

Unless stated otherwise, all abbreviations and defined terms contained in this Abridged Prospectus are defined in the "Definitions" section of this Abridged Prospectus.

No securities will be allotted or issued based on this Abridged Prospectus after 6 months from the date of this Abridged Prospectus.

THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF IN DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY. All enquiries concerning the Rights Issue, which is the subject matter of this Abridged Prospectus, should be addressed to the Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia (Tel: +603 - 7890 4700).

This Abridged Prospectus, together with the NPA and RSF (collectively, the "Documents"), will be despatched only to our Entitled Shareholders whose names appear on our Record of Depositors as at 5.00 p.m. on 29 March 2021 at their registered address in Malaysia or who have provided the Share Registrar with a registered address in Malaysia in writing by 5.00 p.m. on 29 March 2021. The Documents are not intended to (and will not be made to) comply with the laws of any country or jurisdiction other than Malaysia and are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia. No action has been or will be taken to ensure that the Rights Issue complies with the laws of any country or jurisdiction other than the laws of Malaysia. Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal adviser and other professional advisers as to whether the acceptance or renunciation (as the case may be) of their entitlements to the Rights Issue, application for Excess Rights Shares, or the subscription, offer, sale, resale, pledge or other transfer of the new securities arising from the Rights Issue would result in the contravention of any law of such countries or jurisdictions. We, TA Securities and/or the advisers named herein shall not accept any responsibility or liability in the event that any acceptance and/or renunciation (as the case may be) of entitlements, application for Excess Rights Shares or the subscription, offer, sale, resale, pledge or other transfer of the new securities arising from the Rights Issue made by any Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions in which Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) are residents.

This Abridged Prospectus has been registered by the SC. The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Abridged Prospectus. The SC has not, in any way, considered the merits of this Rights Issue. A copy of this Abridged Prospectus, together with the NPA and RSF, has also been lodged with the Registrar of Companies who takes no responsibility for its contents.

Approval for the Rights Issue has been obtained from our shareholders at our EGM convened on 26 January 2021. Approval has been obtained from Bursa Securities via its letter dated 15 December 2020 for the listing and quotation of the Rights Shares on the Main Market of Bursa Securities (subject to the conditions specified in the said letter), which will commence after, among others, receipt of confirmation from Bursa Depository that all the CDS Accounts of successful Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) have been duly credited with the Rights Shares allotted to them and notices of allotment have been despatched to them. However, the listing and quotation are not an indication that Bursa Securities recommends the Rights Issue and are not to be taken as an indication of the merits of the Rights Issue.

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

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" AS SET OUT IN SECTION 6 OF THIS ABRIDGED PROSPECTUS.



PARKWOOD

PARKWOOD HOLDINGS BERHAD

(FORMERLY KNOWN AS AMALGAMATED INDUSTRIAL STEEL BERHAD)

[Registration No. 196901000692 (9118-M)]

(Incorporated in Malaysia under the Companies Act, 1965 and deemed registered under the Companies Act, 2016)

RENOUNCEABLE RIGHTS ISSUE OF UP TO 137,585,442 NEW ORDINARY SHARES IN PARKWOOD ("PARKWOOD SHARES" OR "SHARES") ("RIGHTS SHARES") AT AN ISSUE PRICE OF RM0.18 PER RIGHTS SHARE ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 1 EXISTING SHARE HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY AT 5.00 P.M. ON 29 MARCH 2021

Principal Adviser

 **TA SECURITIES**
A MEMBER OF THE TA GROUP

TA SECURITIES HOLDINGS BERHAD

[Registration No. 197301001467 (14948-M)]

(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIMES

Entitlement Date	: Monday, 29 March 2021 at 5.00 p.m.
Last date and time for:	
Sale of Provisional Allotments	: Monday, 5 April 2021 at 5.00 p.m.
Transfer of Provisional Allotments	: Wednesday, 7 April 2021 at 4.30 p.m.
Acceptance and payment	: Tuesday, 13 April 2021 at 5.00 p.m.
Excess Rights Shares Application and payment	: Tuesday, 13 April 2021 at 5.00 p.m.

This Abridged Prospectus is dated 29 March 2021

ALL ABBREVIATIONS AND DEFINED TERMS CONTAINED IN THIS ABRIDGED PROSPECTUS ARE DEFINED IN THE "DEFINITIONS" SECTION OF THIS ABRIDGED PROSPECTUS UNLESS STATED OTHERWISE.

THE DIRECTORS OF THE COMPANY HAVE SEEN AND APPROVED ALL THE DOCUMENTATION RELATING TO THE RIGHTS ISSUE. THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED IN THE SAID DOCUMENTATION. HAVING MADE ALL REASONABLE INQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THEY CONFIRM THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS WHICH, IF OMITTED, WOULD MAKE ANY STATEMENT IN THIS ABRIDGED PROSPECTUS FALSE OR MISLEADING.

TA SECURITIES, BEING THE PRINCIPAL ADVISER FOR THE RIGHTS ISSUE, ACKNOWLEDGES THAT BASED ON ALL AVAILABLE INFORMATION AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS ABRIDGED PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE RIGHTS ISSUE.

SHAREHOLDERS / INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

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 ABRIDGED PROSPECTUS THAT IS FALSE, MISLEADING, OR FROM WHICH THERE IS A MATERIAL OMISSION; OR FOR ANY MISLEADING OR DECEPTIVE ACT IN RELATION TO THE ABRIDGED PROSPECTUS OR THE CONDUCT OF ANY OTHER PERSON IN RELATION TO THE COMPANY.

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC ON THE PREMISE OF FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE, FOR WHICH ANY PERSON SET OUT IN SECTION 236 OF THE CMSA, IS RESPONSIBLE.

THE DISTRIBUTION OF THE ABRIDGED PROSPECTUS, TOGETHER WITH THE NPA AND RSF (COLLECTIVELY, THE "DOCUMENTS") IS SUBJECT TO MALAYSIAN LAWS. WE AND OUR ADVISERS ARE NOT RESPONSIBLE FOR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT TAKEN ANY ACTION TO PERMIT AN OFFERING OF OUR SECURITIES BASED ON THE DOCUMENTS OR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. THE DOCUMENTS MAY NOT BE USED FOR AN OFFER TO SELL OR AN INVITATION TO BUY OUR SECURITIES IN ANY COUNTRY OR JURISDICTION OTHER THAN MALAYSIA. WE AND OUR ADVISERS REQUIRE YOU TO INFORM YOURSELF OF SUCH RESTRICTIONS AND TO OBSERVE THEM.

THE DOCUMENTS HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE UNDER THE LAWS OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THE DOCUMENTS.

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Abridged Prospectus:-

Abridged Prospectus	- This abridged prospectus dated 29 March 2021 in relation to the Rights Issue
Act	- Companies Act, 2016 of Malaysia, as amended from time to time and any re-enactment thereof
Adil Cita	- Adil Cita Sdn Bhd (198501016344 (148801-T))
ATM	- Automated teller machine
Authorised Nominee	- A person who is authorised to act as a nominee as defined under the Rules of Bursa Depository
Bloomberg	- Bloomberg Finance Singapore L.P. and its affiliates
BNM	- Bank Negara Malaysia
Board	- The Board of Directors of the Company
Bursa Depository	- Bursa Malaysia Depository Sdn Bhd
Bursa Securities	- Bursa Malaysia Securities Berhad
CDS	- Central Depository System, the system established and operated by Bursa Depository for the central handling of securities deposited with Bursa Depository
CDS Account	- Securities account established by Bursa Depository for a depositor pursuant to the SICDA and the Rules of Bursa Depository for the recording of deposits of securities and dealings in such securities by the depositor
Circular	- Circular to the Shareholders dated 4 January 2021 in relation to the Corporate Exercises
Closing Date	- 13 April 2021 at 5.00 p.m., being the last date and time for the acceptance of and payment for the Rights Shares
CMSA	- Capital Markets and Services Act, 2007 of Malaysia as amended from time to time and any re-enactment thereof
Code	- Malaysian Code on Take-Overs and Mergers, 2016 as amended from time to time
Constitution	- Constitution of the Company
Corporate Exercises	- Collectively, the Rights Issue and Exemption
COVID-19	- Coronavirus disease 2019
Directors	- The directors of the Company
EGM	- Extraordinary general meeting of the Company

DEFINITIONS (CONT'D)

Electronic Application	- Application for the Rights Shares and/or Excess Rights Shares through the ATMs of Participating Financial Institutions
Entitled Shareholders	- Shareholders whose names appear in the Record of Depositors of the Company as at the close of business on the Entitlement Date in order to be entitled to the Rights Issue
Entitlement Date	- 29 March 2021, at the close of business at 5.00 p.m., on which the names of Shareholders must appear in the Record of Depositors in order to be entitled to participate in the Rights Issue
EPS	- Earnings per Share
Excess Rights Shares	- The Rights Shares which are not taken up or not validly taken up by the Entitled Shareholders and/or their transferee(s) and/or their renouncee(s) (if applicable) prior to the Closing Date
Excess Rights Shares Application	- Application for additional Rights Shares in excess of the Provisional Allotments by the Entitled Shareholders and/or their transferee(s) and/or their renouncee(s) (if applicable)
Exemption	- Exemption granted by the SC to Telaxis and the PACs on 8 February 2021 from the obligation to undertake the Mandatory Offer under Paragraph 4.08(1)(b) of the Rules on Take-Overs
Foreign-Addressed Shareholders	- Shareholders who have not provided to the Company a registered address or an address in Malaysia for the service of documents which will be issued in connection with the Rights Issue
FYE	- Financial year(s) ended / ending, as the case may be
Government	- Government of Malaysia
GP	- Gross profit
Internet Application	- Application for the Rights Shares and/or Excess Rights Shares through an Internet Participating Financial Institution
Internet Participating Financial Institution	- Internet participating financial institutions for Internet Application as referred to in Section 10.3 of this Abridged Prospectus
LAT	- Loss after taxation
LBT	- Loss before taxation
LGB Holdings	- LGB Holdings Sdn Bhd (198801002406 (169762-T))
Listing Requirements	- Main Market Listing Requirements of Bursa Securities, including any amendments made thereto from time to time
LPD	- 3 March 2021, being the latest practicable date prior to the printing of this Abridged Prospectus
LPS	- Loss per Share

DEFINITIONS (CONT'D)

LTD	- 9 March 2021, being the last trading day prior to the date of fixing the issue price of the Rights Shares
L-Six	- L-Six Holdings Sdn Bhd (200201022236 (589899-D))
Mandatory Offer	- The obligation of Telaxis and the PACs under Paragraph 4.01 of the Rules on Take-overs and Section 218(2) of the CMSA to undertake a mandatory take-over offer to acquire all the remaining Shares not already owned by them upon completion of the Rights Issue
Market Day(s)	- Any day on which Bursa Securities is open for trading in securities
Maximum Scenario	- Assuming all the Entitled Shareholders fully subscribe for their respective entitlements under the Rights Issue
MCO	- Movement control order issued by the Government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967
Minimum Scenario	- Assuming the Rights Issue is undertaken on the Minimum Subscription Level basis (i.e. only the Undertaking Shareholder subscribe for the Rights Shares pursuant to the Undertaking and none of the other Entitled Shareholders subscribe for their respective entitlements under the Rights Issue)
Minimum Subscription Level	- Minimum subscription level of 83,333,334 Rights Shares based on an issue price of RM0.18 per Rights Share to arrive at RM15.00 million
NA	- Net assets
NPA	- Notice of provisional allotment in relation to the Rights Issue
NRS	- Nominee rights subscription service offered by Bursa Depository, at the request of the Company, to Authorised Nominees for electronic subscription of Rights Shares through Bursa Depository's existing network facility with the Authorised Nominees
Official List	- A list specifying all securities which have been admitted for listing on the Main Market of Bursa Securities and not removed
PACs	- Persons acting in concert with Telaxis for the purpose of the Exemption, pursuant to Section 216(3) of the CMSA, namely Adil Cita, LGB Holdings, Taliworks Consortium, L-Six, Lim Chin Sean, Datin Goay Sook Lan, Dato' Lim Chee Meng, Lim Siew Ling, Lim Shiak Ling and Datin Lim Ai Ling
Parkwood or the Company	- Parkwood Holdings Berhad (formerly known as Amalgamated Industrial Steel Berhad). The change of name of the Company was effective from 18 February 2021
Parkwood Group or the Group	- Collectively, Parkwood and its subsidiaries
Parkwood Shares or Shares	- Ordinary shares in the Company

DEFINITIONS (CONT'D)

Participating Financial Institution	- Participating financial institutions for Electronic Application as referred to in Section 10.3 of this Abridged Prospectus
PAT	- Profit after taxation
PBT	- Profit before taxation
Provisional Allotments	- The Rights Shares provisionally allotted to Entitled Shareholders
Record of Depositors	- A record of securities holders provided by Bursa Depository under the Rules of Bursa Depository
RFID	- Radio-frequency identification device
Rights Issue	- Renounceable rights issue of up to 137,585,442 Rights Shares on the basis of 1 Rights Share for every 1 existing Share held by the Entitled Shareholders on the Entitlement Date
Rights Shares	- Up to 137,585,442 new Shares to be allotted and issued pursuant to the Rights Issue
Rights Shares Subscription File	- An electronic file submitted by an Authorised Nominee who has subscribed for NRS, to Bursa Depository containing information pertaining to such Authorised Nominee's subscription of the Rights Shares and/or Excess Rights Shares
RM and sen	- Ringgit Malaysia and sen respectively
RSF	- Rights subscription form in relation to the Rights Issue
Rules of Bursa Depository	- The Rules of Bursa Depository issued pursuant to the Securities Industry (Central Depositories) Act, 1991 as amended from time to time
Rules on Take-Overs	- Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the SC pursuant to Section 377 of the CMSA, as amended from time to time
SC	- Securities Commission Malaysia
Share Registrar	- Boardroom Share Registrars Sdn Bhd
Shareholders	- Registered holders of the Shares
SICDA	- Securities Industry (Central Depositories) Act, 1991 of Malaysia, as amended from time to time
TA Securities or the Principal Adviser	- TA Securities Holdings Berhad
Taliworks Consortium	- Taliworks Consortium Sdn Bhd (198601000092 (149227-V))
Telaxis or Undertaking Shareholder	- Telaxis Sdn Bhd (200101023293 (559051-T))
TERP	- Theoretical ex-rights price

DEFINITIONS (CONT'D)

- Undertaking** - The written undertaking from the Undertaking Shareholder dated 11 November 2020 pursuant to which the Undertaking Shareholder had irrevocably and unconditionally undertaken, amongst others, to apply and subscribe in full for its Rights Share entitlements and additional Rights Shares not taken up by other Entitled Shareholders by way of Excess Rights Shares Application, details of which are set out in Section 3 of this Abridged Prospectus
- Utamara Project** - Has the meaning given in Section 5(i) of this Abridged Prospectus
- WWAP** - Volume-weighted average market price

In this Abridged Prospectus, all references to “the Company” are to Parkwood and references to “we”, “us”, “our” and “ourselves” are to the Company and, where the context otherwise requires, the subsidiaries of the Company. All references to “you” in this Abridged Prospectus are to the Entitled Shareholders.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. Reference to persons shall include corporations, unless otherwise specified.

Any reference in this Abridged Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any discrepancies in the tables included in this Abridged Prospectus between the amounts listed, actual figures and the totals thereof are due to rounding.

Any reference to a time of day in this Abridged Prospectus shall be a reference to Malaysian time, unless otherwise stated.

Certain statements in this Abridged Prospectus may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by the Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Abridged Prospectus should not be regarded as a representation or warranty that the Company’s plans and objectives will be achieved.

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ADVISERS' DIRECTORY

- COMPANY SECRETARIES** : Chen Bee Ling (MAICSA 7046517)
(SSM Practising Certificate No. 202008001623)
- Nurly Salmi binti Ruhaiza (MAICSA 7073753)
(SSM Practising Certificate No. 202008000293)
- 12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200
Petaling Jaya, Selangor
Tel : +603 - 7890 4800
Fax : +603 - 7890 4650
- PRINCIPAL ADVISER** : TA Securities Holdings Berhad
29th Floor, Menara TA One
22, Jalan P. Ramlee
50250 Kuala Lumpur
Tel : +603 - 2072 1277
Fax : +603 - 2026 0127
- SOLICITORS FOR THE RIGHTS
ISSUE** : Messrs Kenny Tan & Co
Advocates & Solicitors
B-3-1, Pusat Komersil Jalan Kuching
No 115, Jalan Kepayang, Off Jalan Kuching
51200 Kuala Lumpur
Tel : +603 - 6242 0206
Fax : +603 - 6243 0306
- SHARE REGISTRAR** : Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200
Petaling Jaya, Selangor
Tel : +603 - 7890 4700
Fax : +603 - 7890 4670
- STOCK EXCHANGE LISTING** : Main Market of Bursa Securities

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SUMMARY OF THE RIGHTS ISSUE

This summary of the Rights Issue only highlights the key information from other parts of the Abridged Prospectus. It does not contain all the information that may be important to you. You should read and understand the contents of the whole Abridged Prospectus.

Summary

Number of Rights Shares to be issued and basis of allotment

Basis: 1 Rights Share for every 1 existing Share held by the Entitled Shareholders. Please refer to Section 2.1 of this Abridged Prospectus for further information.

	Minimum Scenario	Maximum Scenario
Number of Rights Shares to be issued	83,333,334	137,585,442

The Rights Shares which are not taken up or not validly taken up by the Entitled Shareholders and/or their transferee(s) and/or their renouncee(s) (if applicable) prior to the Closing Date shall be made available for Excess Rights Shares Applications. It is the intention of the Board to allot the Excess Rights Shares, if any, in a fair and equitable manner in the following priority:-

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, on a pro-rata basis and in board lots, to the Entitled Shareholders who have applied for Excess Rights Shares, taking into consideration their respective shareholdings in the Company as at the Entitlement Date;
- (iii) thirdly, on a pro-rata basis and in board lots, to the Entitled Shareholders who have applied for Excess Rights Shares, taking into consideration the quantum of their respective Excess Rights Shares Applications; and
- (iv) finally, on a pro-rata basis and in board lots, to the transferee(s) and/or renouncee(s) who have applied for Excess Rights Shares, taking into consideration the quantum of their respective Excess Rights Shares Applications.

The Excess Rights Shares will firstly be allocated to minimise the odd lots (if any) held by each applicant of Excess Rights Shares. Thereafter, the allocation process will perform items (ii), (iii) and (iv) in succession. Any remaining balance of Excess Rights Shares will be allocated by performing the same sequence of allocation i.e. items (ii), (iii) and (iv) again in succession until all Excess Rights Shares are allotted. Please refer to Section 10.6 of this Abridged Prospectus for further information.

Issue price of the Rights Shares

RM0.18 per Rights Share. Please refer to Section 2.2 of this Abridged Prospectus for further information.

Undertaking

Undertaking Shareholder and amount : Telaxis (the largest shareholder of Parkwood): RM15.00 million

Minimum Rights Shares to be subscribed for pursuant to the Undertaking	Entitlement	Excess application	Total
	39,771,975	43,561,359	⁽¹⁾ 83,333,334

Note:-

- (1) Representing 60.57% of the total number of 137,585,442 Rights Shares available for subscription.

Shareholding	As at the LPD		Minimum Scenario		Maximum Scenario	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Telaxis	39,771,975	⁽¹⁾ 28.91	123,105,309	⁽²⁾ 55.72	79,543,950	⁽³⁾ 28.91

Notes:-

- (1) Based on the issued share capital of 137,585,442 Shares (excluding 6,797,300 treasury shares) as at the LPD.
- (2) Based on the enlarged share capital of 220,918,776 Shares.
- (3) Based on the enlarged share capital of 275,170,884 Shares.

SUMMARY OF THE RIGHTS ISSUE (CONT'D)

Summary

Telaxis and the PACs have obtained the approval from the SC on 8 February 2021 for the exemption to undertake the Mandatory Offer under paragraph 4.08(1)(b) of the Rules on Take-Overs.

As the Minimum Subscription Level will be fully satisfied via the Undertaking, the Company will not procure any underwriting arrangement for the remaining Rights Shares not subscribed for by other Entitled Shareholders.

Please refer to Sections 3 and 8.3 of this Abridged Prospectus for further information.

Rationale for the Rights Issue

- (i) To raise funds and channel them towards the utilisation as set out in Section 5 of this Abridged Prospectus.
- (ii) To raise the requisite funds without incurring additional interest expense from bank borrowings, thereby minimising any potential cash outflow in respect of interest servicing costs.

Please refer to Section 4 of this Abridged Prospectus for further information.

Utilisation of proceeds

Utilisation of proceeds	Expected timeframe for utilisation from completion of the Rights Issue	Minimum Scenario RM'000	Maximum Scenario RM'000
(i) Funding for the Utamara Project	Within 24 months	15,000	21,000
(ii) Working capital	Within 6 months	-	3,065
(iii) Estimated expenses for the Corporate Exercises	Immediate	-	700
Total		15,000	24,765

Please refer to Section 5 of this Abridged Prospectus for further information.

Risk factors

You should consider the following risk factors before subscribing for or investing in the Rights Issue:-

- (i) the Group's property development and property investment business are dependent on the performance of the property market, competition risk, delay or non-completion of the property development projects, property overhang and/or unsold properties as well as the availability of viable landbanks for development; and
- (ii) the impact of COVID-19 on the Group's business.

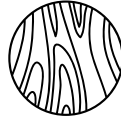
Please refer to Section 6 of this Abridged Prospectus for further information.

Procedures for acceptance and payment

Acceptance of and payment for the Provisional Allotments allotted to you and application for the Excess Rights Shares must be made on the RSF issued together with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained therein.

The last day, date and time for acceptance of and payment for the Provisional Allotments and the Excess Rights Shares is on **Tuesday, 13 April 2021 at 5.00 p.m.**

Please refer to Section 10 of this Abridged Prospectus for further information.



PARKWOOD

**PARKWOOD HOLDINGS BERHAD
(FORMERLY KNOWN AS AMALGAMATED INDUSTRIAL STEEL BERHAD)**

[Registration No. 196901000692 (9118-M)]

(Incorporated in Malaysia under the Companies Act, 1965 and deemed registered under the Companies Act, 2016)

Registered Office

Unit 8-02, Level 8
Menara LGB
No.1, Jalan Wan Kadir
Taman Tun Dr Ismail
60000 Kuala Lumpur

29 March 2021

Board of Directors:-

Dato' Ghazali Bin Mat Ariff (Chairman / Independent Non-Executive Director)
Tuan Haji Fauzi Bin Mustapha (Independent Non-Executive Director)
Dato' Lim Yew Boon (Executive Director)
Mr Lim Chin Sean (Executive Director)
Datuk Hew Lee Lam Sang (Independent Non-Executive Director)
Dr Goh Swee Por (Alternate Director to Lim Chin Sean)

To: Entitled Shareholders

Dear Sir / Madam,

RENOUNCEABLE RIGHTS ISSUE OF UP TO 137,585,442 RIGHTS SHARES AT AN ISSUE PRICE OF RM0.18 PER RIGHTS SHARE ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 1 EXISTING SHARE HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY AT 5.00 P.M. ON 29 MARCH 2021

1. INTRODUCTION

On 12 November 2020, TA Securities had, on behalf of the Board, announced that the Company proposes to undertake the Corporate Exercises.

On 15 December 2020, TA Securities had, on behalf of the Board, announced that Bursa Securities had vide its letter dated 15 December 2020 granted its approval for the listing and quotation of up to 137,585,442 Rights Shares to be issued pursuant to the Rights Issue.

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The approval of Bursa Securities referred to above is subject to the following conditions:-

Condition	Status of compliance
(i) Parkwood and TA Securities must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Rights Issue;	To be complied
(ii) Parkwood and TA Securities to inform Bursa Securities upon the completion of the Rights Issue;	To be complied
(iii) Parkwood / TA Securities to furnish Bursa Securities with a certified true copy of the resolution passed by shareholders at the general meeting for the Rights Issue prior to the listing and quotation of the Rights Shares to be issued pursuant to the Rights Issue; and	To be complied
(iv) Parkwood and TA Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Rights Issue is completed.	To be complied

The Board is pleased to inform that the Shareholders had, during the EGM held on 26 January 2021, approved the Corporate Exercises.

On 9 February 2021, TA Securities had, on behalf of the Board, announced that the SC had, vide its letter dated 8 February 2021 approved the Exemption.

On 10 March 2021, TA Securities had, on behalf of the Board, announced that the Board had on even date resolved to fix the issue price of the Rights Shares at RM0.18 per Rights Share.

On 11 March 2021, TA Securities had, on behalf of the Board, announced that the Entitlement Date for the Rights Issue has been fixed at 5.00 p.m. on 29 March 2021.

No person is authorised to give any information or make any representation not contained in this Abridged Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by TA Securities or the Company in connection with the Rights Issue.

YOU ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS WHICH SETS OUT THE DETAILS OF THE RIGHTS ISSUE AND RISK FACTORS ASSOCIATED WITH THE RIGHTS ISSUE. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

2. PARTICULARS OF THE RIGHTS ISSUE

2.1 Details of the Rights Issue

The Rights Issue involves the issuance of up to 137,585,442 Rights Shares to be implemented on a renounceable basis of 1 Rights Share for every 1 existing Share held by the Entitled Shareholders on the Entitlement Date at an issue price of RM0.18 per Rights Share.

The actual number of Rights Shares to be issued will depend on the eventual subscription level for the Rights Issue. As at the LPD, the Company has 137,585,442 issued Shares (excluding 6,797,300 treasury shares).

As the Rights Shares are prescribed securities, the respective CDS Accounts of the Entitled Shareholders will be duly credited with the number of Provisional Allotments they are entitled to subscribe for in full or in part under the terms of the Rights Issue. Entitled Shareholders will find the NPA as enclosed in this Abridged Prospectus, notifying Entitled Shareholders of the crediting of such securities into their respective CDS Accounts, and the RSF as enclosed in this Abridged Prospectus, enabling Entitled Shareholders to subscribe for the Provisional Allotments as well as to apply for Excess Rights Shares if Entitled Shareholders so choose to.

However, only Entitled Shareholders who have an address in Malaysia as stated in the Record of Depositors or who have provided the Share Registrar with an address in Malaysia in writing by the Entitlement Date will receive this Abridged Prospectus together with the NPA and RSF.

Any dealings in the Company's securities will be subject to, amongst others, the provisions of the SICDA, the Rules of Bursa Depository and any other relevant legislation. Accordingly, the Rights Shares will be credited directly into the respective CDS Accounts of successful applicants. No physical certificates will be issued to the successful applicants of the Rights Shares.

The Rights Issue is renounceable in full or in part. Accordingly, the Entitled Shareholders may fully or partially renounce their entitlements under the Rights Issue. The Rights Shares which are not taken up or not validly taken up by Entitled Shareholders and/or their transferee(s) and/or their renounee(s), if applicable, shall be made available for Excess Rights Shares Applications.

Fractional entitlements arising from the Rights Issue, if any, will be disregarded and dealt with by the Board in such manner and on such terms and conditions as the Board in its absolute discretion may deem fit or expedient and in the best interests of the Company.

Notices of allotment will be despatched to the successful applicants of the Rights Shares within 8 Market Days from the last date for acceptance and payment of the Rights Shares or such other period as may be prescribed by Bursa Securities.

2.2 Basis of determining the issue price of the Rights Shares

The Board had fixed the issue price of the Rights Shares at RM0.18 per Rights Share after taking into consideration, amongst others, the following:-

- (i) the funding requirements of the Group as set out in Section 5 of this Abridged Prospectus; and
- (ii) the TERP⁽¹⁾ of Parkwood Shares of RM0.2397, calculated based on the 5-day VWAP of Parkwood Shares up to and including the LTD of RM0.2994.

The issue price of RM0.18 per Rights Share represents a discount of approximately 24.91% to the TERP of Parkwood Shares of RM0.2397, calculated based on the 5-day VWAP of Parkwood Shares up to and including the LTD of RM0.2994.

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Note:-

(1) TERP is computed as follows:-

$$\text{TERP} = \frac{(A \times X) + (B \times Y)}{A + B}$$

where:-

A = Number of Rights Shares

B = Number of existing Shares

X = Issue price of the Rights Shares

Y = 5-day VWAP of Parkwood Shares up to and including the LTD

and the ratio of A:B is 1:1, in accordance with the entitlement basis of 1 Rights Share for every 1 existing Parkwood Share held.

2.3 Ranking of the Rights Shares

The Rights Shares shall, upon allotment, issuance and full payment of the issue price of the Rights Shares, rank pari passu in all respects with the then existing issued Shares, save and except that the holders of such Rights Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to Shareholders, the entitlement date of which is prior to the date of allotment and issuance of such Rights Shares.

2.4 Last date and time for acceptance and payment

The Closing Date is 5.00 p.m. on **Tuesday, 13 April 2021**.

2.5 Details of other corporate exercises

As at the LPD, save for the Corporate Exercises, the Board confirmed that there are no other corporate exercises which have been announced and/or approved by the regulatory authorities but are pending completion.

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3. MINIMUM SUBSCRIPTION LEVEL AND SHAREHOLDERS' UNDERTAKING

Parkwood intends to raise a minimum of RM15.00 million from the Rights Issue to meet the funding requirements of the Group, which will be channelled towards the utilisation as set out in Section 5 of this Abridged Prospectus. As such, the Rights Issue will be undertaken on the Minimum Subscription Level.

The Minimum Subscription Level will be met via the Undertaking from Telaxis (the largest shareholder of Parkwood) to apply and subscribe in full for its Rights Share entitlements and additional Rights Shares not taken up by other Entitled Shareholders by way of Excess Rights Shares Application. A summary of the Undertaking is set out as below:-

Undertaking Shareholder	Existing direct shareholding as at the LPD		Subscription amount pursuant to the Undertaking	Minimum Rights Shares to be subscribed for pursuant to the Undertaking		Assuming none of the other Entitled Shareholders subscribe for their Rights Shares		
	No. of Shares	(¹)%		Subscription based on entitlement	Subscription based on excess application		No. of Shares held after the Rights Issue	(²)%
Telaxis	39,771,975	28.91	RM 15,000,000	39,771,975	43,561,359	83,333,334	123,105,309	55.72
						Total		

Notes:-

- (1) Based on the issued share capital of 137,585,442 Shares (excluding 6,797,300 treasury shares) as at the LPD.
(2) Based on the enlarged share capital of 220,918,776 Shares under the Minimum Scenario.

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Pursuant to the Undertaking, the Undertaking Shareholder had:-

- (i) irrevocably and unconditionally warranted that they shall not sell or in any other way dispose of or transfer their existing equity interest in the Company or any part thereof during the period commencing from the date of the Undertaking up to the Entitlement Date; and
- (ii) confirmed that they have sufficient financial means and resources to fulfil their obligations under the Undertaking.

TA Securities has verified the sufficiency of financial resources of the Undertaking Shareholder for the purpose of subscribing for the Rights Shares and Excess Rights Shares pursuant to the Undertaking.

As the Minimum Subscription Level will be fully satisfied via the Undertaking, the Company will not procure any underwriting arrangement for the remaining Rights Shares not subscribed for by other Entitled Shareholders.

Pursuant to Paragraph 8.02(1) of the Listing Requirements, the Company must ensure that at least 25% of the total listed Parkwood Shares (excluding treasury shares, if any) are in the hands of public shareholders.

As at the LPD, the public shareholding spread of the Company is 70.83%. Upon the implementation of the Rights Issue, based on the assumption that the Rights Shares are subscribed by all the Entitled Shareholders under the Maximum Scenario, the public shareholding spread of the Company will remain the same, which complies with the public shareholding spread requirement as highlighted above.

Under the Minimum Scenario, Telaxis' shareholding in Parkwood will increase from 28.91% as at the LPD to a maximum of 55.72% of the total enlarged Shares upon completion of the Rights Issue. This will result in a decrease in the public shareholding spread from 70.83% to 44.11%. As such, the Company will still be in compliance with the public shareholding spread requirement as stipulated in Paragraph 8.02 of the Listing Requirements.

The pro forma public shareholding spread under the Minimum Scenario is illustrated as follows:-

Particulars	As at the LPD		(I) Rights Issue	
	No. of Shares	(1)%	No. of Shares	(2)%
Issued share capital	137,585,442	100.00	220,918,776	100.0
Less: Directors, substantial shareholders and their associates	40,134,850	29.17	123,468,184	55.89
Shareholders holding less than 100 Shares	481	(3)-	481	(3)-
Public shareholding spread	97,450,111	70.83	97,450,111	44.11

Notes:-

- (1) Based on the total number of 137,585,442 Shares (excluding 6,797,300 treasury shares) as at the LPD.
- (2) Based on the enlarged total number of 220,918,776 Shares (excluding 6,797,300 treasury shares) under the Minimum Scenario.
- (3) Negligible.

Further, under the Minimum Scenario, Telaxis will obtain control of the Company. Pursuant thereto, Telaxis and the PACs will be obliged to undertake the Mandatory Offer.

Telaxis and the PACs have obtained the approval from the SC on 8 February 2021 for the exemption to undertake the Mandatory Offer under paragraph 4.08(1)(b) of the Rules on Take-Overs, after obtaining the approval of the non-interested shareholders of the Company at the EGM held on 26 January 2021.

4. RATIONALE FOR THE RIGHTS ISSUE

The Rights Issue will enable the Company to raise funds and channel them towards the utilisation as set out in Section 5 of this Abridged Prospectus.

After due consideration of the various options available, the Board is of the opinion that the Rights Issue is the most suitable means of fund raising for the Company due to the following reasons:-

- (i) it will enable the Company to raise the requisite funds without incurring additional interest expense from bank borrowings, thereby minimising any potential cash outflow in respect of interest servicing costs;
- (ii) it provides an opportunity for the Entitled Shareholders to participate in the equity offering of the Company on a pro-rata basis; and
- (iii) it will involve the issuance of new Shares without diluting the Entitled Shareholders' percentage shareholding provided that they subscribe in full for their respective entitlements under the Rights Issue.

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5. UTILISATION OF PROCEEDS

Based on the issue price of RM0.18 per Rights Share, the gross proceeds to be raised from the Rights Issue are intended to be utilised in the following manner:-

Utilisation of proceeds	Expected timeframe for utilisation from completion of the Rights Issue	⁽¹⁾ Minimum Scenario RM'000	⁽¹⁾ Maximum Scenario RM'000
(i) Funding for the Utamara Project	Within 24 months	15,000	⁽²⁾ 21,000
(ii) Working capital	Within 6 months	⁽³⁾ -	⁽⁴⁾ 3,065
(iii) Estimated expenses for the Corporate Exercises	Immediate	⁽³⁾ -	⁽⁴⁾ 700
Total		15,000	24,765

Notes:-

(1) Any additional proceeds raised in excess of the RM15.00 million under the Minimum Scenario will be allocated up to its respective maximum allocation under the Maximum Scenario in the following order:-

- (i) estimated expenses for the Corporate Exercises;
- (ii) funding for the Utamara Project; and
- (iii) working capital.

(2) The Group's funding requirement for the Utamara Project is RM49.21 million. The Group intends to utilise proceeds of RM15.00 million under the Minimum Scenario or up to RM21.00 million under the Maximum Scenario for the Utamara Project. The Group has set the Minimum Subscription Level based on RM15.00 million in view that the Group:-

- (i) has access to other sources of funds (i.e. internal cash balances, progressive sales billings to be received and/or bank borrowings) to meet the balance funding requirement; and
- (ii) would not need to procure underwriting arrangements, thereby saving on additional expenses such as underwriting fees and legal fees.

(3) Under the Minimum Scenario, the Group will not be utilising any funds for working capital. Therefore, the working capital requirements of the Group will be funded via the Group's progressive sales billings to be received and/or bank borrowings.

The estimated expenses in relation to the Corporate Exercises will be funded by the Group's cash and bank balances under the Minimum Scenario.

(4) If the actual expenses incurred are higher than the budgeted amount of RM700,000, the deficit will be funded from the portion allocated for working capital. Conversely, any surplus of funds following payment of expenses will be utilised for funding of working capital.

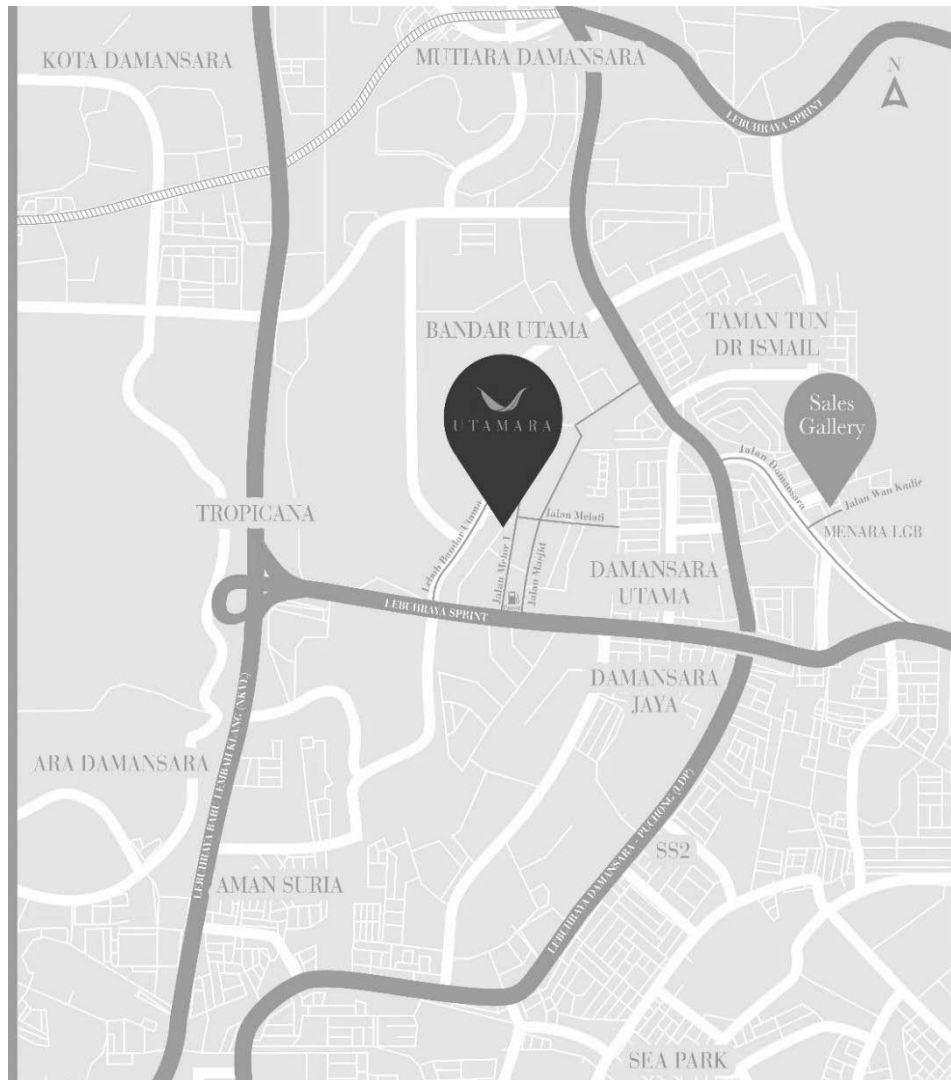
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(i) Funding for the Utamara Project

In April 2019, Parkwood Sdn Bhd (a wholly-owned subsidiary of the Company) launched and commenced the Utamara Boutique Residence project, a low-density residential project comprising 2 blocks of 5-storey serviced apartments, with a total of 82 units within a 1.67-acre land in Kayu Ara, Petaling Jaya, Selangor (“**Utamara Project**”).

The units within this project comprise the following types:

- (a) 5 units of 2-bedroom service apartments with built-up areas of approximately 1,033 sqft to 1,432 sqft;
- (b) 63 units of 3-bedroom service apartments with built-up areas ranging from approximately 1,485 sqft to 1,701 sqft; and
- (c) 14 units of 4-bedroom service apartments with built-up areas ranging from approximately 2,239 sqft to 2,379 sqft.



The Utamara Project is within close proximity to MRT stations, shopping complexes, golf courses, healthcare institutions and schools. This project is expected to complete by April 2022. However, due to disruptions caused by the COVID-19 pandemic, the completion of the Utamara Project was delayed to September 2022.

The planning permission (Kebenaran Merancang) for the Utamara Project was obtained from Majlis Bandaraya Petaling Jaya on 27 September 2018 while the building plan approval was obtained from Majlis Bandaraya Petaling Jaya on 5 December 2018.

The estimated GDV and GDC of the Utamara Project are approximately RM108.40 million and RM88.20 million respectively. The estimated GDC of the Utamara Project comprises the following:-

<u>Stages</u>	GDC (RM'000)	Amount incurred as at the LPD (RM'000)	Balance amount to be incurred (RM'000)
Construction works	49,488	13,118	36,370
Land cost	20,320	19,345	975
Infrastructure and landscape	1,500	-	1,500
Professional fees	4,596	2,601	1,995
Contribution to various authorities	2,048	1,108	940
Sales and marketing	5,132	2,820	2,312
Contingencies and other costs	5,119	-	5,119
	88,203	38,992	49,211

GDV is estimated through assessing the total costs for a project (i.e. GDC) and factoring a required profit above the total costs. The required profit represents the rate of return expected by the Group from the development project and is estimated after considering, amongst others, the development mix, the attractiveness and expected demand for properties within the project and the risks involved in embarking on the project.

As at the LPD, the Company has completed the sub-structure works (piling and foundation) of the said development, representing approximately 44% of the overall construction works.

During the MCO period, the Group's operations were temporarily affected as set out below:-

- (i) suspension of construction works for the Utamara Project from 18 March 2020 to 8 June 2020. Since the resumption of construction works on 9 June 2020 up to the LPD, the Group has maintained only 50% workforce at the construction site, to comply with the Government's directive; and
- (ii) closure of the Group's property sales gallery from 18 March 2020 to 4 May 2020 and from 13 January 2021 to 28 February 2021.

These interruptions have resulted in 69.5 days of delay in the construction progress. During the MCO period, the Group continued to incur fixed overhead costs of approximately RM0.70 million per month (which include salary and other operational expenses).

Further, the Group has implemented various measures (such as sanitising its premises, screening tests and purchase of personal protective equipment) to reduce the risks of the spread of COVID-19 and to safeguard its employees. These additional costs which are borne by the Group, are not more than RM10,000.

As at the LPD, 22 units of the 82 units under the Utamara Project have been sold. The Group has offered discounts of up to 12%, which include discounts under the Home Ownership Campaign of 10% and rebates of up to 2% in its effort to attract prospective buyers.

The Group intends to utilise proceeds of RM15.00 million under the Minimum Scenario or up to RM21.00 million under the Maximum Scenario to finance the balance development works amounting to approximately RM49.21 million, which comprise mainly superstructure (the building or structure above ground level) and infrastructure works such as landscaping, drains, substation, street lights and sewerage pump station.

The balance funding for the Utamara Project of up to RM34.21 million will be met via the Group's cash and bank balances, progressive sales billings to be received and/or bank borrowings. For illustration purposes, the breakdown of such funding is as follow:-

Source of funding	(RM'000)
Total funding requirement	49,211
Less: Minimum proceeds from Rights Issue	15,000
Balance funding requirement (up to)	34,211
To be met via:	
Progressive sales billings to be received	22,800
Bank borrowings (up to)	⁽¹⁾ 10,000
Cash and bank balances	⁽²⁾ 1,411
	34,211

Notes:-

- (1) The Group has a bridging loan of RM10.00 million, which can be used to fund the Utamara Project.
- (2) The Group's cash and bank balances (including fixed deposit pledged with licensed bank and short-term investments) stood at RM14.84 million.

(ii) Working capital

Under the Maximum Scenario, the Group intends to utilise proceeds of up to RM3.07 million for the Group's working capital purposes, in the following manner:-

Utilisation	Percentage allocation (%)	RM'000
Staff costs ⁽¹⁾	70.0	2,145
Other administrative and operating expenses ⁽²⁾	30.0	920
Total	100.0	3,065

Notes:-

- (1) These include, amongst others, staff salaries and allowances, wages, overtime and other statutory payments.
- (2) These include, amongst others, rental, utilities, insurance, transportation costs, upkeep of office, day-to-day operating expenses and other miscellaneous items. The actual breakdown of these expenses cannot be determined at this juncture as it will depend on the actual administrative requirements of the Group at the relevant time.

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(iii) Estimated expenses for the Corporate Exercises

The breakdown of the estimated expenses for the Corporate Exercises are as follows:-

Estimated expenses	RM'000
Professional fees	550
Fees to relevant authorities	50
Printing, despatch and advertising expenses	70
Miscellaneous charges	30
Total	700

The actual gross proceeds to be raised from the Rights Issue will depend on the actual number of Rights Shares that will be issued.

Pending utilisation of the proceeds to be raised from the Rights Issue, the proceeds may be placed in deposits with financial institutions and/or short-term money market instruments. The interest derived from the deposits with financial institutions and/or any gains arising from the short-term money market instruments will be used as additional funds for the working capital requirements of the Group.

6. RISK FACTORS

You should carefully consider, in addition to the other information contained in this Abridged Prospectus, the following risk factors before subscribing for or investing in the Rights Issue:-

6.1 Risks relating to the Group**(i) Performance of the property market**

The performance of the Group's property development business will be dependent on the performance of the property market, in particular the residential sub-segment. In turn, this is affected by, amongst others, population growth, economic growth, Government policies and regulations as well as demographic changes.

Any adverse developments affecting the property market may result in adverse impact on the performance of the construction, property development and property investment sectors, which in turn may adversely affect the performance and growth of the Group's property development business.

Any future regulatory changes such as, amongst others, an increase in the rate of real property gains tax on profits for disposal of real estate (which would dampen investors' appetite in buying properties for investment) or increase in stamp duty by the Government as well as the tightening of lending criteria by banks may lead to a softer property market, which in turn may adversely affect the take-up rate of the properties developed by the Group as well as the performance and growth of the Group's property development business moving forward.

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(ii) Competition risk

The sustainability of the Group's property development business is dependent on its ability to respond to the changes in economic condition and market demand. In turn, this is dependent on the Group's ability to successfully conduct market intelligence surveys to understand home buyers' needs, monitoring and adjusting development products as well as implementing innovative market strategies against other property developers in terms of pricing, timely delivery, design and quality.

There is no assurance that the Group will be able to succeed in marketing its products moving forward or that the Group will not suffer erosion in profit margins in order to maintain competitive pricing.

(iii) Delay or non-completion of the property development projects

The performance of the Group's property development business is dependent on the timely completion of its property development projects. In turn, this is dependent on many external factors, some of which may be beyond the control of the Group such as obtaining various regulatory approvals as scheduled. Other factors that may cause delays include site accidents, shortage or late arrival of raw materials as well as change in regulatory environment and framework.

Any delay in completing the property development projects within the timeframe agreed with customers may expose the Group to additional cost and potential claims which may impact the Group's financial performance. Such delays may also affect the Group's reputation and its ability to attract home buyers in the future.

As at the LPD, saved for the delays caused by the COVID-19 (as discussed in Section 5(i) above), the Group has not faced any incidences of delay in the construction progress for the Utamara Project.

(iv) Property overhang and/or unsold properties

Property overhang is commonly caused by oversupply of properties leading to low take-up rate of newly launched properties. Other factors contributing to property overhang may include economic downturn, tightening of credit and unfavourable market conditions.

A prolonged property overhang situation or an increase in the number of unsold properties in the property market may also be due to other factors such as weak response to property launches, location of the properties and changes in consumer preferences.

According to the Central Regional Report First Half 2020 issued by the Valuation and Property Services Department, the unsold residential units in the Central Region (i.e. Kuala Lumpur, Putrajaya and Selangor) increased from 7,292 units in second half of 2019 to 8,203 units in first half of 2020. Selangor recorded 4,865 overhang units followed by Kuala Lumpur (3,224 units) and Putrajaya (114 units) in first half of 2020. Unsold units under construction in Kuala Lumpur and Selangor recorded an increase of 48.1% and 1.3%, respectively, in first half of 2020 compared to second half of 2019.

In this regard, the Group's properties are susceptible to the risk of not achieving full take-up rate or that it may take a longer time to achieve full take-up rate leading to a longer payback period. There can be no assurance that the Group's projects will be able to achieve a favourable take-up rate or that the Group's future property launches will not be affected by property overhang.

(v) Availability of viable landbanks for development

As at the LPD, Parkwood Group currently has a total landbank of 10.36 acres. The Group's success in the property development business is dependent on its ability to identify and acquire viable landbanks with development potential. The continuous identification and replenishment of landbank is crucial in determining whether the Group's property development business can deliver sustainable growth and contribute positively to the financial performance of the Group.

Due to the scarcity of viable landbank, the Group is expected to face competition from other property developers in the acquisition of landbanks at commercially viable prices. This may result in a higher acquisition cost. There is no assurance that this would not adversely affect the Group's financial performance.

(vi) Risks relating to the impact of COVID-19 on the Group's businesses

The outbreak of the COVID-19 has spread to many countries globally. This has resulted in an adverse impact to the performance of the global economy including Malaysia. In Malaysia, the Government implemented the MCO which took effect from 18 March 2020. During the MCO period, all government and private premises (except those involved in essential services) are required to be closed and cease operations. This was followed by the conditional MCO ("**CMCO**") which took effect from 4 May 2020 which allowed selected business sectors to resume operations and recovery MCO ("**RMCO**") from 10 June 2020 to 31 August 2020, which was subsequently extended to 31 December 2020, as well as CMCO to 10 January 2021.

On 12 October 2020, the Government had announced the enforcement of CMCO in the Klang Valley, which involves, amongst others, restriction in movements across districts and the closure of schools, public parks, recreational centres and entertainment centres in Selangor, Kuala Lumpur and Putrajaya.

On 11 January 2021, the Government re-introduced the MCO in several states, including Selangor, Kuala Lumpur, Putrajaya which took effect from 13 January 2021 and subsequently extended to 18 February 2021. Following the outbreak of COVID-19 and the MCO imposed by the Government, the Group's operations were temporarily affected during the said period as set out in Section 5(i) of this Abridged Prospectus.

In line with the directives issued by the Government, Parkwood Group has implemented various procedures in its business conduct to reduce the risks of the spread of COVID-19 and to safeguard its employees. However, there can be no assurance that the outbreak of COVID-19 can be effectively controlled or other pandemics will not happen in the future. Other outbreak or pandemics may occur in the future and could persist for a substantial period, and this may materially and adversely affect the business operations and financial performance of the Group.

6.2 Risks relating to the Rights Issue

(i) Failure or delay in the completion of the Rights Issue

The Rights Issue may be terminated or delayed in the event of a material adverse change of events or circumstances (such as force majeure events including without limitation, acts of government, natural disasters including without limitation the occurrence of a tsunami and/or earthquakes, acts of terrorism, strikes, national disorder, declaration of a state of war or accidents, or any change in law, regulation, policy or ruling), which is beyond the control of the Group and the Principal Adviser, arising prior to the completion of the Rights Issue.

There can be no assurance that the abovementioned factors or events will not cause a failure or delay in the completion of the Rights Issue. In the event the Rights Shares have been allotted to the successful Entitled Shareholders and/or their transferee(s) and/or their renouncee(s) and/or their transferee(s), if applicable, and the Rights Issue is subsequently cancelled or terminated other than due to a stop order issued by the SC pursuant to Section 245 of the CMSA, a return of monies to the successful applicants can only be achieved by way of cancellation of share capital under the Act.

Such cancellation may require the approval of the Shareholders by way of a special resolution in a general meeting, consent of the Company's creditors (where applicable) and either the confirmation of the High Court of Malaya or a solvency statement by the Board. There can be no assurance that such monies can be returned within a short period of time under such circumstances.

In the event the Rights Issue cannot be implemented or completed for any reason, the Company will undertake the necessary procedures to ensure the refund of monies is made in full without interest in respect of any application for the subscription of the Rights Shares including the Excess Rights Shares within 14 days after the Company becomes liable to do so, in accordance with the relevant provisions of the CMSA. If such monies are not repaid within 14 days after the Company becomes liable to do so, the Company will repay such monies in accordance with Section 245(7) of the CMSA.

(ii) Capital market risk

The market price of the new securities arising from the Rights Issue, like all listed securities traded on Bursa Securities, is subject to fluctuation. The respective price of the Company's securities is influenced by, amongst others, the prevailing market sentiments, the volatility of the stock market, movements in interest rates and the outlook of the industry in which the Company operates in.

In view of the foregoing, there can be no assurance that the Shares will trade at or above the TERP disclosed in Section 2.2 of this Abridged Prospectus after the completion of the Rights Issue.

7. INDUSTRY OVERVIEW AND PROSPECTS

7.1 Malaysian economy

The Malaysian economy experienced the full impact of the COVID-19 pandemic in the second quarter of 2020, with the real gross domestic product ("GDP") contracting by 17.1%. The contraction was mainly attributed to the imposition of the MCO to contain the outbreak. Though affecting all sectors in the economy, the move was necessary to flatten the COVID-19 curve and save lives. Hence, the Government has announced several stimulus packages totalling RM305 billion to support both households and businesses. Reinforced by the reopening of the economy in phases, growth is expected to improve gradually during the second half of the year, cushioning the significant contraction in the first half. Thus, Malaysia's GDP is expected to contract by 4.5% in 2020, before rebounding between 6.5% - 7.5% in 2021. With the bold and swift measures undertaken, Malaysia has been recognised as one of the most successful countries in managing the socio-economic impact of the pandemic.

Although domestic demand is expected to remain soft throughout 2020, there are signs of recovery in the second half of the year, particularly in private consumption. On the external front, the collapse in global demand and world trade led to a decline in exports during the year. However, current account of the balance of payments is expected to remain in surplus. On the supply side, all sectors are expected to contract, affected by the unprecedented crisis. Nevertheless, the pace of improvement gathered momentum in the third quarter, especially in the services and manufacturing sectors, with the resumption of economic activities.

(Source: Economic Outlook 2021, Ministry of Finance Malaysia)

7.2 Overview and outlook of the property market in Malaysia for the first half of 2020

The property market performance recorded a sharp decline in the first half of 2020 (H1 2020) compared to the same period last year (H1 2019). A total of 115,476 transactions worth RM46.94 billion were recorded, showing a decrease of 27.9% in volume and 31.5% in value compared to the same period last year, which recorded 160,165 transactions worth RM68.53 billion.

The residential sub-sector led the overall property market, with 65.2% contribution. This was followed by agriculture sub-sector (20.1%), commercial (7.0%), development land and others (5.9%) and industrial (1.7%). In terms of transaction value, residential took the lead with 54.6% share, followed by commercial (18.1%), industrial (11.5%), agriculture (8.8%) and development land and others (7.0%).

Volume of transactions across the sub-sectors contracted sharply in H1 2020. The residential, commercial, industrial, agriculture and development land sub-sectors recorded contraction of 24.6%, 37.4%, 36.9%, 32.8% and 28.6% respectively.

Value of transactions moved in tandem with residential, commercial, industrial, agriculture and development land sub-sectors recorded contraction of 26.1%, 33.2%, 23.0%, 39.1% and 55.3% respectively.

Residential Property

There were 75,318 transactions worth RM25.61 billion recorded in the review period, decreased by 24.6% in volume and 26.1% in value compared to the same period last year (H1 2019). Performance across the states was not encouraging as all states recorded declines in market activity. By state, Selangor contributed the highest volume and value to the national market share, with 22.8% in volume (17,178 transactions) and 32.9% in value (RM8.44 billion). As for Wilayah Persekutuan Kuala Lumpur ("WPKL"), though only 4,100 transactions were recorded, the transaction value was the third highest at RM3.11 billion.

In the primary market, the number of new launches in the first half-year were far behind those recorded in similar half of 2019. There were 13,294 units launched, down by 43.6% against 23,591 units in similar half year of 2019.

Against the preceding half, the launches were lower by 31.6% (H2 2019: 19,444 units). Sales performance was poor at 3.3%, way lower compared to H1 2019 (30.9%) and H2 2019 (28.4%). The lower new launches and poor sales performance was probably due to the total closure of almost all business and economic activities during the MCO period, which was imposed since March 18 2020.

Nevertheless, Negeri Sembilan recorded the highest new launches in the country, capturing nearly 21.0% (2,797 units) of the national total. Johor recorded the second highest number of new launches (2,304 units), accounting for nearly 17.3% of the national total. Perak was the third with 14.7% (1,956 units) of the total.

By property type, terraced houses dominated the new launches. Single storey and 2-3 storey together contributed 55.6% (7,389 units) of the total units, followed by condominium/apartment units 29.7% (3,951 units).

The slow market absorption of the primary market led to the increase in residential overhang. There were 31,661 overhang units worth RM20.03 billion, increased by 3.3% in volume (H2 2019: 30,664 units) and 6.4% in value against the preceding half (H2 2019: RM18.82 billion). Meanwhile the unsold under construction recorded a marginal increase to 74,230 units, up by 2.1% whilst the unsold not constructed improved as the numbers dropped to 14,542 units, reduced by 13.3%.

Serviced Apartment

Serviced apartment sub-sector recorded 1,433 transactions worth RM0.97 billion, formed 17.7% of the commercial property transactions volume and 11.5% of the total value. Market performance recorded a decrease of 24.2% in volume (H1 2019: 1,891 transactions) and 25.3% in value (H1 2019: RM1.30 billion) of transactions. By state, WPKL and Selangor contributed higher national market volume to the national total, each with 43.9% (629 transactions) and 29.0% (415 transactions) market share.

Serviced apartment sub-sector overhang continued to increase and forming the bulk of the property overhang, recording a total of 21,683 units with a value of RM18.64 billion, up by 26.5% in volume and 24.0% in value against H2 2019 (17,142 units worth RM15.04 billion). Meanwhile the unsold under construction and not constructed increased to 35,720 units and 10,874 units, up by 5.6% and 42.0% respectively.

By state, Johor retained its reign as the highest serviced apartment overhang state with 73.7% share in volume (15,986 units) and 76.7% share in value (RM14.67 billion), almost all of these overhang units were in Johor Bahru District. The state also held 24.2% share (8,637 units) of the country's unsold under construction.

By price, those in the range of RM600,001 – RM1 million (11,646 units) formed 53.7%; priced above RM1 million (6,121 units) formed 28.2% and priced at RM600,000 and below (3,916 units) formed another 18.1% of the total overhang.

Purpose-built Office

Three office buildings transactions with an accumulated worth of more than RM100 million were recorded in H1 2020. The overall performance of purpose-built office was stable, with occupancy rate of 80.6% in H1 2020, similar to that of H2 2019. The purpose-built office consists of 1,545 private buildings (17,088,560 s.m.) and 1,003 government buildings (5,865,691 s.m.) As for the private office buildings, the average occupancy rate moderated at 74.3%, declined further from 74.8% recorded in H2 2019. WPKL and Pulau Pinang secured higher occupancy rate at 75.8% and 78.6% respectively; whereas Selangor and Johor lower than national level at 69.8% and 65.0% respectively. Private office buildings in Putrajaya recorded the lowest occupancy rate at 39.1%.

Four new completion were recorded, offering a total space of 278,576 s.m., higher than 169,023 s.m. recorded in H1 2019. As at end-June 2020, there was a total of 22.95 million s.m. existing office space from 2,548 buildings, while another 2.25 million s.m. (48 buildings) in the incoming supply and nearly 0.67 million s.m. (15 buildings) in the planned supply. WPKL dominated all three categories of supplies, contributing 40.4% of the total existing office spaces and 65.2% of the total incoming supply spaces.

Prices of stratified office lot was generally stable across the states with several exceptions. In WPKL, prices of secondary market stratified office lot were generally on a downward trend as more newly completed units came onto market. Prices of stratified office lot in Pusat Kepong Baru, Solaris Dutamas, Kiara 163, Phoenix Business Park, Menara Centara and Sunway Velocity were down by 2.3% to 5.4%.

The office rental market was overall stable with minimal mixed movements in selected buildings. Office space in the Intermark, Kuala Lumpur commanded higher rental range of RM99 p.s.m. to RM129 p.s.m. In Selangor, most of the office spaces were tenanted at the monthly rental range of RM40 – RM50 p.s.m. except for office spaces on the ground floor/level 1 in Damansara Uptown 1 & 2, ranging from RM96.88 p.s.m. to RM126.48 p.s.m.

Conclusion

The property market performance recorded a sharp decline in the first half of 2020 (H1 2020). The sharp decline was in consonant with the Malaysian economic performance, which contracted by 17.1% in Q2 2020 (Q1 2020: 0.7%). According to BNM report, Malaysian economy is expected to recover gradually in H2 2020 as the economy progressively re-opens and external demand improves. The Malaysia's GDP is projected to grow within the range of -3.5% to -5.5% in 2020 and 5.5% to 8.0% in 2021.

With the resuming of economic activities since early May 2020, property market activities recorded in the month of May and June 2020 saw a turnaround.

Further assistance from the Government, initiated under a new short-term Economic Recovery Plan or Penjana, proposed a recovery plan which is related to property which include:

1. Reintroduction of Home Ownership Campaign (“**HOC**”) - Stamp duty exemption on the instruments of transfer and loan agreement for the purchase of residential homes priced between RM300,000 to RM2.5 million subject to at least 10% discounts provided by the developer. The exemption on the instrument of transfer is limited to the first RM 1 million of the home price while full stamp duty exemption is given on loan agreement effective for sales and purchase agreements signed between 1st June 2020 to 31st May 2021.
2. Real Property Gains Tax (RPGT) exemption for disposal of residential homes from 1st June 2020 to 31st December 2021 (This exemption is limited to the disposal of three units of residential homes per individual).
3. The uplifting of the current 70 percent margin of financing limit applicable for the third housing loan onwards for property valued at RM600,000 and above, during the period of the HOC, subject to internal risk management practices of financial institutions. (Ministry of Finance).

Notwithstanding the upturn of market activity and the proposed measures under Penjana, the property market is more than likely to remain soft for the rest of the second half 2020. The pace of improvement, will be depend on both domestic and external factors such as political stability, global oil and commodity prices as well as the COVID-19 pandemic development.

(Source: Property Market Report First Half 2020, Valuation and Property Services Department, Ministry of Finance)

7.3 Prospects and future plans of the Group

Parkwood Group is principally engaged in the businesses of investment holding and property development. The property arm of the Group has been focusing on the Utamara Project, its maiden property development project.

In April 2019, the Group launched the Utamara Project, a low-rise condominium aimed at the higher-end market with a GDV of RM108.4 million. As at the LPD, 22 units of the 82 units have been sold and Parkwood expects to receive more bookings for units for this development despite the prevailing market sentiment. The Group has offered discounts of up to 12%, which include discounts under the Home Ownership Campaign of 10% and rebates of up to 2% in its effort to attract prospective buyers. The aforementioned project is expected to be completed by September 2022.

Against the backdrop of global and regional economic headwinds, ongoing Covid-19 pandemic, lukewarm buying sentiment in the property market and unresolved property overhang, the property market has remained uncertain and challenging to many property developers.

Amid the challenging operating environment, various measures under Budget 2020 was announced by the Government to stimulate the economy and in particular, measures to address the issues affecting the lukewarm property market. This includes, amongst others, lower threshold on high-rise property prices, easier financing for homeowners and real property gain tax exemption for disposal of residential homes, which is set out in Section 7.2 above.

Further, the recent unveiling of the Short-Term Economic Recovery Plan in June 2020 is expected to augur well for our property development business. As part of this plan, the Home Ownership Campaign was re-introduced with stamp duty exemption given on the instruments of transfer and loan agreement for the purchase of residential homes priced between RM300,000 to RM2.5 million, subject to at least 10% discount provided by the developer. This proposed measure would help to stimulate the property market and provide financial relief to home buyers.

The Rights Issue will enable the Group to raise the requisite funds to part finance the development of the Utamara Project to deliver value to shareholders of the Company. Premised on the above and after having considered all the relevant aspects including the overview and outlook of the property market in Malaysia as set out in Section 7.2 above, the Board is cautiously optimistic of the future prospects of the Group moving forward.

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8. EFFECTS OF THE RIGHTS ISSUE

8.1 Share capital

The pro forma effects of the Rights Issue on the issued share capital of the Company are as follows:-

	Minimum Scenario		Maximum Scenario	
	No. of Shares	Share capital (RM)	No. of Shares	Share capital (RM)
Issued share capital as at the LPD ⁽¹⁾	137,585,442	22,160,982	137,585,442	22,160,982
New Shares to be issued pursuant to the Rights Issue	83,333,334	⁽²⁾ 14,300,000	137,585,442	⁽²⁾ 24,065,380
Enlarged issued share capital after the Rights Issue	220,918,776	36,460,982	275,170,884	46,226,362

Notes:-

(1) Excluding 6,797,300 treasury shares.

(2) Based on the issue price of RM0.18 per Rights Share and after deducting estimated expenses incidental to the Corporate Exercises of approximately RM0.70 million.

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8.2 NA and gearing

As at the LPD, there are no material transactions which may have a material effect on the operations, financial position and results of the Group since the Group's latest unaudited FYE 31 December 2020.

The pro forma effects of the Rights Issue on the NA and gearing of the Group are as follows:-

Minimum Scenario

	Unaudited as at 31 December 2020 RM'000	After the Rights Issue ⁽¹⁾ RM'000
Share capital	22,161	36,461
Asset revaluation reserve	24,540	24,540
Capital reserve	48,209	48,209
Retained profits	39,826	39,826
Treasury shares	(3,725)	(3,725)
Shareholders' equity / NA / Total equity	131,011	145,311
No. of Shares in issue ⁽²⁾ ('000)	137,585	220,919
NA per Share (RM)	0.95	0.66
Total borrowings (RM'000)	27,936	27,936
Gearing (times)	0.21	0.19

Notes:-

- (1) Based on the Minimum Subscription Level and after deducting estimated expenses incidental to the Corporate Exercises of approximately RM0.70 million.
- (2) Excluding 6,797,300 treasury shares.

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Maximum Scenario

	Unaudited as at 31 December 2020 RM'000	After the Rights Issue ⁽¹⁾ RM'000
Share capital	22,161	46,226
Asset revaluation reserve	24,540	24,540
Capital reserve	48,209	48,209
Retained profits	39,826	39,826
Treasury shares	(3,725)	(3,725)
Shareholders' equity / NA / Total equity	131,011	155,076
No. of Shares in issue ⁽²⁾ ('000)	137,585	275,171
NA per Share (RM)	0.95	0.56
Total borrowings (RM'000)	27,936	27,936
Gearing (times)	0.21	0.18

Notes:-

- (1) Assuming all the Entitled Shareholders and/or their renounee(s) fully subscribe for their respective entitlements at the issue price of RM0.18 per Rights Share and after deducting estimated expenses incidental to the Corporate Exercises of approximately RM0.70 million.
- (2) Excluding 6,797,300 treasury shares.

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8.3 Substantial Shareholders' shareholdings

The pro forma effects of the Rights Issue on the substantial shareholders' shareholding in the Company based on the register of substantial Shareholders of the Company as at the LPD are as follows:-

Minimum Scenario

Substantial Shareholders	As at the LPD			After the Rights Issue ⁽⁵⁾			
	Direct		Indirect	Direct		Indirect	
	No. of Shares	% ⁽¹⁾		No. of Shares	% ⁽²⁾		No. of Shares
Telaxis	39,771,975	28.91	-	-	123,105,309	55.72	-
Dato' Lim Chee Meng	15,750	0.01	(3)39,771,975	28.91	15,750	0.01	(3)123,105,309
Lim Chin Sean	-	-	(3)39,771,975	28.91	-	-	(3)123,105,309
LGB Holdings	-	-	(4)39,771,975	28.91	-	-	(4)123,105,309
Adil Cita	-	-	(4)39,771,975	28.91	-	-	(4)123,105,309

Notes:-

- (1) Based on the issued share capital of 137,585,442 Shares (excluding 6,797,300 treasury shares) as at the LPD.
- (2) Based on the enlarged issued share capital of 220,918,776 Shares.
- (3) Deemed interest pursuant to Section 8 of the Act by virtue of his interest in Telaxis.
- (4) Deemed interest pursuant to Section 8 of the Act by virtue of its interest in Telaxis.
- (5) Upon completion of the Rights issue, the shareholding of Telaxis will increase to 55.72% of the total enlarged Shares.

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Maximum Scenario

Substantial Shareholders	As at the LPD				After the Rights Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Telaxis	39,771,975	28.91	-	-	79,543,950	28.91	-	-
Dato' Lim Chee Meng	15,750	0.01	(3)39,771,975	28.91	31,500	0.01	(3)79,543,950	28.91
Lim Chin Sean	-	-	(3)39,771,975	28.91	-	-	(3)79,543,950	28.91
LGB Holdings	-	-	(4)39,771,975	28.91	-	-	(4)79,543,950	28.91
Adil Cita	-	-	(4)39,771,975	28.91	-	-	(4)79,543,950	28.91

Notes:-

- (1) Based on the issued share capital of 137,585,442 Shares (excluding 6,797,300 treasury shares) as at the LPD.
- (2) Based on the enlarged issued share capital of 275,170,884 Shares.
- (3) Deemed interest pursuant to Section 8 of the Act by virtue of his interest in Telaxis.
- (4) Deemed interest pursuant to Section 8 of the Act by virtue of its interest in Telaxis.

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8.4 Losses and LPS

The Board expects the Rights Issue to contribute positively to the future financial performance of the Group via the utilisation of proceeds as set out in Section 5 of this Abridged Prospectus.

Subsequent to the completion of the Rights Issue, the LPS of the Group shall be correspondingly diluted as a result of the increase in the number of Rights Shares to be issued.

The potential effects of the Rights Issue on the future consolidated earnings and EPS (or LPS) of the Company will depend on, amongst others, the level of returns generated from the utilisation of proceeds to be raised from the Rights Issue.

For illustration, the pro forma effects of the Rights Issue on the consolidated losses and LPS of the Company are as follows:-

	Unaudited FYE 31 December 2020	After the Rights Issue	
		Minimum Scenario	Maximum Scenario
LAT attributable to owners of the Company (RM'000)	(3,990)	(3,990)	(3,990)
Weighted average number of Shares ('000)	137,585	220,919	275,171
LPS (sen)	(2.90)	(1.81)	(1.45)

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9. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS

9.1 Working capital and sources of liquidity

The Group's working capital is funded through the progressive sales billings to be received, credit facilities from financial institutions as well as the Group's existing cash and bank balances.

As at the LPD, the Group's cash and bank balances (including fixed deposit pledged with licensed bank and short-term investments) stood at RM14.84 million.

The Board confirmed that, after taking into consideration the progressive sales billings to be received and proceeds to be raised from the Rights Issue, the Group will have sufficient working capital available for a period of 12 months from the date of this Abridged Prospectus.

9.2 Borrowings

As at the LPD, the Group's total outstanding borrowings (all of which are interest bearing and denominated in RM) are set out as follows:-

Borrowings	Total (RM'000)
<u>Short term borrowing (secured)</u>	
- Term loan	0.69
<u>Long term borrowing (secured)</u>	
- Term loan	25.62
Total	26.31

Further, the Group has a bridging loan of RM10.00 million which has yet to be drawn down.

There has not been any default on payments of either interest and/or principal sums on any borrowings throughout the past 1 financial year and subsequent financial period up to the LPD.

9.3 Contingent liabilities

As at the LPD, the Board confirmed that there are no contingent liabilities incurred or known to be incurred by the Group which, upon becoming due or enforceable, may have a material impact on the financial position or financial performance of the Group.

9.4 Material commitments

As at the LPD, the Board confirmed that there are no material commitments incurred or known to be incurred by the Group that have not been provided for, which upon becoming due or enforceable, may have a material impact on the financial position or financial performance of the Group.

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10. INSTRUCTIONS FOR ACCEPTANCE, PAYMENT, SALE / TRANSFER AND EXCESS APPLICATION

10.1 General

The Provisional Allotments are prescribed securities under Section 14(5) of the SICDA and therefore, all dealings in the Provisional Allotments will be by book entries through CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository. As an Entitled Shareholder, you and/or your renounee(s) and/or transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making applications to subscribe for the Rights Shares.

If you are an Entitled Shareholder (other than an Authorised Nominee who has subscribed for NRS), you will find enclosed with this Abridged Prospectus the NPA notifying you of the crediting of such Provisional Allotments into your CDS Account and the RSF to enable you to subscribe for such Rights Shares that have been provisionally allotted to you, as well as to apply for Excess Rights Shares, if you choose to do so.

Full instructions for the acceptance of and payment for the Rights Shares provisionally allotted to you and/or your renounee(s) and/or transferee(s) (if applicable) and the procedures to be followed are set out in this Abridged Prospectus and the accompanying RSF. You are advised to read this Abridged Prospectus, the RSF and the notes and instructions contained in the documents carefully.

If you are an Authorised Nominee who has subscribed for NRS with Bursa Depository, an electronic copy of this Abridged Prospectus and the Rights Issue Entitlement File will be transmitted to you electronically by Bursa Depository through its existing network facility with the Authorised Nominees. Please refer to Sections 10.4.4 and 10.6.4 of this Abridged Prospectus for the procedures for acceptance as well as to apply for Excess Rights Shares, if you choose to do so.

Acceptances which do not strictly conform to the terms and conditions as well as the notes and instructions contained herein, or which may be illegible may not be accepted at the absolute discretion of your Board.

10.2 Last time and date for acceptance and payment

The last time and date for acceptance and payment for the Provisional Allotments and Excess Rights Shares is at 5.00 p.m. on **Tuesday, 13 April 2021**.

10.3 Methods of application

You may subscribe for such number of Rights Shares that you have been provisionally allotted as well as to apply for Excess Rights Shares, if you so choose, using either of the following methods:-

<u>Method of application</u>	<u>Category of Entitled Shareholders</u>
RSF ⁽¹⁾	All Entitled Shareholders
Electronic Application ⁽²⁾ or Internet Application ⁽³⁾	All Entitled Shareholders
NRS	Authorised Nominee who has subscribed for NRS

Notes:-

- (1) A copy of the RSF will be enclosed together with this Abridged Prospectus. The RSF is also available on the website of Bursa Securities (<http://www.bursamalaysia.com>).
- (2) The following surcharge per Electronic Application will be charged by the following Participating Financial Institutions:-
 - Public Bank Berhad – RM4.00; and
 - Affin Bank Berhad – RM4.00.
- (3) The following processing fee per Internet Application will be charged by the following Internet Participating Financial Institutions:-
 - Public Bank Berhad (<http://www.pbepbank.com>) – RM4.00; and
 - Affin Bank Berhad (<http://www.affinbank.com.my>) – RM4.00.

10.4 Procedures for acceptance and payment

10.4.1 By way of RSF

If you wish to accept the Provisional Allotments, either in full or in part, please complete **Parts I(A) and II** of the RSF strictly in accordance with the notes and instructions contained in the RSF. Send each completed and signed RSF with the relevant payment in the reply envelope enclosed with this Abridged Prospectus, by the mode of despatch of your choice (at your own risk) to the Share Registrar at the following address:-

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.: 03 – 7890 4700

Fax No.: 03 – 7890 4670

and should reach the Share Registrar not later than **5.00 p.m. on Tuesday, 13 April 2021**, being the Closing Date.

If you have lost, misplaced or for any other reasons require another copy of the RSF, you may obtain additional copies from your stockbroker, the Share Registrar at the address stated above, the registered office or the website of Bursa Securities (<https://www.bursamalaysia.com>).

You must use 1 RSF for the acceptance of the Provisional Allotments standing to the credit of 1 CDS Account. Separate RSFs must be used for the acceptance of the Provisional Allotments standing to the credit of more than 1 CDS Account. The Rights Shares accepted by you in accordance with the notes and instructions contained in the RSF will be credited into the respective CDS Accounts where the Provisional Allotments is standing to the credit.

The minimum number of Rights Shares that can be accepted is 1 Rights Share. You should take note that a trading board lot for the Rights Shares comprise 100 Rights Shares. Fractions of a Rights Share, if any, will be disregarded and will be dealt with in such manner and on such terms and conditions as your Board, in its absolute discretion deem fit or expedient or in the best interest of the Company.

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Each completed RSF must be accompanied by the appropriate remittance made in RM for the FULL and EXACT amount payable for the Provisional Allotments accepted, in the form of Banker's Draft or Cashier's Order or Money Order or Postal Order drawn on a bank or post office in Malaysia and made payable to "**PARKWOOD RIGHTS ISSUE ACCOUNT**", crossed "**ACCOUNT PAYEE ONLY**" and endorsed on the reverse side with your name and address in block letters, contact number and CDS Account number to be received by the Share Registrar by the Closing Date. The payment must be made for the FULL and EXACT amount payable for the Provisional Allotments accepted. Applications accompanied by payment other than in the manner stated above or with excess or insufficient payment may be rejected at the absolute discretion of your Board. Details of the remittances must be filled in the appropriate boxes provided in the RSF.

If the acceptance of and payment for the Provisional Allotments allotted to you (whether in full or in part) are not received by the Share Registrar by **5.00 p.m. on Tuesday, 13 April 2021**, the provisional entitlement to you will be deemed to have been declined and will be cancelled. Your Board will then have the right to allot such Rights Shares not taken up or not validly taken up to applicants applying for the Excess Rights Shares in the manner as set out in Section 10.6 of this Abridged Prospectus.

You should note that all RSFs lodged with the Share Registrar will be irrevocable and cannot be subsequently withdrawn.

Proof of time of postage shall not constitute proof of time of receipt by the Share Registrar. No acknowledgement of receipt of the RSF for the Rights Shares application or the application monies will be issued by the Company or the Share Registrar.

Applications for Rights Shares shall not be deemed to have been accepted by reason of the remittance being presented for payment. Your Board reserves the right not to accept any Rights Shares application, in full or in part.

Notification on the outcome of your application for the Rights Shares will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk within the timelines as follows:-

- (i) successful application – a notice of allotment will be despatched within 8 Market Days from the last date for application and payment for the Rights Shares; or
- (ii) unsuccessful / partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the last day for application and payment for the Rights Shares.

If you have provided your bank account information to Bursa Depository for purposes of cash dividend/ distribution, the refund will be credited directly into that bank account. For this purpose, you are required to provide your consent via the RSF in accordance with the relevant laws of Malaysia, including Section 134 of the Financial Services Act, 2013 and Section 45(1)(a) of the SICDA, to the disclosure by the Company, Bursa Depository, the Share Registrar, the relevant financial institutions, their respective agents and any third party who may be involved in facilitating the payment of refund to you as the case may be, of information pertaining to yourself and your account with the relevant financial institution and Bursa Depository, to the relevant authorities and any person as may be necessary or expedient to facilitate the making of refund or for any other purpose in connection with such payments.

If the crediting of the refund into that bank account (details of which has been provided to Bursa Depository) is unsuccessful, the refund will then be made via cheque which will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk.

10.4.2 By way of Electronic Application

Only individuals who are Entitled Shareholders may apply for the Rights Shares by way of Electronic Application.

Please read carefully and follow the terms of this Abridged Prospectus, the procedures, terms and conditions for Electronic Application and the procedures set out at the ATMs of the Participating Financial Institutions before making an Electronic Application.

(i) **Steps for Electronic Applications through a Participating Financial Institutions' ATM**

The procedures for Electronic Applications at the ATMs of the Participating Financial Institutions are set out on the ATM screens of the relevant Participating Financial Institutions ("**Steps**"). For illustration purposes, the procedures for Electronic Applications at ATMs are set out below. The Steps set out the actions that you must take at the ATM to complete an Electronic Application. Please read carefully the terms of this Abridged Prospectus, the Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application.

- (a) You must have an account with a Participating Financial Institution and an ATM card issued by that Participating Financial Institution to access the account. An ATM card issued by one of the Participating Financial Institutions cannot be used to apply for the Rights Shares at an ATM belonging to other Participating Financial Institutions;
- (b) You are advised to read and understand this Abridged Prospectus BEFORE making the application; and
- (c) You shall apply for the Rights Shares via the ATM of the Participating Financial Institutions by choosing the Electronic Application option. Mandatory statements required in the application are as set out under Section 10.4.2(iii) of this Abridged Prospectus. You shall enter at least the following information through the ATM when the instructions on the ATM screen require you to do so:-
 - (1) Personal Identification Number ("**PIN**");
 - (2) Select '**PARKWOOD RIGHTS ISSUE ACCOUNT**';
 - (3) CDS Account number;
 - (4) Number of Rights Shares applied for and/or the RM amount to be debited from the account;
 - (5) Current contact number (e.g. your mobile phone number); and
 - (6) Confirmation of several mandatory statements.

Upon the completion of your Electronic Application transaction, you will receive a computer-generated transaction slip ("**Transaction Record**"), confirming the details of your Electronic Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Application or any data relating to such an Electronic Application by the Company or the Share Registrar. The Transaction Record is for your record and is not required to be submitted with your Application.

You must ensure that you use the number of the CDS Account held in your name when making an Electronic Application. If you operate a joint bank account with any of the Participating Financial Institutions, you must ensure that you enter the number of the CDS Account held in your name when using an ATM card issued to you in your name. Your application will be rejected if you fail to comply with the foregoing.

(ii) Participating Financial Institutions

Electronic Applications may be made through an ATM of the following Participating Financial Institutions and their branches within Malaysia:-

- Public Bank Berhad
- Affin Bank Berhad

(iii) Terms and Conditions of Electronic Applications

The Electronic Application shall be made on, and subject to, the terms of this Abridged Prospectus, as well as the terms and conditions of the Participating Financial Institutions and those appearing herein:-

- (a) You are required to confirm the following statements (by pressing pre-designated keys or buttons on the ATM keyboard) and undertake that the following information given are true and correct:-
- (1) You have attained 18 years of age as at the last date for application and payment;
 - (2) You have read the relevant Abridged Prospectus and understood and agreed with the terms and conditions of the application;
 - (3) You authorise the financial institution with which you have a bank account to deduct the full amount payable for the Rights Shares (including the processing fee as mentioned in Section 10.3 (Note 2) of this Abridged Prospectus) from your bank account with the said financial institution ("**Authorised Financial Institution**"); and
 - (4) You hereby give consent to the Company, Bursa Depository, the Share Registrar, the relevant Participating Financial Institutions, their respective agents and any third party involved in facilitating the application / refund, to disclose information pertaining to yourself and your account with the Participating Financial Institutions and Bursa Depository to the relevant authorities and any person as may be necessary or expedient to facilitate the making of the application / refund.

Your application will not be successfully completed and cannot be recorded as a completed transaction at the ATM unless you complete all the steps required by the Participating Financial Institutions. By doing so, you shall have confirmed each of the above statements as well as giving consent in accordance with the relevant laws of Malaysia including Section 134 of the Financial Services Act, 2013 and Section 45(1)(a) of the SICDA, to the disclosures as described above.

- (b) You confirm that you are not applying for the Rights Shares as a nominee of any other person and that any Electronic Application that you make is made by you as the beneficial owner.
- (c) You must have sufficient funds in your account with the relevant Participating Financial Institutions at the time you make your Electronic Application, failing which your Electronic Application will not be completed. Any Electronic Application, which does not strictly conform to the instructions set out on the screen of the ATM through which the Electronic Application is being made, will be rejected.

- (d) You agree and undertake to subscribe for or purchase and to accept the number of Rights Shares applied for as stated on the Transaction Record in respect of your Electronic Application. Your confirmation (by your action of pressing the pre-designated keys (or buttons) on the ATM) of the number of Rights Shares applied for shall signify, and shall be treated as, your acceptance of the number of Rights Shares that may be allotted to you.

Should you encounter any problems in your Electronic Application, please refer to the Participating Financial Institutions.

- (e) By making and completing your Electronic Application, you, if successful, requests and authorises the Company to credit the Rights Shares allotted to you into your CDS Account.
- (f) You acknowledge that your Electronic Application is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of the Company, the Share Registrar, the Participating Financial Institutions or Bursa Depository and irrevocably agrees that if:-
- (1) the Company, the Share Registrar or Bursa Depository does not receive your Electronic Application; or
 - (2) data relating to your Electronic Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to the Company, the Share Registrar or Bursa Depository,

you shall be deemed not to have made an Electronic Application and you shall not make any claim whatsoever against the Company, the Share Registrar, the Participating Financial Institutions or Bursa Depository for the Rights Shares applied for or for any compensation, loss or damage relating to the application for the Rights Shares.

- (g) All of your particulars, including your nationality and place of residence, in the records of the relevant Participating Financial Institutions at the time you make your Electronic Application shall be true and correct, and the Company, the Share Registrar, the relevant Participating Financial Institutions and Bursa Depository shall be entitled to rely on the accuracy thereof.
- (h) You shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institutions are correct and identical. Otherwise, your Electronic Application will be rejected. You must inform Bursa Depository promptly of any change in address, failing which, the notification letter of successful allocation will be sent to your correspondence address last maintained with Bursa Depository.
- (i) By making and completing an Electronic Application, you agree that:-
- (1) in consideration of the Company agreeing to allow and accept your application for the Rights Shares via the Electronic Application facility established by the Participating Financial Institutions at their respective ATMs, your Electronic Application is irrevocable and cannot be subsequently withdrawn;
 - (2) the Company, the Participating Financial Institutions, Bursa Depository and the Share Registrar shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Application due to a breakdown or failure of transmission or communication facilities or to any cause beyond our control;

- (3) notwithstanding the receipt of any payment by or on behalf of the Company, the notice of successful allocation for prescribed securities issued in respect of the Rights Shares for which your Electronic Application has been successfully completed is the only confirmation for the acceptance of this offer to subscribe for and purchase the said Rights Shares; and
- (4) you agree that in relation to any legal action, proceedings or dispute arising out of or in relation with the contract between the parties and/or the Electronic Application and/or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (j) the Share Registrar, on the authority of the Company, reserves the right to reject applications which do not conform to these instructions.
- (k) notification on the outcome of your application for the Rights Shares will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk within the timelines as follows:-
 - (1) successful application – a notice of allotment will be despatched within 8 Market Days from the last date for application and payment for the Rights Shares; or
 - (2) unsuccessful / partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the last date for application and payment for the Rights Shares.

The refund will be credited directly into your bank account from which your Electronic Application was made. Kindly take note of the terms and conditions as stated in Section 10.4.2(iii) of this Abridged Prospectus and the required consent in making your Electronic Application.

If the crediting of the refund into your bank account from which your Electronic Application was made is unsuccessful, the refund will then be made via cheque which will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk.

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10.4.3 By way of Internet Application

All Entitled Shareholders may apply for the Rights Shares by way of Internet Application.

Please read carefully and follow the terms of this Abridged Prospectus, the procedures, terms and conditions for Internet Application and the procedures set out on the internet financial services website of the Internet Participating Financial Institutions before making an Internet Application.

(i) Step 1: Set up of account

Before making an application by way of Internet Application, you **must have all** of the following:-

- (a) an existing account with access to internet financial services with **Public Bank Berhad** at <http://www.pbebank.com> or **Affin Bank Berhad** at <http://www.affinbank.com.my>. Accordingly, you will need to have your user identification and PIN/ password for the internet financial services facility; and
- (b) a CDS Account held in your name.

(ii) Step 2: Read the Abridged Prospectus

You are advised to read and understand this Abridged Prospectus **BEFORE** making your application.

(iii) Step 3: Apply through Internet

While we will attempt to provide you with assistance in your application for the Rights Shares through Internet Applications, please note that the actual steps for Internet Applications through the internet financial services website of a particular Internet Participating Financial Institution may differ from the steps outlined below. The possible steps set out below are purely for illustration purposes only.

- (a) Connect to the internet financial services website of the Internet Participating Financial Institution with which you have a bank account;
- (b) Log in to the internet financial services facility by entering your user identification and PIN / password;
- (c) Navigate to the section of the website on applications in respect of the Rights Shares;
- (d) Select the counter in respect of the Rights Shares to launch the electronic Abridged Prospectus and the terms and conditions of the Internet Application;
- (e) Select the designated hyperlink on the screen to accept the abovementioned terms and conditions, having read and understood such terms and conditions;
- (f) At the next screen, complete the online application form;
- (g) Check that the information contained in your online application form, such as the share counter (in this case, PARKWOOD RIGHTS ISSUE ACCOUNT), your national registration identity card number, your current contact number (e.g. your mobile phone number), your CDS Account number, number of Rights Shares applied for and the account number to debit are correct. Then select the designated hyperlink on the screen to confirm and submit the online application form;

- (h) Upon submission of the online application form, you will be linked to the website of the Authorised Financial Institution to effect the online payment of your money for the Rights Issue;
- (i) You must pay for the Rights Issue through the website of the Authorised Financial Institution, failing which the Internet Application is not completed, despite the display of the Confirmation Screen. “**Confirmation Screen**” refers to the screen which appears or is displayed on the internet financial services website, which confirms that the Internet Application has been completed and states the details of your Internet Application, including the number of Rights Shares applied for, which can be printed out for your record;
- (j) As soon as the transaction is completed, a message from the Authorised Financial Institution pertaining to the payment status will appear on the screen of the website through which the online payment for the Rights Shares is being made. Subsequently, the Internet Participating Financial Institution shall confirm that the Internet Application has been completed, via the confirmation screen on its website; and
- (k) You are advised to print out the Confirmation Screen for your reference and record.

(iv) Terms and Conditions of Internet Applications

The Internet Application shall be made on, and subject to, the terms of this Abridged Prospectus, as well as the terms and conditions of the Internet Participating Financial Institutions and those appearing herein:-

- (a) After selecting the designated hyperlink on the screen, you are required to confirm and undertake that the following information given are true and correct:-
 - (1) You have attained 18 years of age as at the last date for application and payment;
 - (2) You have, prior to making the Internet Application, received and/or have had access to a printed / electronic copy of this Abridged Prospectus, the contents of which you have read and understood;
 - (3) You agree to all the terms and conditions of the Internet Application as set out in this Abridged Prospectus and have carefully considered the risk factors set out in this Abridged Prospectus, in addition to all other information contained in this Abridged Prospectus, before making the Internet Application;
 - (4) You authorise the financial institution with which you have a bank account to deduct the full amount payable for the Rights Shares (including the processing fee as mentioned in Section 10.3 (Note 3) of this Abridged Prospectus) from your bank account with the said Authorised Financial Institution; and

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- (5) You hereby give consent in accordance with the relevant laws of Malaysia (including Section 134 of the Financial Services Act, 2013 and Section 45(1)(a) of the SICDA) for the disclosure by the Company, Bursa Depository, the Share Registrar, the relevant Internet Participating Financial Institutions, their respective agents and any third party involved in facilitating the application/ refund, of information pertaining to yourself, the Internet Application made by you, your account with the Internet Participating Financial Institution and/or the Authorised Financial Institution and Bursa Depository, to the relevant authorities and any person as may be necessary or expedient to facilitate the application / refund.
- (b) You confirm that you are not applying for the Rights Shares as a nominee of any other person and that the Internet Application is made in your own name, as beneficial owner and subject to the risks referred to in this Abridged Prospectus.
- (c) You agree and undertake to subscribe for or purchase and to accept the number of Rights Shares applied for as stated on the Confirmation Screen in respect of your Internet Application. Your confirmation of the number of Rights Shares applied for shall signify, and shall be treated as, your acceptance of the number of Rights Shares that may be allotted to you.

Should you encounter any problems in your Internet Application, please refer to the Internet Participating Financial Institution.

- (d) By making and completing your Internet Application, you, if successful, request and authorise the Company to credit the Rights Shares allotted to you into your CDS Account.
- (e) You acknowledge that your Internet Application is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of the Company, the Share Registrar, the Internet Participating Financial Institutions, Authorised Financial Institution or Bursa Depository and irrevocably agrees that if:-
- (1) the Company, the Share Registrar or Bursa Depository does not receive your Internet Application; or
- (2) data relating to your Internet Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to the Company, the Share Registrar or Bursa Depository,

you shall be deemed not to have made an Internet Application and you shall not make any claim whatsoever against the Company, the Share Registrar, the Internet Participating Financial Institutions, Authorised Financial Institution or Bursa Depository for the Rights Shares applied for or for any compensation, loss or damage relating to the application for the Rights Shares.

- (f) all of your particulars, including your nationality and place of residence, in the records of the relevant Internet Participating Financial Institutions at the time you make your Internet Application shall be true and correct, and the Company, the Share Registrar, the relevant Internet Participating Financial Institutions and Bursa Depository shall be entitled to rely on the accuracy thereof.

- (g) you shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Internet Participating Financial Institutions are correct and identical. Otherwise, your Internet Application will be rejected. You must inform Bursa Depository promptly of any change in address, failing which, the notification letter of successful allocation will be sent to your correspondence address last maintained with Bursa Depository.
- (h) By making and completing an Internet Application, you agree that:-
- (1) in consideration of the Company agreeing to allow and accept your application for the Rights Shares via the Internet Application facility established by the Internet Participating Financial Institutions at their respective internet financial services website, your Internet Application is irrevocable and cannot be subsequently withdrawn;
 - (2) the Company, the Internet Participating Financial Institutions, Authorised Financial Institution, Bursa Depository and the Share Registrar shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Internet Application due to a breakdown or failure of transmission or communication facilities or to any cause beyond our control;
 - (3) notwithstanding the receipt of any payment by or on behalf of the Company, the notice of successful allocation for prescribed securities issued in respect of the Rights Shares for which your Internet Application has been successfully completed is the only confirmation for the acceptance of this offer to subscribe for and purchase the said Rights Shares; and
 - (4) you agree that in relation to any legal action, proceedings or dispute arising out of or in relation with the contract between the parties and/or the Internet Application and/or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (i) the Share Registrar, on the authority of the Company, reserves the right to reject applications which do not conform to these instructions.
- (j) Notification on the outcome of your application for the Rights Shares will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk within the timelines as follows:-
- (1) successful application – a notice of allotment will be despatched within 8 Market Days from the last date for application and payment for the Rights Shares; or
 - (2) unsuccessful / partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the last date for application and payment for the Rights Shares.

The refund will be credited directly into your bank account with the Authorised Financial Institution from which payment of your subscription monies was made. Kindly take note of the terms and conditions as stated in Section 10.4.3(iv) of this Abridged Prospectus and the required consent in making your Internet Application.

If the crediting of the refund into your bank account with the Authorised Financial Institution from which payment of your subscription monies was made is unsuccessful, the refund will then be made via cheque which will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk.

- (k) You authorise the Internet Participating Financial Institutions to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, Bursa Securities or other relevant parties in connection with the Rights Issue, all information relating to you if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institutions, necessary for the provision of the Internet Application services or if such disclosure is requested or required in connection with the Rights Issue. Further, the Internet Participating Financial Institutions will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institutions in connection with the use of the Internet Application services.

10.4.4 By way of NRS

The Company has appointed Bursa Depository to provide NRS to our shareholders who are Authorised Nominees. Only the Entitled Shareholders who are Authorised Nominees and who have subscribed for NRS with Bursa Depository may apply via NRS.

Please read carefully and follow the terms of this Abridged Prospectus, the procedures, terms and conditions for application via NRS and Bursa Depository's terms and conditions for NRS and User Guide for NRS (which are made available to all Authorised Nominees who have subscribed for NRS with Bursa Depository) before making the application.

(i) Steps for applications via NRS

- (a) if you are an Entitled Shareholder, and who is an Authorised Nominee who has subscribed for NRS with Bursa Depository, you will not be receiving this Abridged Prospectus, the RSF nor the NPA by post.
- (b) instead, this Abridged Prospectus and a Rights Issue Entitlement File will be transmitted electronically to you by Bursa Depository through Bursa Depository's existing network facility with the Authorised Nominees in the manner as set out in Bursa Depository's User Guide for NRS, on the next business day after the Entitlement Date.
- (c) A notification of the delivery of the Abridged Prospectus and the Rights Issue Entitlement File will also be sent to you via email using the details you have provided to Bursa Depository when you subscribed for NRS with Bursa Depository.
- (d) You are advised to read carefully, understand and follow the terms of this Abridged Prospectus, **BEFORE** making the application.
- (e) You may accept, on behalf of your client, partially or fully, their respective allocation under the Rights Issue.
- (f) To apply for the Rights Shares, you will be required to submit your subscription information via a Rights Shares Subscription File which is to be prepared based on the format as set out in Bursa Depository's User Guide for NRS.

- (g) Once completed, you will need to submit the Rights Share Subscription File to Bursa Depository at any time daily before 5.00 p.m., but in any event no later than the last time and date for acceptance and payment.
- (h) Together with the Rights Shares Subscription File, you will also need to submit a confirmation to Bursa Depository of the following information:-
- (1) confirmation that you have, prior to making the application via NRS, received and/or had access to the electronic copy of this Abridged Prospectus, the contents of which you have read, understood and agreed; and
 - (2) consent to the disclosure of your information to facilitate electronic refunds where applicable.

- (i) With regards to payment for the Rights Shares which you have applied for, you must transfer the amount payable directly to the bank account, the details of which are as follows:-

Bank: **MALAYAN BANKING BERHAD**
Account Name: **PARKWOOD RIGHTS ISSUE ACCOUNT**
Bank Account No.: **514012439009**

prior to submitting the Rights Shares Subscription File to Bursa Depository.

- (j) upon completion of the transfer / payment, you may receive a Transaction Record from the transacting financial institution confirming the details of your transfer/ payment. The Transaction Record is only a record of the completed transaction and not a record of the receipt of the application via NRS or any data relating to such an application by the Company or Bursa Depository. The Transaction Record is for your record and is not required to be submitted with your application via NRS.
- (k) you will be notified on the outcome of your application for the Rights Shares electronically within the timelines as stated below. No physical notice of allotment will be mailed to you.
- (1) successful application – an electronic notification will be sent to you within 8 Market Days from the last date for application and payment for the Rights Shares; or
 - (2) unsuccessful / partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the last date for application and payment for the Rights Shares.

The refund will be credited directly into your bank account (as provided by you in the Rights Shares Subscription File) from which payment of your subscription monies were made. Kindly take note of the terms and conditions as stated in Section 10.4.4(ii) of this Abridged Prospectus and the required consent in making the application via NRS.

If the crediting of the refund into your bank account from which payment of your subscription monies were made is unsuccessful, the refund will then be made via cheque which will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk.

- (l) upon crediting of the Rights Shares allotted to you into your CDS account, you will also receive an electronic confirmation of the crediting from Bursa Depository.
- (m) you should note that all applications made for the Rights Shares submitted under NRS will be irrevocable upon submission of the Rights Shares Subscription File to Bursa Depository and cannot be subsequently withdrawn.

(ii) Terms and Conditions for applications via NRS

The application via NRS shall be made on, and subject to, the terms of this Abridged Prospectus, Bursa Depository's terms and conditions for NRS and Bursa Depository's User Guide for NRS as well as the terms and conditions appearing herein:-

- (a) for purposes of making the electronic refund, you hereby give consent in accordance with the relevant laws of Malaysia, including Section 134 of the Financial Services Act, 2013 and Section 45(1)(a) of the SICDA, to the disclosure by the Company, Bursa Depository, the Share Registrar, the relevant financial institution, their respective agents and any third party involved in facilitating the payment of refunds to you as the case may be, of information pertaining to yourself and your account with the relevant financial institution and Bursa Depository, to the relevant authorities and any person as may be necessary or expedient to facilitate the making of refunds or for any other purpose in connection with such payments. You will be required to provide confirmation of your consent in the manner prescribed in Bursa Depository's terms and conditions for NRS.
- (b) you agree and undertake to subscribe for or purchase and to accept the number of Rights Shares applied for as stated on your Rights Shares Subscription File in respect of your application via NRS. Your application shall signify, and shall be treated as, your acceptance of the number of Rights Shares that may be allotted to you.
- (c) you acknowledge that by completing and submitting the Rights Shares Subscription File to Bursa Depository, you, if successful, requests and authorises the Company to credit the Rights Shares allotted to you into the respective CDS Account as indicated in the Rights Shares Subscription File.
- (d) you acknowledge that your application via NRS is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of the Company, the Share Registrar, the relevant financial institution or Bursa Depository, and irrevocably agree that if:-
 - (1) the Company or the Share Registrar or Bursa Depository does not receive your application via NRS; or
 - (2) the data relating to your application via NRS is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to the Company, the Share Registrar or Bursa Depository,

you shall be deemed not to have made your application and you shall not make any claim whatsoever against the Company, Bursa Depository, the Share Registrar or the relevant financial institution for the Rights Shares applied for or for any compensation, loss or damage relating to the application for the Rights Shares.

- (e) By completing and submitting the Rights Shares Subscription File to Bursa Depository, you agree that:-
- (1) In consideration of the Company agreeing to allow and accept your application for the Rights Shares via the NRS facility established by Bursa Depository, your application via NRS is irrevocable and cannot be subsequently withdrawn;
 - (2) the Company, the relevant financial institutions, Bursa Depository and the Share Registrar shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your application via NRS due to a breakdown or failure of transmission or communication facilities or to any cause beyond our control;
 - (3) notwithstanding the receipt of any payment by or on behalf of the Company, the electronic notification of allotment in respect of the Rights Shares issued is the only confirmation for the acceptance of this offer to subscribe for and purchase the said Rights Shares; and
 - (4) You agree that in relation to any legal action, proceedings or dispute arising out of or in relation to the contract between the parties and/or the application via NRS and/or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (f) the Share Registrar and Bursa Depository, on the authority of the Company, reserves the right to reject applications which do not conform to these instructions.

10.5 Procedures for the sale or transfer of the Provisional Allotments

The Provisional Allotments are renounceable securities and will be traded on Bursa Securities commencing from 30 March 2021 up to and including 7 April 2021. As such, you may sell / transfer all or part of your entitlements under the Rights Issue during such period.

As the Provisional Allotments are prescribed securities, should you wish to sell or transfer, all or part of your entitlement to the Provisional Allotments to 1 or more persons, you may do so through your stockbroker without first having to request for a split of the Provisional Allotments standing to the credit of your CDS Account. To sell or transfer all or part of your entitlement to the Provisional Allotments, you may sell such entitlement in the open market or transfer to such persons as may be allowed pursuant to the Rules of Bursa Depository.

In selling or transferring all or part of your Provisional Allotments, you are not required to deliver any document, including the RSF, to any stockbroker. You are however advised to ensure that you have sufficient number of Provisional Allotments standing to the credit of your CDS Account before selling or transferring.

If you have sold or transferred only part of the Provisional Allotments, you may still accept the balance of the Provisional Allotments not sold or transferred, in accordance with the instructions as set out in Section 10.4 of this Abridged Prospectus.

10.6 Procedures for application for the Excess Rights Shares

It is the intention of your Board to allot the Excess Rights Shares, if any, in a fair and equitable manner to our Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) who have applied for the Excess Rights Shares in the following order of priority:-

- (i) firstly, to minimise the incidence of odd lots;

- (ii) secondly, on a pro-rata basis and in board lot to our Entitled Shareholders who have applied for the Excess Rights Shares, taking into consideration their respective shareholding as at the Entitlement Date;
- (iii) thirdly, on a pro-rata basis and in board lot to our Entitled Shareholders who have applied for the Excess Rights Shares, taking into consideration the quantum of their respective Excess Rights Shares applied for; and
- (iv) lastly, on a pro-rata basis and in board lot to the renounee(s) and/or transferee(s) (if applicable) who have applied for the Excess Rights Shares, taking into consideration the quantum of their respective Excess Rights Shares applied for.

In the event there is any balance Excess Rights Shares after steps (i) to (iv) are carried out, steps (ii) to (iv) will be repeated to allocate the balance Excess Rights Shares.

Nevertheless, your Board reserves the right to allot any Excess Rights Shares applied for in such manner as it deems fit and expedient, and in the best interest of the Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of your Board as set out in (i) to (iv) above is achieved. Your Board also reserves the right to accept any application for the Excess Rights Shares, in full or in part.

10.6.1 By way of RSF

If you are an Entitled Shareholder and/or a renounee and/or a transferee and/or if you have purchased any Provisional Allotments, you may apply for the Excess Rights Shares in addition to your Provisional Allotments. If you wish to do so, please complete **Part I(B)** of the RSF (in addition to **Parts I(A) and II**) and forward it (together with a **separate remittance** made in RM for the FULL and EXACT amount payable in respect of the Excess Rights Shares applied for) to the Share Registrar at the address as set out in Section 11.4.1 of this Abridged Prospectus, so as to **arrive not later than 5.00 p.m. on Tuesday, 13 April 2021**, being the Closing Date.

Payment for the Excess Rights Shares applied for should be made in the same manner described in Section 10.4.1 of this Abridged Prospectus, except that the Banker's Draft or Cashier's Order or Money Order or Postal Order drawn on a bank or post office in Malaysia be made payable to "**PARKWOOD EXCESS RIGHTS ISSUE ACCOUNT**", crossed "**ACCOUNT PAYEE ONLY**" and endorsed on the reverse side with your name and address in block letters, contact number and CDS Account number to be received by the Share Registrar by the Closing Date. The payment must be made for the FULL and EXACT amount payable for the Excess Rights Shares applied for. Applications accompanied by payment other than in the manner stated above or with excess or insufficient payment may be rejected at the absolute discretion of your Board. Details of the remittances must be filled in the appropriate boxes provided in the RSF.

The minimum number of Excess Rights Shares that can be applied for is 1 Excess Rights Share. You should take note that a trading board lot for the Rights Shares comprise 100 Shares.

You should note that all RSFs lodged with the Share Registrar will be irrevocable and cannot be subsequently withdrawn.

Proof of time of postage shall not constitute proof of time of receipt by the Share Registrar. No acknowledgement of receipt of the RSF for the Rights Shares application or the application monies will be issued by the Company or the Share Registrar.

Applications for Excess Rights Shares shall not be deemed to have been accepted by reason of the remittance being presented for payment. Your Board reserves the right not to accept any Excess Rights Shares application, in full or in part.

Notification on the outcome of your application for the Excess Rights Shares will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk within the timelines as follows:-

- (i) successful application – a notice of allotment will be despatched within 8 Market Days from the last date for application and payment for the Excess Rights Shares; or
- (ii) unsuccessful / partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the last date for application and payment for the Excess Rights Shares.

If you have provided your bank account information to Bursa Depository for purposes of cash dividend/ distribution, the refund will be credited directly into that bank account. For this purpose, you are required to provide your consent via the RSF in accordance with the relevant laws of Malaysia, including Section 134 of the Financial Services Act, 2013 and Section 45(1)(a) of the SICDA, to the disclosure by the Company, Bursa Depository, the Share Registrar, the relevant financial institutions, their respective agents and any third party who may be involved in facilitating the payment of refund to you as the case may be, of information pertaining to yourself and your account with the relevant financial institution and Bursa Depository, to the relevant authorities and any person as may be necessary or expedient to facilitate the making of refund or for any other purpose in connection with such payments.

If the crediting of the refund into that bank account (details of which has been provided to Bursa Depository) is unsuccessful, the refund will then be made via cheque which will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk.

10.6.2 By way of Electronic Application

If you are an Entitled Shareholder and/or a renounee and/or a transferee and/or if you have purchased any Provisional Allotments, you may apply for the Excess Rights Shares via Electronic Application in addition to your Provisional Allotments. You may do so by following the same steps as set out in Section 10.4.2 of this Abridged Prospectus, save and except that you shall proceed with the option for application for Excess Rights Shares and the amount payable to be directed to "**PARKWOOD EXCESS RIGHTS ISSUE ACCOUNT**" for the Excess Rights Shares applied for.

The minimum number of Excess Rights Shares that can be applied for is 1 Excess Rights Share. You should take note that a trading board lot for the Rights Shares comprise 100 Shares.

The Electronic Application for the application for Excess Rights Shares shall be made on, and subject to, the same terms and conditions appearing in Section 10.4.2 of this Abridged Prospectus, as well as the terms and conditions as stated below:-

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- (i) you agree and undertake to subscribe for or purchase and to accept the number of Excess Rights Shares applied for as stated on the Transaction Record or any lesser number of Excess Rights Shares that may be allotted to you in respect of your Electronic Application. In the event that the Company decides to allot any lesser number of such Excess Rights Shares or not to allot any Excess Rights Shares to you, you agree to accept any such decision as final. If your Electronic Application is successful, your confirmation (by your action of pressing the pre-designated keys (or buttons) on the ATM) of the number of Excess Rights Shares applied for shall signify, and shall be treated as, your acceptance of the number of Excess Rights Shares that may be allotted to you.
- (ii) the Share Registrar, on the authority of the Company, reserves the right to reject applications which do not conform to these instructions.
- (iii) notification on the outcome of your application for the Excess Rights Shares will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk within the timelines as follows:-
 - (a) successful application – a notice of allotment will be despatched within 8 Market Days from the last date for application and payment for the Excess Rights Shares; or
 - (b) unsuccessful / partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the last date for application and payment for the Excess Rights Shares.

The refund will be credited directly into your bank account from which your Electronic Application was made. Kindly take note of the terms and conditions as stated in Section 10.4.2(iii) of this Abridged Prospectus and the required consent in making your Electronic Application.

If the crediting of the refund into your bank account from which your Electronic Application was made is unsuccessful, the refund will then be made via cheque which will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk

10.6.3 By way of Internet Application

If you are an Entitled Shareholder and/or a renouncee and/or a transferee and/or if you have purchased any Provisional Allotments, you may apply for the Excess Rights Shares via Internet Application in addition to your Provisional Allotments. You may do so by following the same steps as set out in Section 10.4.3 of this Abridged Prospectus, save and except that you shall proceed with the option for application for Excess Rights Shares and the amount payable to be directed to **"PARKWOOD EXCESS RIGHTS ISSUE ACCOUNT"** for the Excess Rights Shares applied.

The minimum number of Excess Rights Shares that can be applied for is 1 Excess Rights Share. You should take note that a trading board lot for the Rights Shares comprise 100 Shares.

The Internet Application for the application for Excess Rights Shares shall be made on, and subject to, the same terms and conditions appearing in Section 10.4.3 of this Abridged Prospectus, as well as the terms and conditions as stated below:-

- (i) you agree and undertake to subscribe for or purchase and to accept the number of Excess Rights Shares applied for as stated on the Confirmation Screen or any lesser number of Excess Rights Shares that may be allotted to you in respect of your Internet Application. In the event that the Company decides to allot any lesser number of such Excess Rights Shares or not to allot any Excess Rights Shares to you, you agree to accept any such decision as final. If your Internet Application is successful, your confirmation (by your action of clicking the designated hyperlink on the relevant screen of the website) of the number of Excess Rights Shares applied for shall signify, and shall be treated as, your acceptance of the number of Excess Rights Shares that may be allotted to you.
- (ii) the Share Registrar, on the authority of the Company, reserves the right to reject applications which do not conform to these instructions.
- (iii) notification on the outcome of your application for the Excess Rights Shares will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk within the timelines as follows:-
 - (a) successful application – a notice of allotment will be despatched within 8 Market Days from the last date for application and payment for the Excess Rights Shares; or
 - (b) unsuccessful/ partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the last date for application and payment for the Excess Rights Shares.

The refund will be credited directly into your bank account with the Authorised Financial Institution from which payment of your subscription monies was made. Kindly take note of the terms and conditions as stated in Section 10.4.3(iv) of this Abridged Prospectus and the required consent in making your Internet Application.

If the crediting of the refund into your bank account with the Authorised Financial Institution from which payment of your subscription monies was made is unsuccessful, the refund will then be made via cheque which will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk.

10.6.4 By way of NRS

If you are an Authorised Nominee who has subscribed for NRS with Bursa Depository who is an Entitled Shareholder and/or a renounee and/or a transferee and/or if you have purchased any Provisional Allotments, you may apply for the Excess Rights Shares via NRS in addition to your Provisional Allotments. You may do so by following the same steps as set out in Section 11.4.4 of this Abridged Prospectus, save and except for the amount payable to be directed to **"PARKWOOD EXCESS RIGHTS ISSUE ACCOUNT" (Bank Account No. 514012439016 with Malayan Banking Berhad)** for the Excess Rights Shares applied for, and you should also complete the details for Excess Rights Shares application at the designated fields for excess applications in the Rights Shares Subscription File.

The minimum number of Excess Rights Shares that can be applied for is 1 Excess Rights Share. You should take note that a trading board lot for the Rights Shares comprise 100 Shares.

The application for Excess Rights Shares via NRS shall be made on, and subject to, the same terms and conditions appearing in Section 10.4.4 of this Abridged Prospectus, Bursa Depository's terms and conditions for NRS and User Guide for NRS (which are made available to all Authorised Nominees who wish to register for NRS), as well as the terms and conditions as stated below:-

- (i) you agree and undertake to subscribe for or purchase and to accept the number of Excess Rights Shares applied for as stated on the Rights Shares Subscription File or any lesser number of Excess Rights Shares that may be allotted to you in respect of your application via NRS. In the event that the Company decides to allot any lesser number of such Excess Rights Shares or not to allot any Excess Rights Shares to you, you agree to accept any such decision as final. If your application via NRS is successful, your submission of the Rights Shares Subscription File to Bursa Depository shall signify, and shall be treated as, your acceptance of the number of Excess Rights Shares that may be allotted to you.
- (ii) the Share Registrar, on the authority of the Company, reserves the right to reject applications which do not conform to these instructions.
- (iii) you will be notified on the outcome of your application for the Excess Rights Shares electronically within the timelines as stated below. No physical notice of allotment will be mailed to you.
 - (a) successful application – an electronic notification will be sent to you within 8 Market Days from the last date for application and payment for the Excess Rights Shares; or
 - (b) unsuccessful / partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the last date for application and payment for the Excess Rights Shares.

The refund will be credited directly into your bank account(s) (as provided by you in the Rights Shares Subscription File) from which payment of your subscription monies were made. Kindly take note of the terms and conditions as stated in Section 10.4.4(ii) of this Abridged Prospectus and the required consent in making the application via NRS.

If the crediting of the refund into your bank account(s) from which payment of your subscription monies were made is unsuccessful, the refund will then be made via cheque(s) which will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk.

10.7 Procedures for acceptance by renouncee(s) and/or transferee(s)

The procedures applicable to renouncee(s) and/or transferee(s) for acceptance, selling and/or transferring of the Provisional Allotments, applying for the Excess Rights Shares and/or, payment are the same as those which are applicable to the Entitled Shareholders as described in Sections 10.3, 10.4, 10.5 and 10.6 of this Abridged Prospectus. Please refer to the relevant sections for the procedures to be followed.

If you wish to obtain a copy of this Abridged Prospectus and/or accompanying RSF, you may obtain for the same from your stockbroker, the registered office, the Share Registrar or on Bursa Securities' website at <http://www.bursamalaysia.com>.

RENOUNCEE(S) AND/OR TRANSFEREE(S) ARE ADVISED TO READ AND ADHERE STRICTLY TO THIS ABRIDGED PROSPECTUS AND THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF.

10.8 CDS Accounts

Bursa Securities has already prescribed the Shares listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Rights Shares are prescribed securities and as such, all dealings in the Rights Shares will be by book entry through a CDS Account and shall be governed by the SICDA and the Rules of Bursa Depository. You must have a valid and subsisting CDS Account in order to subscribe for the Rights Shares. Failure to comply with these specific instructions for application or inaccuracy in the CDS Account number may result in your application being rejected.

Your subscription for the Rights Shares shall constitute consent to receive such Rights Shares as prescribed securities which will be credited directly into your CDS Account. No physical share certificates will be issued to you.

Any person who intends to subscribe for the Rights Shares as a renounee and/or transferee by purchasing the Provisional Allotments from an Entitled Shareholder will have his Rights Shares credited directly as prescribed securities into his/ her CDS Account.

All Excess Rights Shares, if allotted to the successful applicants who apply for the Excess Rights Shares, will be credited directly into the CDS Accounts of the successful applicants.

10.9 Laws of foreign countries or jurisdictions

The Documents have not been, and will not be made to, comply with the laws of any country or jurisdiction other than Malaysia, and have not been, and will not be, lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation (or with or by any regulatory authority or other relevant body) of any country or jurisdiction other than Malaysia.

The Documents are not intended to be, and will not be, issued, circulated or distributed, and the Rights Issue will not be made or offered or deemed made or offered, in any country or jurisdiction other than Malaysia or to persons who are or may be subject to the laws of any country or jurisdiction other than the laws of Malaysia. The Rights Issue to which this Abridged Prospectus relates is only available to persons receiving the Documents within Malaysia.

Accordingly, the Documents have not been, and will not be, despatched to the Foreign Addressed Shareholders. However, the Foreign Addressed Shareholders may collect the Documents from the Share Registrar in Malaysia, Boardroom Share Registrars Sdn Bhd, at 11th Floor, Menara Symphony, No.5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, who is entitled to request such evidence as they deem necessary to satisfy themselves as to the identity and authority of the person collecting the Documents.

The Company will not make or be bound to make any enquiry as to whether you have an address or address for service in Malaysia other than as stated in the Record of Depositors on the Entitlement Date or who have provided the Share Registrar with an address in Malaysia for the despatch of Documents as at **5.00 p.m. on Monday, 29 March 2021** and will not accept or be deemed to accept any liability whether or not any enquiry or investigation is made in connection therewith. We will assume that the Rights Issue and the acceptance by our Entitled Shareholders thereof would not be in breach of the laws of any jurisdiction. We will further assume that our Entitled Shareholders have accepted the Rights Issue in Malaysia and will at all applicable times be subject to the laws of Malaysia.

To the extent you accept your Provisional Allotments and/or apply for the Excess Rights Shares, your acceptance of the terms thereof will be deemed to be in compliance with the Rights Issue and not in breach of the laws of any country or jurisdiction. To the extent you accept your Provisional Allotments and/or apply for the Excess Rights Shares, you will be deemed to have accepted the Rights Issue in Malaysia and be subject to the laws of Malaysia with respect thereto.

All Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) shall be solely responsible to seek advice from their legal and/or professional advisers as to the laws of the countries or jurisdictions to which they are or might be subject. Neither we, the Board, TA Securities, nor any other adviser to the Rights Issue ("**Parties**") shall accept any responsibility or liability whatsoever in the event any acceptance or renunciation made by any Foreign Addressed Shareholder and/or his renouncee(s) and/or transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in any such country or jurisdiction. Such Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) will also have no claims whatsoever against us in respect of their entitlements or to any proceeds thereof.

Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such foreign country or jurisdiction and the Company shall be entitled to be fully indemnified and held harmless by such Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) for any issue, transfer or any other taxes or duties as such person may be required to pay. They will have no claims whatsoever against the Parties in respect of their rights or entitlements under the Rights Issue. Such Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) should also consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to exercise their rights in respect of the Rights Issue.

We reserve the right, at our absolute discretion, to treat any acceptance as invalid, if we believe or have reason to believe that such acceptance may violate applicable legal or regulatory requirements in any country or jurisdiction outside Malaysia. The Provisional Allotments relating to any acceptance which is treated as invalid will be included in the pool of the Excess Rights Shares available for excess application by other Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable).

No shareholder or person acting for the account or benefit of any such person, or any other person, shall have any claims whatsoever against any of the Parties.

In addition, each person, by accepting the delivery of the Documents, accepting any Provisional Allotments by signing any of the forms accompanying this Abridged Prospectus, or subscribing for or acquiring the Rights Shares, will be deemed to have represented, warranted, acknowledged and agreed in favour of (and which representations, warranties, acknowledgements and agreements will be relied upon by) the Parties as follows:-

- (i) the Parties would not, by acting on the acceptance or renunciation in connection with the Rights Issue, be in breach of the laws of any country or jurisdiction to which the Foreign Addressed Shareholder and/or his renouncee(s) and/or transferee(s) (if applicable) are or may be subject to;
- (ii) that person has complied with the laws to which he and/or his renouncee(s) and/or transferee(s) (if applicable) is or may be subject to in connection with the acceptance or renunciation;
- (iii) that person is not a nominee or agent of a person in respect of whom the Parties would, by acting on the acceptance or renunciation, be in breach of the laws of any country or jurisdiction to which that person is or may be subject to;
- (iv) that person has an address for service of process in Malaysia;
- (v) that person is aware that his Provisional Allotments can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;

- (vi) that person has obtained a copy of this Abridged Prospectus and understands the contents of this Abridged Prospectus, and had relied on his own evaluation to assess the merits and risks of the investment; and
- (vii) that person has sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing for or purchasing the Rights Shares, and is and will be able, and is prepared to bear the economic and financial risks of investing in and holding the Rights Shares.

Persons receiving the Documents (including without limitation custodians, nominees and trustees) must not, in connection with the Rights Issue, offer, distribute or send any of them into any jurisdiction where doing so would or might contravene local securities, exchange control or other relevant laws or regulations. If the Documents are received by any person in such jurisdiction or by the agent or nominee of any such person, he/ she/ it/ they must not seek to accept the offer unless he/ she/ it/ they have complied with and observed the laws of all relevant jurisdictions.

Any person who does forward the Documents to any such jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this section, and Parkwood reserves the right to reject a purported acceptance of the Rights Shares from any application by Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) in any jurisdiction other than Malaysia.

11. TERMS AND CONDITIONS

The issuance of the Rights Shares pursuant to the Rights Issue is governed by the terms and conditions as set out in this Abridged Prospectus, the NPA and RSF.

12. FURTHER INFORMATION

You are requested to refer to the enclosed Appendix I for further information.

Yours faithfully

For and on behalf of the Board of

PARKWOOD HOLDINGS BERHAD

(FORMERLY KNOWN AS AMALGAMATED INDUSTRIAL STEEL BERHAD)



DATUK HEW LEE LAM SANG

Independent Non-Executive Director

APPENDIX I - INFORMATION ON THE COMPANY

1. SHARE CAPITAL

As at the LPD, the issued share capital of the Company is RM22,160,982 comprising 137,585,442 Shares (excluding 6,797,300 treasury shares).

2. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

Please refer to Section 8.3 of this Abridged Prospectus for information on the substantial Shareholders' shareholdings before and after the Rights Issue.

3. DIRECTORS

The details of the Board as at the LPD are set out in the table below:-

Name (Designation)	Age	Address	Nationality
Dato' Ghazali Bin Mat Ariff (Chairman / Independent Non-Executive Director)	79	B-13-2 The Zehn Condominium No.10 Jalan Bukit Pantai 59100 Kuala Lumpur	Malaysian
Tuan Haji Fauzi Bin Mustapha (Independent Non-Executive Director)	76	Lot 535-AF, Jalan Marmar Taman Melewar 68100 Batu Caves Selangor	Malaysian
Dato' Lim Yew Boon (Executive Director)	62	No 1, Jalan USJ 1/3J 47620 Subang Jaya Selangor	Malaysian
Lim Chin Sean (Executive Director)	39	No 7, Jalan SS20/18 Damansara Utama 47400 Petaling Jaya Selangor	Malaysian
Datuk Hew Lee Lam Sang (Independent Non-Executive Director)	57	61, Jalan Athinahapan 1 Taman Tun Dr Ismail 60000 Kuala Lumpur	Malaysian
Dr Goh Swee Por (Alternate Director to Lim Chin Sean)	46	12-A, Jalan Tengah 05100 Alor Setar Kedah	Malaysian

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APPENDIX I - INFORMATION ON THE COMPANY (CONT'D)

Save as disclosed below, none of the Directors have any direct and/or indirect shareholding in the Company as at the LPD. The pro forma effects of the Rights Issue on the Directors' shareholdings are as follows:-

Minimum Scenario

Directors	As at the LPD				After the Rights Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Dato' Ghazali Bin Mat Ariff	317,125	0.23	-	-	317,125	0.14	-	-
Tuan Haji Fauzi Bin Mustapha	20,000	0.01	-	-	20,000	0.01	-	-
Dato' Lim Yew Boon	10,000	0.01	-	-	10,000	0.00	-	-
Mr. Lim Chin Sean	-	-	(3)39,771,975	28.91	-	-	(3)123,105,309	55.72

Notes:-

- (1) Based on the issued share capital of 137,585,442 Shares as at the LPD.
- (2) Based on the enlarged issued share capital of 220,918,776 Shares.
- (3) Deemed interest pursuant to Section 8 of the Act by virtue of his interest in Telaxis.

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APPENDIX I - INFORMATION ON THE COMPANY (CONT'D)

Maximum Scenario

Directors	As at the LPD				After the Rights Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Dato' Ghazali Bin Mat Ariff	317,125	0.23	-	-	634,250	0.23	-	-
Tuan Haji Fauzi Bin Mustapha	20,000	0.01	-	-	40,000	0.01	-	-
Dato' Lim Yew Boon	10,000	0.01	-	-	20,000	0.01	-	-
Mr. Lim Chin Sean	-	-	(3)39,771,975	28.91	-	-	(3)79,543,950	28.91

Notes:-

- (1) Based on the issued share capital of 137,585,442 Shares as at the LPD.
- (2) Based on the enlarged issued share capital of 275,170,884 Shares.
- (3) Deemed interest pursuant to Section 8 of the Act by virtue of his interest in Telaxis.

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APPENDIX I - INFORMATION ON THE COMPANY (CONT'D)**4. HISTORICAL FINANCIAL INFORMATION**

A summary of the historical financial information of the Group is as follows:-

Historical financial performance

	Audited			Unaudited
	FYE 31 December 2017	FYE 31 December 2018	FYE 31 December 2019	FYE 31 December 2020
	RM'000	RM'000	RM'000	RM'000
Revenue	19,740	4,259	5,015	6,512
Cost of sales	(17,890)	(2,602)	(2,867)	(3,942)
GP	1,850	1,657	2,148	2,570
Other income	12,834	2,608	1,353	911
Selling and distribution expenses	(140)	-	(1,376)	(454)
Administrative expenses	(10,706)	(6,457)	(6,066)	(6,115)
Net impairment (loss) / gain on financial assets	(408)	17	-	-
Profit / (loss) from operations	3,430	(2,175)	(3,941)	(3,088)
Fair value gain / (loss) on investment property	3,086	(2,800)	-	-
Finance costs	(591)	-	(152)	(726)
PBT / (LBT)	5,925	(4,975)	(4,093)	(3,814)
Taxation	348	805	1,343	(176)
PAT / (LAT)	6,273	(4,170)	(2,750)	(3,990)
PAT / (LAT) attributable to owners of the Company	6,273	(4,170)	(2,750)	(3,990)
GP margin (%)	9.37	38.91	42.83	39.47
PAT / (LAT) margin (%)	31.78	(97.91)	(54.84)	(61.27)

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APPENDIX I - INFORMATION ON THE COMPANY (CONT'D)**Historical financial position**

	Audited			Unaudited
	As at 31 December 2017	As at 31 December 2018	As at 31 December 2019	As at 31 December 2020
	RM'000	RM'000	RM'000	RM'000
Non-current assets	77,117	37,315	38,429	71,346
Current assets	74,624	107,380	105,363	92,800
Total assets	151,741	144,695	143,792	164,146
Share capital	19,566	19,566	22,161	22,161
Share premium	2,595	2,595	-	-
Asset revaluation reserve	24,540	24,540	24,540	24,540
Capital reserve	48,209	48,209	48,209	48,209
Retained profits	50,825	46,655	43,816	39,826
Treasury shares	(3,725)	(3,725)	(3,725)	(3,725)
Shareholders' equity / NA / Total equity	142,010	137,840	135,001	131,011
Non-current liabilities	5,714	1,807	4,789	27,077
Current liabilities	4,017	5,048	4,002	6,058
Total liabilities	9,731	6,855	8,791	33,135
Total equity and liabilities	151,741	144,695	143,792	164,146

Historical cash flow

	Audited			Unaudited
	FYE 31 December 2017	FYE 31 December 2018	FYE 31 December 2019	FYE 31 December 2020
	RM'000	RM'000	RM'000	RM'000
<u>Net cash from / (used in)</u>				
Operating activities	(8,833)	(5,988)	(17,195)	(37,856)
Investing activities	66,657	(18,605)	13,479	5,784
Financing activities	(20,222)	-	3,846	20,729
Net increase / (decrease) in cash and cash equivalents	37,602	(24,593)	130	(11,343)
Cash and cash equivalents at beginning of the year	14,070	51,672	27,079	27,209
Cash and cash equivalents at end of the year	51,672	27,079	27,209	15,866

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APPENDIX I - INFORMATION ON THE COMPANY (CONT'D)

(i) FYE 31 December 2020 vs FYE 31 December 2019

In FYE 31 December 2020, the Group derived its revenue from:-

- (a) property development amounting to RM4.19 million; and
- (b) property investment activities such as rental income from the leasing of its factory building in Shah Alam amounting to RM1.94 million, leasing of vacant land adjacent to the aforesaid factory building to new tenant amounting to RM0.30 million and sub-leasing of its office building in Subang USJ of RM0.08 million.

The Group's revenue for the FYE 31 December 2020 increased by 29.85% to RM6.51 million as compared to the previous financial year. This was mainly due to contribution from the development of the Utamara project and rental income received from new tenant as mentioned above. As at the LPD, the Group has completed approximately 44% of the Utamara Project, further details are set out in Section 5.

The Group recorded a GP of RM2.57 million (GP margin of 39.47%) as compared to a GP of RM2.15 million (GP margin of 42.83%) in the previous financial year. The decrease in GP margin is mainly due to one-off expenses incurred on the refurbishment of factory building in Shah Alam, for the purpose of leasing the building to a new tenant.

The Group recorded a higher LAT of RM3.99 million as compared to a LAT of RM2.75 million in the previous financial year, representing an increase of 45.09%. The increase in LAT was mainly due to the following:-

- (a) decrease in interest income of RM0.55 million;
- (b) increase in finance cost of RM0.57 million;
- (c) increase in administrative expenses of RM0.05 million; and
- (d) tax expense of RM0.11 million for FYE 31 December 2020 due to the underprovision of tax in the prior year.

The Group recorded a net cash used in operating activities of RM37.86 million, which was mainly due to the increase in property development costs in relation to the Utamara Project of RM36.68 million and increase in contract assets (being unbilled revenue in relation to work in progress for the Utamara Project) of RM2.17 million.

For the FYE 31 December 2020, the Group recorded a decrease in cash and cash equivalents of RM11.34 million (FYE 31 December 2019: increase of RM0.13 million) mainly due to the increase in property development costs amounting to RM36.68 million. The above was offset by the drawdown of term loan amounting to RM21.28 million.

(ii) FYE 31 December 2019 vs FYE 31 December 2018

In FYE 31 December 2019, the Group derived its revenue from:-

- (a) property development amounting to RM3.00 million; and
- (b) property investment activities such as rental income from the leasing of its factory building in Shah Alam amounting to RM2.01 million.

The Group's revenue for the FYE 31 December 2019 increased by 17.75% to RM5.02 million as compared to the previous financial year. This was mainly due to contribution from property development such as the development of the Utamara Project.

APPENDIX I - INFORMATION ON THE COMPANY (CONT'D)

The Group achieved a GP of RM2.15 million (GP margin of 42.83%) as compared to a GP of RM1.66 million (GP margin of 38.91%) in the previous financial year. The increase in GP was mainly due to higher revenue achieved in FYE 31 December 2019 as compared to the previous financial year. The increase in GP margin was mainly due to the Group's diversification into the property development sector, which generates a higher margin compared to its previous steel manufacturing operation.

The Group recorded a lower LAT of RM2.75 million in the FYE 31 December 2019 as compared to a LAT of RM4.17 million recorded in the previous financial year, representing a decrease of 34.05%. The decrease in LAT was mainly due to the following:-

- (a) higher GP;
- (b) decrease in administrative expenses of RM0.39 million;
- (c) absence of fair value loss on investment property of RM2.80 million, which was present in FYE 31 December 2018; and
- (d) increase in tax income of RM0.54 million for FYE 31 December 2019 due to the overprovision of tax in the previous financial year.

In FYE 31 December 2019, other income decreased by RM1.26 million as compared to the previous financial year and the Group recorded selling and distribution expenses of RM1.38 million (FYE 31 December 2018: nil) in relation to the development of the Utamara Project.

The Group recorded a net cash used in operating activities of RM17.20 million, which was mainly due to increase in contract costs of RM2.91 million, increase in trade and other receivables of RM3.41 million and payment of RPGT of RM2.93 million in relation to the reclassification of a parcel of land from investment properties to property development costs.

For FYE 31 December 2019, the Group recorded an increase in cash and cash equivalents of RM0.13 million (FYE 31 December 2018: decrease of RM24.59 million). This was mainly due to withdrawal of fixed deposits with tenure more than 3 months amounting to RM12.44 million and drawdown of term loan amounting to RM4.40 million in FYE 31 December 2019.

The above was offset by the payment of real property gains tax amounting to RM2.93 million, as well as increase in contract assets and trade and other receivables amounting to RM2.08 million and RM 3.41 million respectively, due to the additional progress billing issued to customers, which was in line with the increase in revenue during the year.

(iii) FYE 31 December 2018 vs FYE 31 December 2017

In FYE 31 December 2018, the Group derived its revenue from:-

- (a) the sale of steel amounting to RM2.32 million; and
- (b) property investment activities such as rental income from the leasing of its factory building in Shah Alam amounting to RM1.94 million.

In FYE 31 December 2017, the Group derived its revenue entirely from the sale of steel which amounted to RM19.74 million. The Group's revenue for FYE 31 December 2018 decreased by 78.42% to RM4.26 million, mainly due to the drop in the sale of steel as compared to the previous financial year.

APPENDIX I - INFORMATION ON THE COMPANY (CONT'D)

On 16 February 2015, Parkwood obtained shareholders' approval for the proposed diversification of its business to include property development.

On 4 December 2017, the Company completed the acquisition of Parkwood, which allowed the Group to embark on property development. There was no property development revenue recognised in FYE 31 December 2018 as the Group was still finalising its plans for the Utamara Project.

The Group recorded a GP of RM1.66 million (GP margin of 38.91%) as compared to a GP of RM1.85 million (GP margin of 9.37%) in the previous financial year. The decrease in GP in FYE 31 December 2018 is in line with the decrease in revenue following the discontinuation of the Group's steel manufacturing operation. Notwithstanding the above, the higher GP margin was contributed by the rental income from the leasing of factory building in Shah Alam, which commenced in January 2018.

The Group recorded a LAT of RM4.17 million as compared to a PAT of RM6.27 million in the previous financial year. This is mainly due to:-

- (a) decrease in other income by RM10.23 million as the Group recognised a gain on disposal of property, plant and equipment of only RM0.05 million as compared to a gain on disposal of property, plant and equipment of RM11.70 million in the previous financial year;
- (b) the Company recognised a fair value loss on investment property of RM2.80 million in FYE 31 December 2018 as compared to a fair value gain on investment property of RM3.09 million in the previous financial year; and
- (c) decrease in administrative expenses of RM4.25 million in FYE 31 December 2018 as compared to the previous financial year.

The Group recorded a net cash used in operating activities of RM5.99 million, which was mainly due to increase in property development costs of RM1.81 million for the Utamara Project and decrease in trade and other payables of RM1.05 million.

For FYE 31 December 2018, the Group recorded a decrease in cash and cash equivalents of RM24.59 million (FYE 31 December 2017: increase of RM37.60 million). This was mainly due to placement of fixed deposits with tenure more than 3 months amounting to RM20.00 million.

5. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of Parkwood Shares as transacted on Bursa Securities for the past 12 months preceding the date of this Abridged Prospectus are as follows:-

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APPENDIX I - INFORMATION ON THE COMPANY (CONT'D)

	High	Low
	RM	RM
2020		
March	0.220	0.160
April	0.245	0.190
May	0.195	0.190
June	0.295	0.170
July	0.280	0.190
August	0.280	0.200
September	0.260	0.190
October	0.235	0.205
November	0.285	0.210
December	0.400	0.225
2021		
January	0.325	0.255
February	0.330	0.235
Last transacted market price on 11 November 2020, being the last Market Day immediately prior to the first announcement of the Corporate Exercises (RM)	0.210	
Last transacted market price on 25 March 2021, being the Market Day immediately prior to the ex-date for the Rights Issue (RM)	0.280	
Last transacted market price on the LPD (RM)	0.305	

(Source: Bloomberg)

6. OPTION TO SUBSCRIBE FOR SHARES

As at the LPD, save for the Provisional Allotments as well as Excess Rights Shares, no option to subscribe for any securities of the Company has been granted or is entitled to be granted to any person.

7. MATERIAL CONTRACTS

Save as disclosed below, the Board confirmed that there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Group during the 2 years preceding the date of this Abridged Prospectus:-

Sale and Purchase Agreement dated 14 November 2019 between Parkwood Damai Sdn Bhd (formerly known as AIS Manufacturing Sdn Bhd), a wholly-owned subsidiary of the Group, as the purchaser and Rias Niaga Sdn Bhd as the vendor for the acquisition of 5 parcels of leasehold commercial land identified as Lot Nos. 70303, 70304, 70305, 70306 and 70307, held under Title Nos. PN 22368, PN 22369, PN 22370, PN 22371 and PN 22372 respectively, all within Mukim Sungai Buloh, District of Petaling, Selangor, together with a single-storey sports centre erected on Lot 70303, Lot 70304, Lot 70305 and Lot 70306 and a one and a half-storey reconditioned car showroom erected on Lot 70307, for a total cash consideration of RM31.00 million.

The aforesaid acquisition was completed on 19 August 2020.

APPENDIX I - INFORMATION ON THE COMPANY (CONT'D)

8. MATERIAL LITIGATION

As at the LPD, Parkwood Group is not involved in any material litigation, claims or arbitration and the Board confirmed that there are no proceedings pending or threatened involving the Parkwood Group, or of any facts likely to give rise to any such proceedings.

9. CONSENTS

- (i) The written consents of the Principal Adviser, company secretary, Share Registrar, reporting accountants and the solicitors for the Rights Issue for the inclusion in this Abridged Prospectus of their names and all references thereto in the form and context in which they appear have been given before the issuance of this Abridged Prospectus and have not been subsequently withdrawn.
- (ii) The written consent of Bloomberg for the inclusion in this Abridged Prospectus of its name and citation of the market data made available to its subscribers in the form and context in which such name and market data appear has been given before the issuance of this Abridged Prospectus and has not been subsequently withdrawn.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of Parkwood at Unit 8-02, Level 8, Menara LGB, No.1, Jalan Wan Kadir, Taman Tun Dr Ismail, 60000 Kuala Lumpur during normal business hours from Monday to Friday (except public holidays) for a period of 6 months from the date of this Abridged Prospectus:-

- (i) the Constitution of the Company;
- (ii) the Undertaking referred to in Section 3 of this Abridged Prospectus;
- (iii) the material contract referred to in Section 7 of Appendix I above.
- (iv) the letters of consent referred to in Section 9 of Appendix I above;

11. RESPONSIBILITY STATEMENT

- (i) The Board has seen and approved this Abridged Prospectus, together with the NPA and RSF, and they collectively and individually accept full responsibility for the accuracy of the information contained therein and confirm that, after having made all reasonable inquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which, if omitted, would make any statement in these documents false or misleading.
- (ii) TA Securities, being the Principal Adviser for the Rights Issue, acknowledges that, based on all available information and to the best of their knowledge and belief, this Abridged Prospectus constitutes full and true disclosure of all material facts concerning the Rights Issue.

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