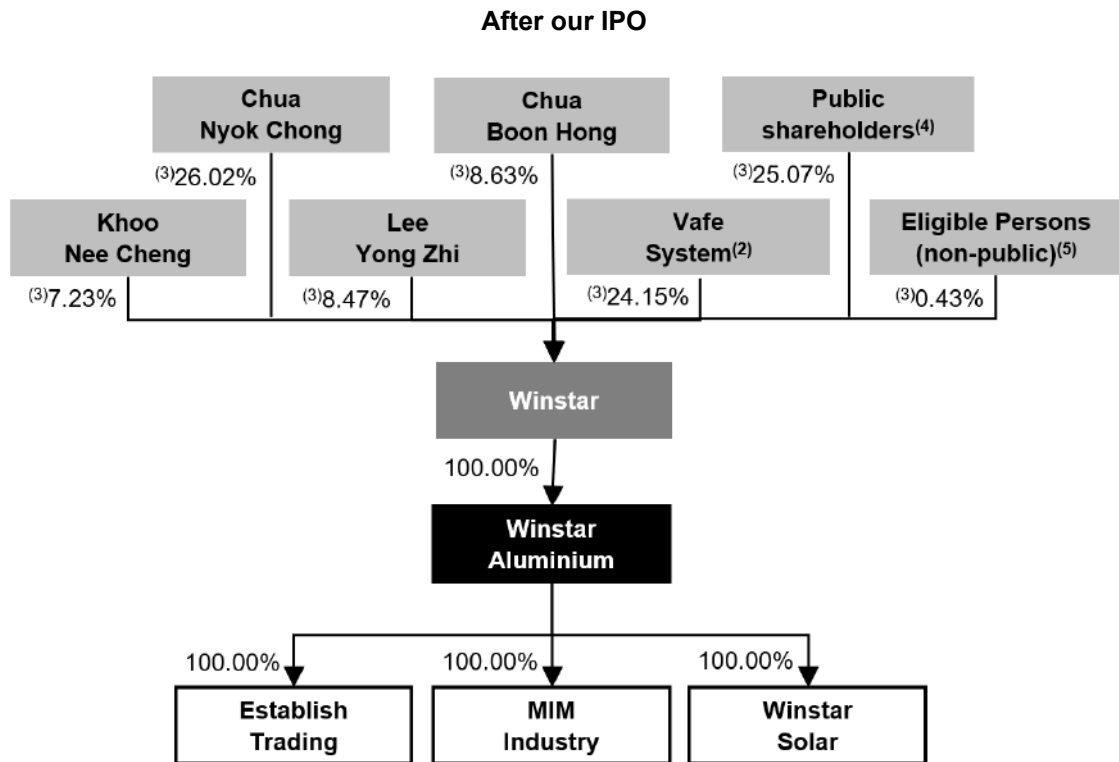
- (1) The subscribers' Shares were allotted to Chua Nyok Chong and Chua Boon Hong.
- (2) Calculated based on the IPO Price and after deducting the estimated listing expenses of RM1.19 million which is directly attributable to the Public Issue and is allowed to be debited against the share capital of our Company.

6.3 OUR SHAREHOLDERS AND GROUP STRUCTURE

Our shareholders and Group structure before our IPO and after our IPO are as follows:



6. INFORMATION ON OUR GROUP (Cont'd)

**Notes:**

- (1) Based on our issued 233,450,000 Shares before our IPO.
- (2) Vafe System is a subsidiary of Sunview Group Berhad, a company listed on the ACE Market of Bursa Securities. Vafe System had, on 27 April 2023, entered into a share sale agreement with Chua Nyok Chong to acquire 20.00% equity interest in Winstar Aluminium, comprising 1,612,000 ordinary shares in Winstar Aluminium for a total cash consideration of RM12.00 million, which was completed on 7 September 2023. On 22 December 2023, Vafe System had entered into a share sale agreement with Mestron Holdings Berhad to acquire 10.00% equity interest in Winstar Aluminium, comprising 806,000 ordinary shares in Winstar Aluminium for a total cash consideration of RM6.00 million, which was completed on 8 February 2024.
- (3) Based on our enlarged issued 290,000,000 Shares upon our Listing.
- (4) Comprise of the Malaysian Public and Selected Investors as set out in Sections 4.2.1(i) and 4.2.1(iii) of this Prospectus respectively, and the Eligible Persons, save for our eligible Directors and Sheng Toy Sei.
- (5) Comprise of our eligible Directors as set out in Section 4.2.1(ii) of this Prospectus, and Sheng Toy Sei, our CFO, being a person connected to Khoo Nee Cheng, our Promoter, substantial shareholder and CMO.

6. INFORMATION ON OUR GROUP (Cont'd)**6.4 OUR SUBSIDIARIES**

As at the LPD, our subsidiaries are as follows:

Name and registration number	Date and country of incorporation	Share capital	Our effective equity interest	Principal activities
		RM	%	
Winstar Aluminium 200201001127 (568790-K)	15 January 2002/ Malaysia	8,060,000	100	Manufacturing, fabricating, processing and selling of aluminium products as well as trading and distribution of building materials
Establish Trading 200901030006 (873112-U)	24 September 2009/ Malaysia	100,000	100	Trading and distribution of building materials
MIM Industry 201501002767 (1128099-M)	20 January 2015/ Malaysia	100,000	100	Fabrication and trading of aluminium products
Winstar Solar 199801003577 (459703-V)	23 March 1998/ Malaysia	300,000	100	Solar PV installation services and trading of solar PV system related materials and accessories

As at the LPD, our Company does not have any joint venture and associated company.

6.4.1 Information on Winstar Aluminium

Winstar Aluminium was incorporated in Malaysia on 15 January 2002 under the Companies Act 1965 as a private limited company under the name of CNC Aluminium Sdn Bhd. It assumed its present name on 11 November 2005.

The principal place of business of Winstar Aluminium is at Lot 901 & 902, Batu 29, Jalan Kepong, Ijok, 45600 Batang Berjuntai, Selangor.

Winstar Aluminium is principally involved in the manufacturing, fabricating, processing and selling of aluminium products as well as the trading and distribution of building materials.

As at the LPD, the issued share capital of Winstar Aluminium is RM8,060,000 comprising 8,060,000 ordinary shares. During the FYE Under Review and up to the LPD, there has been no change in the issued share capital of Winstar Aluminium.

Winstar Aluminium is our wholly-owned subsidiary. As at the LPD, Winstar Aluminium has three subsidiaries, namely Establish Trading, MIM Industry and Winstar Solar.

6. INFORMATION ON OUR GROUP (Cont'd)

6.4.2 Information on Establish Trading

Establish Trading was incorporated in Malaysia on 24 September 2009 under the Companies Act 1965 as a private limited company under the name of Premier Aluminium Sdn Bhd. It assumed its present name on 8 March 2011.

The principal place of business of Establish Trading is at Lot 901 & 902, Batu 29, Jalan Kepong, Ijok, 45600 Batang Berjuntai, Selangor.

Establish Trading is principally involved in the trading and distribution of building materials.

As at the LPD, the issued share capital of Establish Trading is RM100,000 comprising 100,000 ordinary shares. During the FYE Under Review and up to the LPD, there has been no change in the issued share capital of Establish Trading.

As at the LPD, Establish Trading does not have any subsidiary, joint venture or associate company.

6.4.3 Information on MIM Industry

MIM Industry was incorporated in Malaysia on 20 January 2015 under the Companies Act 1965 as a private limited company.

The principal place of business of MIM Industry is at Lot 901 & 902, Batu 29, Jalan Kepong, Ijok, 45600 Batang Berjuntai, Selangor.

MIM Industry is principally involved in the fabrication and trading of aluminium products.

As at the LPD, the issued share capital of MIM Industry is RM100,000 comprising 100,000 ordinary shares. Save as disclosed below, during the FYE Under Review and up to the LPD, there has been no change in the issued share capital of MIM Industry.

Date of allotment	No. of shares allotted	Consideration/ Types of issue	Cumulative issued share capital
			RM
18 April 2024	99,998	RM99,998/ Otherwise than cash	100,000.00

As at the LPD, MIM Industry does not have any subsidiary, joint venture or associate company.

6.4.4 Information on Winstar Solar

Winstar Solar was incorporated in Malaysia on 23 March 1998 under the Companies Act 1965 as a private limited company under the name of Harta Maxim Sdn Bhd. Subsequently, it changed its name to SSC Marketing Sdn Bhd on 14 June 2001 and to Teck Heng Marketing Sdn Bhd on 28 February 2006. It assumed its present name on 20 June 2023.

The principal place of business of Winstar Solar is at Lot 901 & 902, Batu 29, Jalan Kepong, Ijok, 45600 Batang Berjuntai, Selangor.

Winstar Solar is principally involved in the solar PV installation services and trading of solar PV system related materials and accessories.

As at the LPD, the issued share capital of Winstar Solar is RM300,000 comprising 300,000 ordinary shares. During the FYE Under Review and up to the LPD, there has been no change in the issued share capital of Winstar Solar.

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

As at the LPD, Winstar Solar does not have any subsidiary, joint venture or associate company.

As at the LPD, our Group does not have any outstanding warrants, options, convertible securities or uncalled capital.

In addition, none of our Shares and share capital in our subsidiaries were issued and allotted at a discount or have any special terms or instalment payment terms. Our issued Shares and the issued shares of our subsidiaries are fully paid-up.

As at the LPD, neither our Company nor our subsidiaries are involved in any bankruptcy, receivership or similar proceedings.



During the last financial year and up to the LPD, there were no:

- (a) public take-over offers by third parties in respect of our Shares; and
- (b) public take-over offers by our Company in respect of other companies' securities.



6. INFORMATION ON OUR GROUP (Cont'd)

6.5 TRADEMARKS


Save as disclosed below, our Group has not registered any other brand names, patents, trademarks or intellectual property rights:

Trademarks	Trademark no.	Registered Owner	Issuing Authority	Description	Validity period	Status
	TM2023006662	Winstar Aluminium	MyIPO	Class 6: Aluminium; window casements of aluminium; window frames of aluminium; window sashes of aluminium; metal stepladders and ladders; clothes hooks of metal; scaffolding of metal; scaffolding towers, not of metal; locks of metal for doors; locks of metal for windows; locks of metal, other than electric; locks, other than electric, of metal; handles of metal for doors; handles of metal for windows; door closers of metal, non-electric; window hinges of metal.	8 March 2023 to 8 March 2033	Registered
	2016007434	MIM Industry	MyIPO	Class 6: Building materials of metals; nails; bolts of metal; screw rings; screw of metal; nuts of metal; lock including keys; doors, gates and door components of metal including sliding doors, revolving doors, folding doors; door openers and door closers; door fittings of metal including hinges, handles, lock and counter locks.	13 July 2016 to 13 July 2026	Registered


6. INFORMATION ON OUR GROUP (Cont'd)

Trademarks	Trademark no.	Registered Owner	Issuing Authority	Description	Validity period	Status
 WINSTAR CAPITAL	TM2024008147	Winstar Aluminium	MyIPO	Class 35: Business management: business administration; Office functions. It includes mainly services rendered by persons or organizations principally with the object of help in the working or management of a commercial undertaking, help in the management of the business affairs or commercial functions of an industrial or commercial enterprise, as well as services rendered by advertising establishments primarily undertaking communications to the public, declarations or announcements by all means of diffusion and concerning all kinds of goods or services.	N/A	Pending result ⁽¹⁾⁽²⁾
 WINSTAR SOLAR	TM2024008135	Winstar Aluminium	MyIPO	Class 9: Blueprint apparatus; cables, electric; compact disc players; comparators; computer game programs; computer keyboards; computer memories; computer operating programs, recorded; computer peripheral devices; computer programmes, recorded; computer programs (downloadable software); computer software (recorded); computers; conductors, electric; connections, electric; connections for electric lines; copper wire, insulated; data processing apparatus; demagnetizing apparatus for magnetic tapes; disk drives (for computers); distance measuring apparatus; distance recording apparatus; divers' apparatus; drives (for computers); electroplating apparatus; encoded cards, magnetic; floppy disks; identity cards, magnetic; magnetic data media; magnetic encoders; magnetic wires; masts for wireless aerials.	N/A	Pending result ⁽¹⁾⁽³⁾

6. INFORMATION ON OUR GROUP (Cont'd)

Trademarks	Trademark no.	Registered Owner	Issuing Authority	Description	Validity period	Status
	TM2024008106	Winstar Aluminium	MyIPO	Class 6: Advertisement columns of metal; Alloys of common metal; Aluminium; Bands of metal for tying-up purposes; Bars for metal railings; Boarding stairs of metal, mobile, for passengers; Floor boards of metal; Ceiling boards of metal; Framework of metal for building; Building materials of metal; Nickel silver; Building panels of metal; Reinforcing materials of metal for building; Fittings of metal for building; Buildings of metal; Buildings, transportable, of metal; Casement windows of metal; Ceilings of metal; Cladding of metal for building; Metal doors; Fittings of metal for furniture; Fittings of metal for windows; Frames of metal for building; Hinges of metal; Ladders of metal; Linings of metal for building; Partitions of metal; Sash fasteners of metal for windows; Scaffolding of metal; Insect screens of metal; Sheets and plates of metal; signboards of metal; Wall claddings of metal for building; Aluminium Door; Window casement bolts; Window fasteners of metal; Window frames of metal; Window pulleys of metal; Window stops of metal; Windows of metal.	21 March 2024 to 21 March 2034	Registered

6. INFORMATION ON OUR GROUP (Cont'd)

Trademarks	Trademark no.	Registered Owner	Issuing Authority	Description	Validity period	Status
	TM2024008098	Winstar Aluminium	MyIPO	Class 6: Advertisement columns of metal; Alloys of common metal; Aluminium; Bands of metal for tying-up purposes; Bars for metal railings; Boarding stairs of metal, mobile, for passengers; Floor boards of metal; Ceiling boards of metal; Framework of metal for building; Building materials of metal; Nickel silver; Building panels of metal; Reinforcing materials of metal for building; Fittings of metal for building; Buildings of metal; Buildings, transportable, of metal; Casement windows of metal; Ceilings of metal; Cladding of metal for building; Metal doors; Fittings of metal for furniture; Fittings of metal for windows; Frames of metal for building; Hinges of metal; Ladders of metal; Linings of metal for building; Partitions of metal; Sash fasteners of metal for windows; Scaffolding of metal; Insect screens of metal; Sheets and plates of metal; signboards of metal; Wall claddings of metal for building; Aluminium Door; Window casement bolts; Window fasteners of metal; Window frames of metal; Window pulleys of metal; Window stops of metal; Windows of metal.	21 March 2024 to 21 March 2034	Registered

Notes:

- (1) Applications were made on 21 March 2024 and the results are pending as at the LPD.
- (2) As at the LPD, the legal status of this trademark is under provisional refusal, which means that this application had been rejected. The rejection was due to potential confusion to the public where the trademark to be registered is almost identical with an existing trademark. An appeal letter was submitted to MyIPO on 22 October 2024. In the event that approval from MyIPO cannot be obtained, our Group will continue to rely on its existing registered trademark.
- (3) As at the LPD, the legal status of this trademark is under substantive examination, which is the second stage of the trademark application procedure conducted by MyIPO in ensuring that all legal requirements for the purpose of the registration are being fulfilled.

6. INFORMATION ON OUR GROUP (Cont'd)

Our Group does not expect to be materially impacted if the trademarks above are not granted renewal as our Group's business and profitability are not dependent on the above trademarks. If the trademarks are not granted renewal, our Group is still entitled as proprietor of the unregistered trademarks to continue using them in the ordinary course of our Group's business.

6.6 PROPERTY, PLANT AND EQUIPMENT

6.6.1 Properties owned by our Group

The summary of the material properties owned by our Group as at the LPD are set out below:

No.	Postal address/ Title details	Registered owner	Description of property/ Existing use/ Expiry of lease (if any)/ Tenure of property/ Category of land use (if any)/ Express conditions/ Restriction-in-interest	Land area/ Built-up area sq. ft. ⁽¹⁾	Date of purchase/ Date of CCC	Encumbrance	Audited NBV as at 31 July 2024 RM'000
(a)	Postal address: Lot 901 & 902, Batu 29, Jalan Kepong, Ijok, 45600 Batang Berjuntai, Selangor Title details: HSM 12428, PT 1224, Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor	Winstar Aluminium	Description of property: Three storey office block and four units of single storey factory Existing use: Manufacturing factory, office and warehouse Tenure of property: Leasehold (Expiring on 5 November 2083) Category of land use: Industrial Express conditions: Industrial use only	261,261.63/ 231,328	11 April 2016/ 18 April 2024 ⁽²⁾	First Charge: in favour of Hong Leong Bank on 11 April 2016 ⁽⁶⁾ Second Charge: in favour of Hong Leong Islamic Bank Berhad on 11 April 2016 ⁽⁶⁾	31,885

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Postal address/ Title details	Registered owner	Description of property/ Existing use/ Expiry of lease (if any)/ Tenure of property/ Category of land use (if any)/ Express conditions/ Restriction-in-interest	Land area/ Built-up area sq. ft. ⁽¹⁾	Date of purchase/ Date of CCC	Encumbrance	Audited NBV as at 31 July 2024 RM'000
(b)	Postal address: Not available	Winstar Aluminium	Description of property: Vacant industrial land	130,684.64/ N/A ⁽⁵⁾	22 May 2020 / N/A ⁽⁵⁾	Charged in favour of UOB Bank on 22 May 2020	8,050
	Title details: HSD 17567, PT 338, Pekan Simpang Tiga Ijok, Daerah Kuala Selangor, Negeri Selangor		Existing use: To erect Lot 903 Facility ⁽⁴⁾ Tenure of property: Leasehold (Expiring on 17 January 2106) Category of land use: Industrial Express conditions: Industrial use only Restriction-in-interest: The alienated land cannot be transferred, leased or charged without a written consent from the state authority ⁽³⁾				

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Postal address/ Title details	Registered owner	Description of property/ Existing use/ Expiry of lease (if any)/ Tenure of property/ Category of land use (if any)/ Express conditions/ Restriction-in-interest	Land area/ Built-up area sq. ft. ⁽¹⁾	Date of purchase/ Date of CCC	Encumbrance	Audited NBV as at 31 July 2024 RM'000
(c)	Postal address: Not available Title details: HSD 8542, Lot 904, Pekan Simpang Tiga Ijok, Daerah Kuala Selangor, Negeri Selangor	Winstar Aluminium	Description of property: Vacant agricultural land Existing use: Vacant land held for future expansion Tenure of property: Leasehold (Expiring on 8 June 2102) Category of land use: Agricultural Express conditions: Agricultural use only Restriction-in-interest: The alienated land cannot be transferred, leased or charged without a written consent from the state authority ⁽³⁾	131,319.71/ N/A ⁽⁵⁾	12 September 2023 / N/A ⁽⁵⁾	Charged in favour of AmBank on 12 September 2023	4,864

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Postal address/ Title details	Registered owner	Description of property/ Existing use/ Expiry of lease (if any)/ Tenure of property/ Category of land use (if any)/ Express conditions/ Restriction-in-interest	Land area/ Built-up area sq. ft. ⁽¹⁾	Date of purchase/ Date of CCC	Encumbrance	Audited NBV as at 31 July 2024 RM'000
(d)	<p>Postal address: No. 197, Jalan 1, Taman Perindustrian Ehsan Jaya, 52100 Kepong, Kuala Lumpur</p> <p>Title details: GM 1329, Lot 58308, Bandar Kepong, Daerah Gombak, Negeri Selangor</p>	<p>Winstar Aluminium</p>	<p>Description of property: 1 ½ storey semi-detached light industrial factory</p> <p>Existing use: Retail outlet cum warehouse and office</p> <p>Tenure of property: Freehold</p> <p>Category of land use: Industrial</p> <p>Express conditions: Industrial use only</p> <p>Restriction-in-interest: Nil</p>	<p>5,996/ 6,796</p>	<p>1 April 2014/ 25 April 1997</p>	<p>First Charge: in favour of Hong Leong Islamic Bank Berhad on 1 April 2014⁽⁶⁾</p> <p>Second Charge: in favour of Hong Leong Bank on 1 April 2014⁽⁶⁾</p>	<p>3,363</p>

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Postal address/ Title details	Registered owner	Description of property/ Existing use/ Expiry of lease (if any)/ Tenure of property/ Category of land use (if any)/ Express conditions/ Restriction-in-interest	Land area/ Built-up area sq. ft. ⁽¹⁾	Date of purchase/ Date of CCC	Encumbrance	Audited NBV as at 31 July 2024 RM'000
(e)	<p>Postal address: No. 198, Jalan 1, Taman Perindustrian Ehsan Jaya, 52100 Kepong, Kuala Lumpur</p> <p>Title details: GM 1330, Lot 58309, Bandar Kepong, Daerah Gombak, Negeri Selangor</p>	Winstar Aluminium	<p>Description of property: 1 ½ storey semi-detached light industrial factory</p> <p>Existing use: Retail outlet cum warehouse and office</p> <p>Tenure of property: Freehold</p> <p>Category of land use: Industrial</p> <p>Express conditions: Industrial use only</p> <p>Restriction-in-interest: Nil</p>	5,996/ 6,795	1 April 2014/ 25 April 1997	<p>First Charge: in favour of Hong Leong Islamic Bank Berhad on 1 April 2014⁽⁶⁾</p> <p>Second Charge: in favour of Hong Leong Bank on 1 April 2014⁽⁶⁾</p>	3,363

Notes:

- (1) Conversion of original measurement for properties in sq. m to sq. ft. at 1 sq. m to 10.764 sq. ft.
- (2) Previously the Ijok Manufacturing Facility was occupied under the certificate of fitness for occupation dated 14 August 1995. In 2016, an extension was carried out at the Ijok Manufacturing Facility and such extension was approved by way of an approval letter from Kuala Selangor Municipal Council dated 19 April 2023. Our Group subsequently applied for a new CCC in 2024 to fulfil the conditions stipulated under the approval letter. The new CCC had been granted on 18 April 2024.

6. INFORMATION ON OUR GROUP (Cont'd)

- (3) Pursuant to Section 120 of the National Land Code (Revised 2020), the state authority has the authority to alienate lands and impose restrictions in interest as it deems fit.
- (4) Pursuant to the approval letter from Kuala Selangor Municipal Council dated 31 January 2024.
- (5) Vacant land which contains no buildings or structures.
- (6) Subject to the terms of the charge, the first charge will take precedence over the second charge.

In addition to the above, our Group owns several investment properties which are not used for our operations and are not material to our Group's operations. The properties owned by our Group are not in breach of any land use conditions, statutory requirements, land rules or building regulations/by-laws, which will have material adverse impact on our operations as at the LPD.

6.6.2 Properties rented by our Group

The summary of the material properties rented by our Group as at the LPD are set out below:

No.	Postal address	Landlord/ Tenant	Description/ Existing use	Land area/ Built-up area	Date of CCC	Initial date of tenancy/ Period of tenancy/ Rental per annum
				sq. ft.		
(a)	No.15, Jalan Ijok Utama 1, Taman Ijok Utama, 45600 Batang Berjuntai, Selangor	Yap Chin Peng/ Winstar Aluminium	Worker accommodation ⁽¹⁾	1,399.31/ 2,700	8 August 2007	21 December 2023/ 21 December 2023 to 20 December 2025/ RM31,200.00
(b)	No.17, Jalan Ijok Utama 1, Taman Ijok Utama, 45600 Batang Berjuntai, Selangor	Yap Chin Peng/ Winstar Aluminium	Worker accommodation ⁽¹⁾	1,399.31/ 2,700	8 August 2007	21 December 2023/ 21 December 2023 to 20 December 2025/ RM31,200.00
(c)	G-5-1, G-5-6, G-5-8, G-5-9, G-5-10 and G-5-11, Apartment Seri Trompet, Lingkaran Seri Kembangan, Seksyen BB7, Bandar Bukit Beruntung, 48300 Rawang, Selangor	JKY Sink ⁽²⁾ / Winstar Aluminium	Worker accommodation ⁽¹⁾	N/A ⁽³⁾ / 650 ⁽⁴⁾	4 February 2003	15 April 2024/ 15 April 2024 to 14 April 2025/ RM7,200.00 ⁽⁵⁾

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Postal address	Landlord/ Tenant	Description/ Existing use	Land area/ Built-up area sq. ft.	Date of CCC	Initial date of tenancy/ Period of tenancy/ Rental per annum
(d)	No. 196, Jalan 1, Taman Perindustrian Ehsan Jaya, 52100 Kepong, Kuala Lumpur	Multiforum Realty Sdn Bhd/ Winstar Aluminium	Warehouse	5,994.43/ 6,795.81	25 April 1997	1 July 2015/ 1 January 2023 to 31 December 2025/ RM336,000.00
(e)	No. 186B & 188A, Jalan Sg Putus, 41050 Klang, Selangor ⁽⁶⁾	Innolec Management Sdn Bhd/ Winstar Aluminium	Retail outlet cum warehouse	4,456.26/ 8,580	17 January 1996	1 July 2016/ 1 July 2023 to 30 June 2025/ RM115,200.00 ⁽⁷⁾
(f)	59, Jalan Utama 2/7, Taman Perindustrian Puchong Utama, 47100 Puchong, Selangor	Eng Liang Aluminium (KL) Sdn Bhd/ Winstar Aluminium	Retail outlet cum warehouse	3,196.88/ 3,200	17 May 1996	1 April 2015/ 1 March 2023 to 28 February 2026/ RM150,000.00
(g)	No. 202, Jalan 1, Taman Perindustrian Ehsan Jaya, 52100 Kepong, Kuala Lumpur	Lee Aa E @ Lee Kim Yoong/ Winstar Aluminium	Warehouse	5,995/ 6,795	25 April 1997	1 March 2023/ 1 March 2023 to 28 February 2026/ RM144,000.00

Notes:

(1) Issuance of CFA dated 29 May 2024.

(2) Lee Yong Zhi, our Promoter, substantial shareholder, Non-Independent Executive Director and COO, is also the substantial shareholder of JKY Sink.

(3) The land area is not applicable as this property is a unit of a building.

(4) Built-up area for each individual premise.

(5) Rental per annum for each individual premise.

(6) Rental is in relation to the ground floor and the first floor of the premises.

(7) The rental is based on the calculation of RM79,200.00 per annum for the ground floor and RM36,000.00 per annum for the first floor.

6. INFORMATION ON OUR GROUP (Cont'd)

Our Group does not expect to be materially impacted if the abovementioned tenancies are not granted renewal. If any of the tenancies are not granted renewal, our Group will still be able to rent similar properties within close proximity of the current rented properties.

The properties rented by our Group are not in breach of any land use conditions, statutory requirements, land rules or building regulations/by-laws, which will have material adverse impact on our operations as at the LPD.

6.6.3 Acquisition of properties

Save as disclosed in Section 14.5 of this Prospectus, our Group has not acquired nor entered into any agreements to acquire any other properties during FYE Under Review and up to the LPD.

6.6.4 Material capital expenditures and divestitures

(a) Material capital expenditures

Save as disclosed below, there were no other material capital expenditures (including interests in other corporations) by our Group for the FYE Under Review, FPE 2024 and up to the LPD:

Capital expenditures	FYE 2021	FYE 2022	FYE 2023	FPE 2024	1 August 2024 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Freehold land and buildings	-	(1)600	-	-	-
Leasehold land and buildings	(2)714	-	(3)4,156	-	-
Moulds, plant and machinery	797	1,053	(4)3,047	1,061	456
Computers and software	-	-	(5)1,569	-	-
Total	1,511	1,653	8,772	1,061	456

Notes:

- (1) Acquisition of a 2-storey linked house located in Semenyih, Selangor, for investment purposes. Our Group is generating rental income from this property.
- (2) Represents capitalisation of land conversion premium for Lot 903.
- (3) Acquisition of Lot 904.
- (4) Increase in the purchase of moulds, plant and machinery mainly due to the purchase of a new aluminium extrusion press machine and equipment to replace an existing one which had become obsolete, two new power factor regulators for our anodising lines as well as moulds for the production of new extruded aluminium profiles.
- (5) Mainly represents the purchase of a business process management software.

The above capital expenditures were mainly driven by our business growth. Save for the computer software which was fully paid via internally generated funds, the others were partly paid by internally generated funds and partly financed by bank borrowings.

6. INFORMATION ON OUR GROUP (Cont'd)

(b) Material capital divestitures

Save as disclosed below, there were no material capital divestitures (including interests in other corporations) made by us for the FYE Under Review, FPE 2024 and up to the LPD:

Capital divestitures	FYE 2021	FYE 2022	FYE 2023	FPE 2024	1 August 2024 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Freehold lands and buildings	(1)3,254	-	-	-	-
Leasehold lands and buildings	(2)344	-	-	-	-
Total	3,598	-	-	-	-

Notes:

- (1) Disposal of two 1½-storey factories located in Kepong, Kuala Lumpur (one of our investment properties) and a 3-storey shop office located in Klang, Selangor (which was previously used as our retail outlet cum warehouse), after netting off cost of disposal such as agency fees and legal fees amounting to approximately RM66,000. We disposed the said properties as part of the consolidation of our operations to our Kepong Facility.
- (2) Disposal of a 2-storey superlink terrace house, one of our investment properties, located in Ayer Keroh, Melaka, after netting off cost of disposal such as agency fees and legal fees amounting to approximately RM16,000.

As at the LPD, other than the proposed use of proceeds from our Public Issue for our capital expenditure as disclosed in Section 4.6.1 and the material capital commitment as set out in Section 12.6.1, we do not have any material capital expenditures and divestitures currently in progress, within or outside Malaysia.

6.6.5 Material plans to construct, expand and improve our facilities

As at the LPD, save for the proposed use of proceeds from our Public Issue to finance the capital expenditure as set out in Section 4.6.1 of this Prospectus and the material capital commitments as set out in Section 12.6.1 of this Prospectus, our Group does not have any other immediate plans to construct, expand or improve our facilities.

6.7 RELEVANT LAWS, REGULATIONS, RULES OR REQUIREMENTS

The following is an overview of the major laws, regulations, rules and requirements governing the conduct of our Group's business and environmental issue which may materially affect our business operations:

(a) Industrial Co-ordination Act 1975 ("ICA")

Pursuant to the ICA, "manufacturing activity" is defined under the ICA as "the making, altering, blending, ornamenting, finishing or otherwise treating or adapting any article of substance with a view to its use, sale, transport, delivery or disposal and includes the assembly of part and ship repairing but shall not include any activity normally associated with retail or wholesale trade".

6. INFORMATION ON OUR GROUP (Cont'd)

Manufacturing companies with shareholders' funds of RM2.50 million and above or engaging 75 or more full-time paid employees are required to apply to the MITI for a manufacturing licence.

No person shall engage in any manufacturing activity unless he is issued a licence in respect of such manufacturing activity. Failure to comply is an offence punishable upon conviction to a fine not exceeding RM2,000.00 or a term of imprisonment of directors not exceeding six months and to a further fine not exceeding RM1,000.00 every day during which such default continues.

In 2005, our Group was in compliance with the ICA while we were operating at the Lot 46A facility with a valid manufacturing licence dated 16 November 2005. However, after having moved our business operations to the Ijok Manufacturing Facility in 2016, we continued to undertake our manufacturing activities based on the existing manufacturing licence granted for the Lot 46A facility in 2005. Our Group has since rectified the non-compliance in 2023 with the issuance of a new manufacturing licence dated 21 March 2023 for the Ijok Manufacturing Facility.

Since the relocation of our business operations to the Ijok Manufacturing Facility in 2016 and up until the LPD, our Group had not been imposed with any notices, penalties or compounds arising from the non-compliance. In addition, our Board is of the opinion that there will be no material adverse impact on our Group's business operations or financial performance as it is unlikely that any penalty/action will be imposed against our Group since the manufacturing licence for the Ijok Manufacturing Facility had already been granted and the past non-compliance has been rectified.

(b) Local Government Act 1976 ("LGA")

The LGA empowers every local authority to grant licence or permit for any trade, occupation or premise through by-laws. Every licence or permit granted shall be subject to such conditions and restrictions as the local authority may think fit and shall be revocable by the local authority at any time without assigning any reason therefor.

As we operate in Kuala Selangor, Selayang, Subang Jaya and Klang, we are subject to the respective by-laws and fall under the purview of the Kuala Selangor Municipal Council, Selayang Municipal Council, Subang Jaya Municipal Council and Klang Municipal Council. The relevant by-laws governing the conduct of our business are as follows:

(i) Licensing of Trades, Businesses and Industries (Kuala Selangor Municipal Council ("KSMC")) By-Laws 2007 ("KSMC Licensing By-Laws 2007")

The KSMC Licensing By-Law 2007 provides that no person shall use any place or premises, within the area administered by the KSMC for any trade, business or industry without a license issued by the KSMC. Any person who contravenes any of the provision of the KSMC Licensing By-Laws 2007 commits an offence and shall upon conviction be liable to a fine not exceeding RM2,000.00 or to imprisonment for a term not exceeding one year, or both. In the case of a continuing offence to a fine not exceeding RM200.00 for each day during which such offence is continued after conviction.

6. INFORMATION ON OUR GROUP (Cont'd)

(ii) **Licensing of Trades, Businesses and Industries (Selayang Municipal Council ("SMC")) By-Laws 2007 ("SMC Licensing By-Laws 2007")**

The SMC Licensing By-Laws 2007 provides that no person shall operate any activity of trade, business and industry or use any place or premise in the local area of the SMC for any activity of trade, business and industry without a licence issued by the SMC. Any person who contravenes any of the provision of the SMC Licensing By-Laws 2007 commits an offence and shall upon conviction be liable to a fine not exceeding RM2,000.00 or to imprisonment for a term not exceeding one year, or both. In the case of a continuing offence to a fine not exceeding RM200.00 for each day during which such offence is continued after conviction.

(iii) **Licensing of Trades, Businesses and Industries (Subang Jaya Municipal Council ("SJMC")) By-Laws 2007 ("SJMC Licensing By-Laws 2007")**

The SJMC Licensing By-Law 2007 provides that no person shall use any place or premises, within the area administered by the SJMC for any trade, business or industry without a license issued by the SJMC. Any person who contravenes any of the provision of the SJMC Licensing By-Laws 2007 commits an offence and shall upon conviction be liable to a fine not exceeding RM2,000.00 or to imprisonment for a term not exceeding one year, or both. In the case of a continuing offence to a fine not exceeding RM200.00 for each day during which such offence is continued after conviction.

(iv) **Licensing of Trade, Business and Industrial Licensing By-Law (Klang Municipal Council ("KMC")) 2007 ("KMC Licensing By-Law 2007")**

The KMC Licensing By-Law 2007 provides that no person shall use any place or premises, within the area administered by the KMC for any trade, business or industry without a license issued by the KMC. Any person who contravenes any of the provision of the KMC Licensing By-Laws 2007 commits an offence and shall upon conviction be liable to a fine not exceeding RM2,000.00 or to imprisonment for a term not exceeding one year, or both. In the case of a continuing offence to a fine not exceeding RM200.00 for each day during which such offence is continued after conviction.

As at the LPD, our Group holds and maintains valid business premise licences for all our operating business premises in Malaysia.

(c) **Occupational Safety and Health Act 1994**

The OSHA regulates and secures the safety, health and welfare of persons at work, protecting others against the risks of safety or health in connection with the activities of persons at work.

Pursuant to the OSHA, we are required to prepare and as often as may be appropriate, revise a written statement of our general policy with respect to the safety and health at work of our employees and the organisation and arrangements for the time being in force for carrying out that policy, and to bring the statement and any revision of it to the notice of all of our employees.

Failure to carry out the aforementioned duties shall constitute an offence and the employer shall upon conviction, be liable to a fine not exceeding RM50,000.00 or to imprisonment of directors for term not exceeding two years, or to both.

We are also required to establish a safety and health committee at our place of work if there are 40 or more persons employed at the place of work or the Director General of the Department of Occupational Safety and Health directs the establishment of such a committee at the place of work.

6. INFORMATION ON OUR GROUP (Cont'd)

Failure to do so shall constitute an offence and the employer shall, on conviction, be liable to a fine not exceeding RM5,000.00 or to imprisonment of directors for a term not exceeding six months, or to both.

According to OSHA, no person shall operate or cause or permit to be operated any prescribed plant that has been installed, unless such prescribed plant has a certificate of fitness, failing which such person shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding one hundred thousand ringgit or to imprisonment for a term not exceeding one year or to both.

As at the LPD, our Group is in compliance with the relevant provisions under the OSHA. In addition, as at the LPD, our Group has also obtained the required certificates of fitness in respect of all our machineries.

(d) Street, Drainage and Building Act 1974 (“SDBA”)

The SDBA is implemented by the local authorities of Peninsular Malaysia and it stipulates that every building or part of a building must have a CCC or Certificate of Fitness for Occupation before it may be occupied.

Under the Uniform Building By-Laws 1984 (“UBBL”) which was issued pursuant to the SDBA, a CCC will only be issued by the local authority upon receipt of certification in relevant forms by a qualified person i.e. an architect, registered building draughtsman or engineer.

To the best of the qualified person’s knowledge, a qualified person must be satisfied that: (i) the relevant building has been constructed in accordance with UBBL; (ii) any conditions imposed by the local authority have been satisfied; (iii) all essential services have been provided; and (iv) responsibilities have been accepted for the portions that are being concerned with.

Pursuant to the SDBA, a person who occupies a premise without a CCC or Certificate of Fitness for Occupation is subject to a fine of up to RM250,000.00, imprisonment of directors for a term of up to 10 years, or both.

Furthermore, SDBA also provides that no person shall erect or cause or permit to be erected in any building any partition, compartment, gallery, loft, roof, ceiling or other structure without having the prior written permission of the local authority. Any person who contravenes the provision shall be liable on conviction to a fine not exceeding RM500.00 and shall also be liable to a further fine not exceeding RM100.00 for every day during which the offence is continued after conviction.

In 2015, our Group had made roof extensions for the purpose of providing shade to the temporary storage area of the Kepong Facility without prior written permission from the local authority. Since 2019, our Group had directly and indirectly through our architects, made efforts to rectify the non-compliance, which includes making an official application, during the same year, to Selayang Municipal Council.

Upon making the official application, our Group subsequently received a decision letter dated 28 August 2019, which sets out conditions comprising, among others, a penalty of RM16,520.00. In 2020, our Group had successfully appealed against the imposed penalty to a reduced amount of RM8,260.00. However, due to the COVID-19 pandemic and the various phases of the movement control order that were implemented by the Malaysian Government to combat the COVID-19 pandemic between 2020 and 2022, our Group’s rectification efforts were met with numerous challenges and as a result, the rectification process was temporarily halted. Our Group subsequently re-commenced the rectification process in 2023.

6. INFORMATION ON OUR GROUP (Cont'd)

Thereafter, our Group received a conditional approval-in-principle dated 8 June 2023 (“**Approval Letter**”) for the temporary extension permit. In January 2024, our Group had fulfilled all the conditions set out in the Approval Letter. Our Group had subsequently obtained the temporary extension permit dated 29 May 2024, which is renewable on 31 December 2024 for a period of twelve months.

In addition, our Group’s tenanted property located at Lot 196, Jalan 1, Taman Perindustrian Ehsan Jaya, 52100 Kepong, Kuala Lumpur (“**Lot 196**”) had similar roof extensions which was installed for the purpose of providing shade to its temporary storage area without prior written approval from the local authority prior to our occupation. Whilst our Group was rectifying the non-compliance for the Kepong Facility, we had also in 2019 submitted an application to the Selayang Municipal Council for a temporary extension permit, despite the non-compliance not having been caused by our Group.

Our Group had subsequently received a conditional approval-in-principle dated 22 June 2023 (“**Lot 196 Approval Letter**”) for the temporary extension permit, which included a penalty of RM15,645.00 which our Group successfully appealed against and reduced to RM5,215.00. Thereafter in November 2023, our Group had fulfilled all the conditions set out in the Lot 196 Approval Letter. Our Group had subsequently obtained the temporary extension permit dated 29 May 2024, which is renewable on 31 December 2024 for a period of twelve months.

As at the LPD, our owned and rented properties have CCC.

(e) CIDB Act 1994 (“CIDB Act”)

The CIDB Act governs the establishment of the CIDB and provides for its function in relation to the construction industry and all matters connected therewith.

The CIDB Act provides that a person shall not deal or undertake to deal, whether directly or indirectly, with the construction materials specified in the CIDB Act unless the construction materials have been certified in accordance to the CIDB Act.

Any person who deals or undertakes to deal with the construction materials specified in the CIDB Act without having them certified in accordance to the CIDB Act shall be guilty of an offence and shall, on conviction be liable to a fine of not less than RM10,000.00 but not more than RM500,000.00.

As at the LPD, our Group has obtained the required certification from the CIDB in order to deal in “Aluminium and Aluminium Alloy - Extruded Shapes”.

(f) Employees’ Minimum Standards of Housing, Accommodations and Amenities Act, 1990 (“EMSHAA”)

EMSHAA, as amended by the Workers’ Minimum Standards of Housing and Amenities (Amendment) Act 2019, establishes the minimum housing, nurseries and accommodation for employees, as well as health, hospital, medical and social amenities to be provided by the employers to their employees. EMSHAA provides that employers must comply with enhanced minimum standards on accommodation for employees which includes obtaining a CFA from the Director General of Labour.

Failure by an employer to obtain a CFA or to ensure the employees’ accommodation is fit for human habitation in accordance with the EMSHAA shall constitute an offence and the employer shall, upon conviction, be liable to a fine not exceeding RM50,000.00.

During the FYE Under Review, our Group had previously housed our foreign workers in premises without CFA. We have since rectified this non-compliance by renting eight premises with CFA to house our foreign workers. As at the LPD, all accommodations which are currently occupied by our foreign workers are issued with a CFA and comply with the necessary requirements of the EMSHAA and its regulations.

6. INFORMATION ON OUR GROUP (Cont'd)

(g) Environmental Quality Act 1974 (“EQA”) and Environmental Quality (Clean Air) Regulations 2014 (“EQCAR”), Environmental Quality (Industrial Effluent) Regulations 2009 (“EQIER”) and EQSWR

The EQA regulates and control the levels of pollution of the atmosphere, noise pollution, pollution of the soil, pollution of inland waters without licence, prohibits the discharge of oil and wastes into Malaysian waters without a licence and prohibits open burning.

Pursuant to EQA, no person shall place, deposit or dispose of, or cause or permit to place, deposit or dispose of, except at prescribed premises only, any scheduled wastes on land or into Malaysian waters without any prior written approval of the Director General. Furthermore, the EQSWR (a subsidiary legislation pursuant to EQA) imposes on waste generator of premises, an obligation to record, store, label, treat and dispose scheduled waste in accordance with the regulation, where any scheduled waste shall be disposed of at a prescribed premises under the Environmental Quality (Prescribed Premises) (Scheduled Wastes Treatment and Disposal Facilities) Order 1989. Any person who contravenes the provisions in relation to scheduled wastes shall be guilty of an offence and shall be liable to a fine not exceeding RM500,000.00 or to imprisonment for a period not exceeding five years, or to both.

The EQCAR is a subsidiary legislation pursuant to the EQA which regulates the emission of air pollutants to the atmosphere. EQCAR applies to any premises used for any industrial or trade purposes, or on which matter is burnt in connection with any industrial or trade purposes, any other premises or process that discharges or is capable of discharging air pollutants into the open air, every chimney, every industrial plant and every fuel burning equipment.

Pursuant to EQCAR, prior to the erection, installation, alteration or resite of a chimney, a written approval from the Director General of Environment (“DOE”) shall be obtained. Any person who contravenes or fails to comply with the provisions of EQCAR will be guilty of an offence and shall be liable to a fine not exceeding RM100,000.00 or to imprisonment of directors for a term not exceeding two years, or both.

In 2022, notwithstanding our Group’s waste management arrangement of engaging a licensed contractor to collect and dispose the scheduled waste produced by our Group, we received a letter dated 11 April 2022 from Department of Environment Selangor indicating that we had failed to comply with the following requirements under the EQA, EQIER and EQSWR:

- (i) failure to submit a written statement regarding the installation of an industrial effluent treatment system according to the third schedule of EQIER;
- (ii) failure to submit industrial effluent discharge monitoring data to the DOE;
- (iii) failure to monitor the performance of all components of the industrial effluent treatment system;
- (iv) failure to ensure that scheduled waste (SW204, sludges containing aluminium) is properly stored, treated on-site, recovered on-site, or sent to and received by the prescribed premises for disposal;
- (v) failure to seal containers containing scheduled waste (SW204, sludges containing aluminium) throughout the storage period;
- (vi) failure to design, construct, and maintain a scheduled waste storage area, for the scheduled waste (SW204, sludges containing aluminium), according to specified guidelines;

6. INFORMATION ON OUR GROUP (Cont'd)

- (vii) failure to dispose of scheduled waste (SW204, sludges containing aluminium) exceeding 20 metric tons, within 180 days of its production;
- (viii) failure to maintain an accurate and updated inventory according to the fifth schedule of EQSWR;
- (ix) failure to label containers containing scheduled waste (SW204, sludges containing aluminium) according to the third schedule and first schedule of EQSWR;
- (x) failure to submit a written declaration regarding the installation of 3 units of burners, 5 units of chimneys and 2 units of scrubbers in accordance with the EQCAR;
- (xi) submitting a written notification regarding the installation of 1 unit oven and 1 unit chimney;
- (xii) conducting performance monitoring of the air pollution control system (SKPU) in accordance with the requirements of EQCAR; and
- (xiii) conducting periodic monitoring of the air pollution control system (SKPU) in accordance with the requirements of EQCAR,

which had resulted in our Group being imposed with fines amounting to RM66,000.00. The aforesaid fines had been fully settled by our Group as at 13 June 2022.

Since the abovementioned incident, we have assigned our HSE officer with the task to monitor the scheduled waste produced by our Group and had been engaging a licensed contractor to collect the scheduled waste on a timely basis. As at the LPD, our Group has not experienced any material adverse impact on our business operations or financial performance, nor has our Group been imposed with any other notices, penalties or compounds arising from such non-compliance.

6.8 EMPLOYEES

As at the LPD, we have a total workforce of 240 employees, of which 137 are permanent and 103 are contractual. All of our foreign workers have valid working permits. The breakdown of our employees as at 31 December 2023 and as at the LPD are as follows:

Department	No. of employees		Total
	Permanent	Contract/ Temporary	
As at 31 December 2023			
Key Senior Management	6	-	6
Factory operations ⁽¹⁾	73	99	172
Sales	14	-	14
Marketing	7	-	7
Finance and accounting	10	-	10
Human resource and administration	2	-	2
Total	112	99	211

6. INFORMATION ON OUR GROUP (Cont'd)

Department	No. of employees		Total
	Permanent	Contract/ Temporary	
As at the LPD			
Key Senior Management	6	-	6
Factory operations ⁽¹⁾	88	102	190
Sales	23	-	23
Marketing	7	-	7
Finance and accounting	10	1	11
Human resource and administration	3	-	3
Total	137	103	240

Note:

(1) The breakdown of employees under the factory operations is as follows:

Department	No. of employees				Total employees
	Permanent		Contract/ Temporary		
	Local	Foreign	Local	Foreign	
As at 31 December 2023					
Technical and engineering	6	-	-	2	8
Extrusion and fabrication	15	-	-	88	103
Procurement	7	-	-	-	7
Operation and administration	18	-	-	-	18
Warehouse and logistics	27	-	-	9	36
Total	73	-	-	99	172
As at the LPD					
Technical and engineering	8	-	-	1	9
Extrusion and fabrication	19	-	-	90	109
Procurement	7	-	-	-	7
Operation and administration	25	-	-	-	25
Warehouse and logistics	29	-	-	11	40
Total	88	-	-	102	190

There were no significant changes in the number of employees of our Group from 31 December 2023 up to the LPD.

None of our employees belong to any labour union and as at the LPD, there has been no material dispute between our management and our employees. Since FYE 2021 to FYE 2023 and up to the LPD, there has not been any incident of work stoppage or labour dispute that has materially affected our operations.

7. BUSINESS OVERVIEW

7.1 HISTORY AND KEY MILESTONES

Our Company is principally an investment holding company and through our subsidiaries, we are involved in aluminium extrusion and fabrication. In addition, we are also involved in the trading and distribution of building materials and the provision of solar PV system installation services. Further details on the principal activities of our Group are set out in Section 7.2 of this Prospectus.

The history of our Group can be traced back to 15 January 2002 when Chua Nyok Chong and his wife, Phua Bing Ing, incorporated Winstar Aluminium to commence the business of manufacturing, fabricating, processing and selling of aluminium products.

On 23 January 2006, we acquired 83.33% equity interest in Teck Heng Marketing Sdn Bhd (then known as SSC Marketing Sdn Bhd), a company which was involved in the trading and distribution of aluminium products, to expand our business. On 1 March 2014, Teck Heng Marketing Sdn Bhd became a wholly-owned subsidiary of our Group after we acquired the remaining equity interest. Teck Heng Marketing Sdn Bhd changed its principal activities to an investment holding company and had later ceased operations in November 2021 upon the consolidation of its business activities into Winstar Aluminium. On 20 June 2023, Teck Heng Marketing Sdn Bhd assumed its current name, Winstar Solar and changed its principal activities to manufacturing, installation and trading of solar related materials and accessories, through which we act as project managers and are involved in the sourcing and procurement of equipment and materials required, subcontracting of the solar PV system installation process frames as well as management and supervision of the entire solar PV system installation process.

On 5 February 2016, we acquired MIM Industry and subsequently expanded our product offerings to include fabrication of aluminium ladders, manhole covers and letter panels (for letterboxes).

We then fully acquired Establish Trading on 20 June 2017 with the intention to expand our product offerings to include the distribution of aluminium curtain rails and accessories. Establish Trading was dormant from 2017, due to the consolidation of its business activities into Winstar Aluminium, up until early 2024 when it commenced the trading of building materials such as window and door accessories through electronic commerce platforms such as Lazada and Shopee.

The operations of our Group are mainly carried out at the Ijok Manufacturing Facility, which comprise of a 3-storey office block and four single storey factories. Our Ijok Manufacturing Facility currently houses four aluminium extrusion lines, four anodising lines and one powder coating line. In addition, we also have three retail outlets cum warehouses in the Klang Valley, specifically in Kepong, Klang and Puchong.

7. BUSINESS OVERVIEW (Cont'd)

The key milestones of our Group are as follows:

Year	Key milestones
2002	<ul style="list-style-type: none"> • Incorporation of Winstar Aluminium in Malaysia on 15 January 2002. • Commenced operations in a rented single-storey factory located at Lot 6517, Sungai Puloh Est, Batu 5, Jalan Kapar, 41400 Kapar, Klang, Selangor with one aluminium extrusion line.
2003	<ul style="list-style-type: none"> • Moved to a new rented factory located at Lorong Kuang Bulan, Kepong, Kuala Lumpur.
2004	<ul style="list-style-type: none"> • Moved to the Lot 46A facility, a new rented factory that came with two aluminium extrusion lines and relocated our existing one aluminium extrusion line from Kepong, Kuala Lumpur.
2005	<ul style="list-style-type: none"> • Purchased Lot 46A facility. • Purchased three anodising lines.
2006	<ul style="list-style-type: none"> • Winstar Aluminium acquired 83.33% equity interest in Teck Heng Marketing Sdn Bhd (now known as Winstar Solar) from Chua Nyok Chong and his wife, establishing its first retail outlet cum warehouse in Klang, Selangor to expand our Group's product offerings to include the trading and distribution of building materials.
2007	<ul style="list-style-type: none"> • Established the second retail outlet cum warehouse in Kepong, Kuala Lumpur for the trading and distribution of building materials. • Purchased one new aluminium extrusion line.
2008	<ul style="list-style-type: none"> • Winstar Aluminium began to fabricate, assemble and distribute aluminium ladders as an OEM.
2014	<ul style="list-style-type: none"> • Winstar Aluminium acquired the remaining equity interest in Teck Heng Marketing Sdn Bhd from a third party. • Purchased the Kepong Facility. • Moved our operations from the second retail outlet cum warehouse in Kepong, Kuala Lumpur to the Kepong Facility.
2015	<ul style="list-style-type: none"> • Established the third retail outlet cum warehouse in a rented 1 ½ storey factory in Puchong, Selangor for the trading and distribution of building materials. • Acquired the Ijok Manufacturing Facility which had a total built-up area of approximately 124,000.0 sq. ft. at that time.
2016	<ul style="list-style-type: none"> • Relocated our operations from Lot 46A facility to the Ijok Manufacturing Facility whereby we relocated our existing four aluminium extrusion lines, three anodising lines, and added one new anodising line and one new powder coating line.

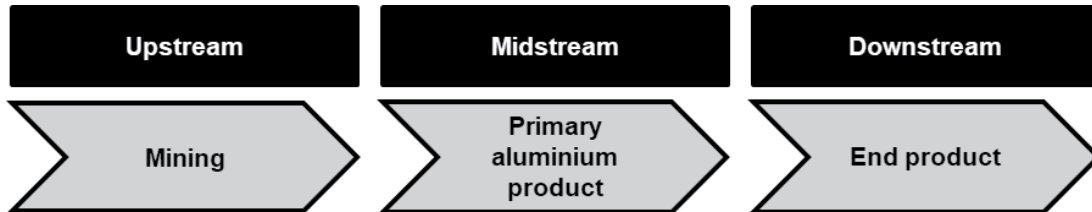
7. BUSINESS OVERVIEW (Cont'd)

Year	Key milestones
	<ul style="list-style-type: none"> Winstar Aluminium acquired 100.00% equity interest in MIM Industry from Chua Boon Hong (50.00%) and his sister, Chua Kui Hua (50.00%) and subsequently expanded our product offerings to offer fabrication of aluminium ladders under our Group's "Asteri" brand. Winstar Aluminium acquired 90.00% equity interest in Establish Trading from Chua Boon Hong to expand our Group's product offerings to include the distribution of aluminium curtain rails and accessories.
2017	<ul style="list-style-type: none"> Winstar Aluminium acquired the remaining 10.00% equity interest in Establish Trading from a third party.
2019	<ul style="list-style-type: none"> Winstar Aluminium acquired an additional three acres of a leasehold land in Ijok, Selangor (Lot 903), adjacent to our Ijok Manufacturing Facility, for the construction of new manufacturing facility.
2020	<ul style="list-style-type: none"> Winstar Aluminium was accredited with ISO 9001:2015 certificate from LRQA.
2022	<ul style="list-style-type: none"> Mestron Holdings Berhad, a company listed on the Main Market of Bursa Securities, acquired 10.00% equity interest in Winstar Aluminium.
2023	<ul style="list-style-type: none"> Vafe System, a subsidiary of Sunview Group Berhad, a company listed on the ACE Market of Bursa Securities, acquired 1,612,000 ordinary shares in Winstar Aluminium from Chua Nyok Chong, representing a 20.00% equity interest in Winstar Aluminium. Winstar Solar started to carry out the business of trading of solar related materials and accessories, and the provision of solar PV system installation services to establish our Group's presence in the solar PV industry. Winstar Aluminium acquired an additional three acres of leasehold land in Ijok, Selangor (Lot 904), adjacent to Lot 903, for future expansion.
2024	<ul style="list-style-type: none"> Commencement of construction works for a new manufacturing facility on Lot 903. Vafe System acquired 806,000 ordinary shares in Winstar Aluminium from Mestron Holdings Berhad, representing a 10.00% equity interest in Winstar Aluminium, resulting in Vafe System holding a total of 30.00% equity interest in Winstar Aluminium. Winstar Aluminium began to fabricate aluminium solar PV mounting structures. Winstar Aluminium was accredited with ISO 14001:2015 and ISO 45001:2018 certificate from LRQA.

7. BUSINESS OVERVIEW (Cont'd)

7.2 PRINCIPAL ACTIVITIES

Our Group, which is part of the aluminium industry value chain, is primarily involved in aluminium extrusion and fabrication as well as trading and distribution of building materials. The aluminium industry's value chain can be categorised into the following segments as follows:



Segment	Description of activities
Upstream	Mining of bauxite ore which is the primary source of aluminium and its subsequent production of aluminium in the form of ingots and billets.
Midstream	Conversion of aluminium ingots and billets into primary aluminium products such as aluminium bars, coils, plats, pipes, sheets, and extrusions.
Downstream	Conversion of primary aluminium products via value-added processes such as cutting, pressing, and uncoiling into shapes and dimensions, to be transformed into end-products such as door and window frames, fencing and ladders.

Our Group is involved in the midstream and downstream segments of the aluminium industry value chain where we convert aluminium billets into primary aluminium products, namely extruded aluminium profiles. We are also involved in the fabrication and assembly of extruded aluminium profiles into aluminium ladders. The aluminium profiles extruded by our Group can be used by our customers to fabricate various building materials such as window frames and door frames.

Under our trading and distribution of building materials segment, we trade and distribute various building materials such as extruded aluminium profiles, stainless-steel products, aluminium products, silicon sealants, ironmongery products, among others.

By leveraging on the footprint of our corporate shareholder, Vafe System, and its parent company, Sunview Group Berhad, in the provision of EPCC of solar PV facilities, our Group, through Winstar Solar, has also ventured into the trading of solar related materials and accessories as well as the provision of solar PV system installation services in FYE 2023. The Sunview Group has a long track record in the provision EPCC of solar PV facilities, solar PV construction and installation services, as well as solar power generation and supply, and its emergence as our corporate shareholder has enabled our Group's involvement in the Sunview Group's solar PV system projects. As the Sunview Group continues to expand its footprint in the solar PV industry, we expect to grow our solar PV system installation services segment in tandem. Additionally, our Group has begun to fabricate aluminium solar PV mounting structures for the installation of solar PV systems in early 2024.

7. BUSINESS OVERVIEW (Cont'd)

Currently, we operate from the following premises:

Premise	Type of activities
Ijok Manufacturing Facility	<ul style="list-style-type: none"> Aluminium extrusion Fabrication and assembly of extruded aluminium profiles and aluminium ladders Fabrication of aluminium solar PV mounting structure Storage of raw materials, extruded aluminium profiles and aluminium ladders
Kepong Facility	<ul style="list-style-type: none"> Retail outlet cum warehouse and office
No. 196, Jalan 1, Taman Perindustrian Ehsan Jaya, 52100 Kepong, Kuala Lumpur	<ul style="list-style-type: none"> Warehouse
No. 202, Jalan 1, Taman Perindustrian Ehsan Jaya, 52100 Kepong, Kuala Lumpur	<ul style="list-style-type: none"> Warehouse
No. 186B & 188A, Jalan Sg Putus, 41050 Klang, Selangor	<ul style="list-style-type: none"> Retail outlet cum warehouse
59, Jalan Utama 2/7, Taman Perindustrian Puchong Utama, 47100 Puchong, Selangor	<ul style="list-style-type: none"> Retail outlet cum warehouse

Our principal activities are as follows:

Principal Activities	Aluminium extrusion	Trading and distribution of building materials	Solar PV system installation services
Products and Services	<p>Products</p> <ul style="list-style-type: none"> Aluminium profiles Aluminium ladders⁽¹⁾ Aluminium solar PV mounting structures⁽²⁾ <p>Services</p> <ul style="list-style-type: none"> Aluminium extrusion Anodising Powder coating Fabrication 	<ul style="list-style-type: none"> Extruded aluminium profiles Stainless-steel products Aluminium products Silicone sealants Ironmongery products Solar PV mounting structures and accessories 	<ul style="list-style-type: none"> Installation of solar PV systems
Customer Base	<ul style="list-style-type: none"> Contractors Property developers Manufacturers Wholesalers 		<ul style="list-style-type: none"> Contractors
Geographical coverage	Malaysia		

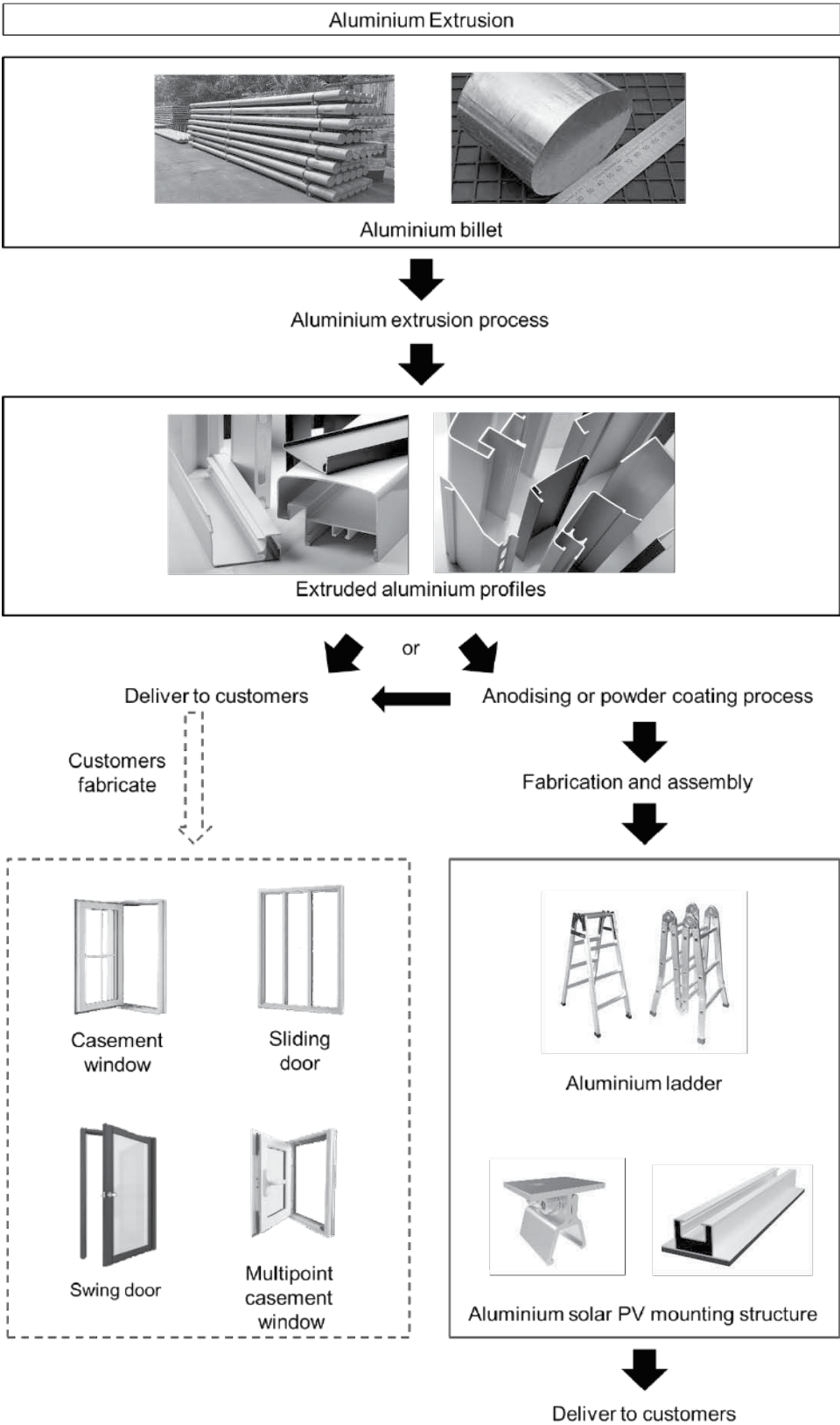
Notes:

- (1) Our Group fabricates and assembles aluminium ladders in-house.
- (2) Our Group began to fabricate aluminium solar PV mounting structures in-house in early 2024.

7. BUSINESS OVERVIEW (Cont'd)

7.2.1 Aluminium extrusion

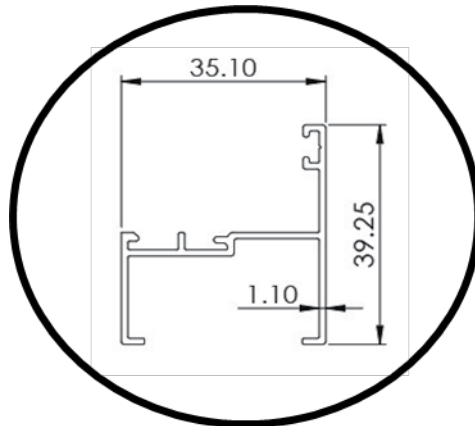
The following diagram outlines our aluminium extrusion process:



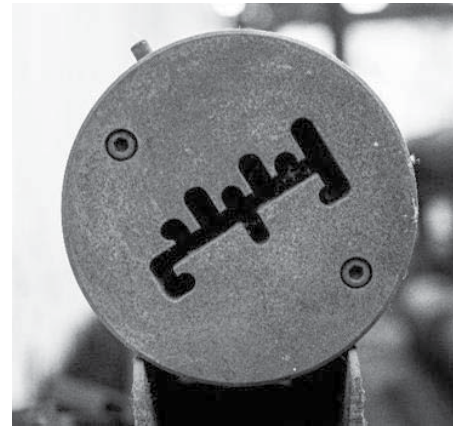
7. BUSINESS OVERVIEW (Cont'd)

Our Group undertakes aluminium extrusion to produce extruded aluminium profiles which are used mainly in the construction and property development industries. Prior to the commencement of aluminium extrusion, we will engage with our customers in the early product development stage to determine the design of the die for the extrusion process as well as to collect feedback. A die, or extrusion die, is a thick metal disk with an opening where the malleable aluminium billets are passed through during the extrusion process to produce the aluminium profiles. The opening in the die matches the cross-sectional profile of the extruded aluminium profiles specified by the design.

Once the customers have approved the design of the die, we will engage a third-party supplier to produce the die.



Sample render of a die to be produced

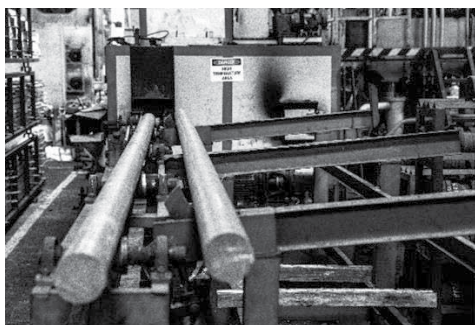


Cross-section of a die which is in the shape of the intended extruded aluminium profile

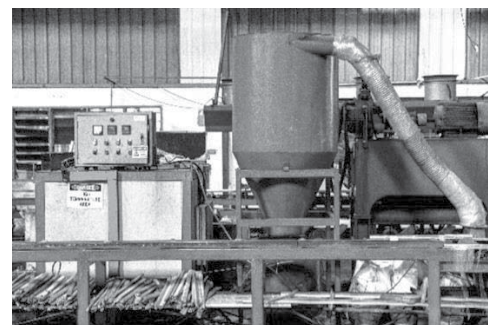
As at the LPD, we have approximately 1,900 stock keeping units (SKU) of extruded aluminium profiles under our aluminium extrusion segment.

Aluminium extrusion process

We will procure aluminium billets in different diameters for the aluminium extrusion process. The aluminium billets will undergo an extrusion process to obtain the extruded aluminium profile shaped as per the die pattern. The aluminium billets are extruded using extrusion press machines. We have four extrusion press machines with four different tonnages, namely 700 UST, 780 UST, 1,100 UST, and 1,800 UST, to cater to the requirements of our customers. The tonnage of an extrusion machine refers to the capacity or the amount of force it can exert during the extrusion process. Some of the machineries which are used in our aluminium extrusion activities are as depicted below:

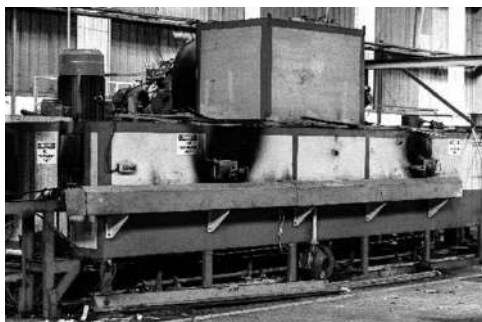


Aluminium billet preparing to enter the billet oven



Die oven to heat the die

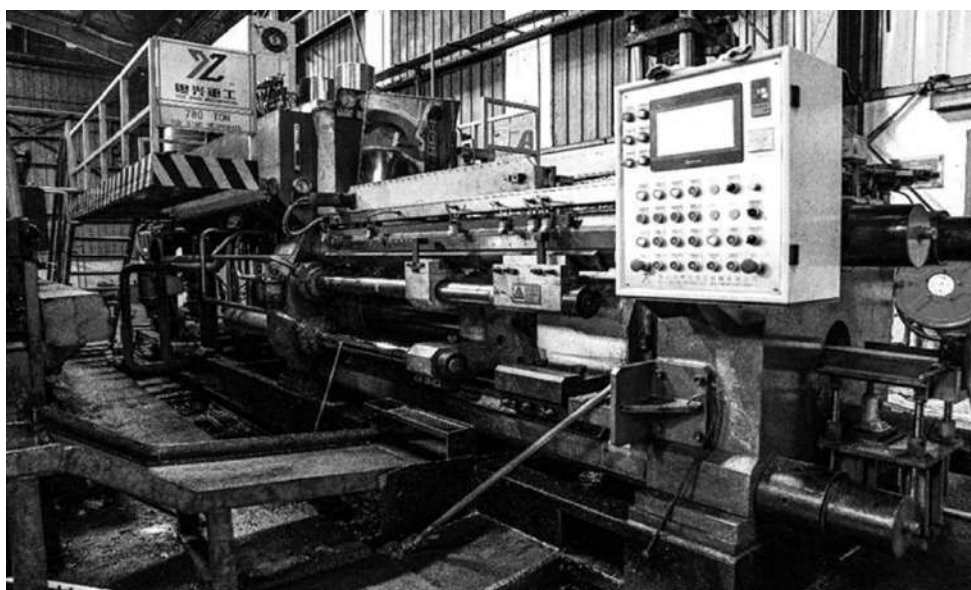
7. BUSINESS OVERVIEW (Cont'd)



Billet oven for heating the aluminium billet



Heated billet exiting the billet oven



Aluminium extrusion press machine

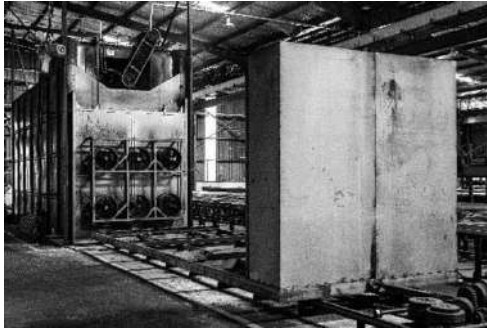


Puller and cutting machine



Puller and table

7. BUSINESS OVERVIEW (Cont'd)



Ageing machine



Dies

As part of our aluminium extrusion process, we also perform cutting activities to cut the extruded aluminium profiles to the intended length, as well as to remove excess aluminium using cutting tools and machines. An example of our cutting process is depicted below:



Cutting extruded aluminium

Anodising or powder coating

Depending on the quality and finishing requirements of our customers, the extruded aluminium profiles may undergo additional secondary processing, namely anodising or powder coating. Anodising involves an electrochemical process which is performed to enhance the aluminium product's corrosion resistance characteristic and apply a layer of colouring to the aluminium product. Powder coating involves applying fine powder electrostatically to the aluminium product to enhance its aesthetic appeal and apply an additional layer of protection. Example of our anodising and powder coating activities are as depicted below:

Anodising

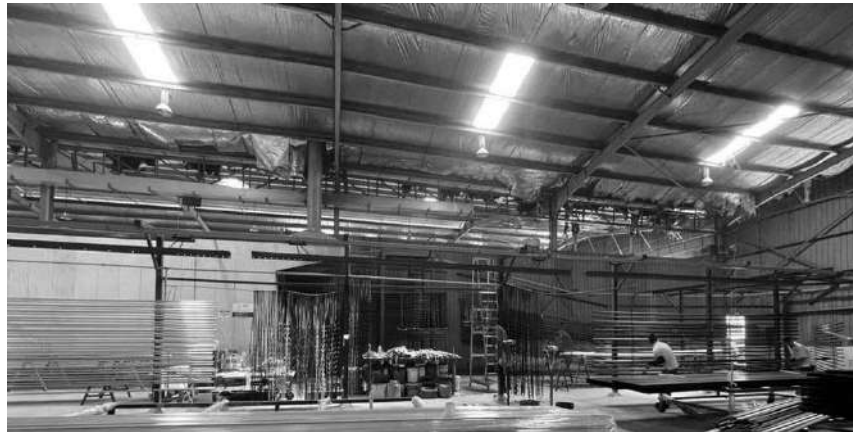


Anodising line

7. BUSINESS OVERVIEW (Cont'd)



Preparing to submerge the extruded aluminium profiles into the anodising solution



Automated powder coating line



Automated powder coating line