

All terms and abbreviations used herein shall have the same meanings as those defined in the “Definitions” section of this Abridged Prospectus unless stated otherwise.

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

THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF YOU ARE IN ANY 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 our Share Registrar, Boardroom.com Sdn. Bhd. at Level 5, Block B, Dataran PHB, Saujana Resort, Section U2, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia (Tel: +603 7890 0638).

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 the Rights Issue. A copy of this Abridged Prospectus, together with the accompanying NPA and RSF (collectively, the “Documents”), has also been lodged with the Registrar of Companies who takes no responsibility for the contents of the Documents.

The approval from our shareholders for the Rights Issue was obtained at the EGM held on 30 June 2021. Approval has been obtained from Bursa Securities vide its letter dated 8 June 2021 for the admission of ICULS to the Official List of Bursa Securities as well as the listing of and quotation for the ICULS and the new YBVB Shares to be issued upon conversion of ICULS on the Main Market of Bursa Securities. Admission of the ICULS to the Official List of Bursa Securities and the listing of and quotation for the ICULS and new YBVB Shares to be issued upon the conversion of the ICULS on the Main Market of Bursa Securities are not to be taken as an indication of the merits of the Rights Issue. Approval from the SC has also been obtained on 25 May 2021 for the issuance of the ICULS to the shareholders of YBVB. The official listing of and quotation for the ICULS will commence after the receipt of confirmation from Bursa Depository that all the CDS Accounts of the successful Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) have been duly credited and notices of allotment have been despatched to them.

The Directors of YBVB have seen and approved all the documentation relating to this Rights Issue. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statements or other facts which if omitted, would make any statement in this Abridged Prospectus false or misleading.

The Documents will only be despatched to our Entitled Shareholders who have provided our Share Registrar with a registered address in Malaysia and whose names appear on our Record of Depositors not later than 5.00 p.m. on Wednesday, 11 August 2021. The Documents are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue complies with the laws of any countries or jurisdictions other than the laws of Malaysia. Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers and/or other professional advisers as to whether the acceptance and/or renunciation (as the case may be) of all or any part of their entitlements to the Rights Issue would result in the contravention of any laws of such countries or jurisdictions. Neither YBVB, KAF IB nor any other professional advisers named herein shall accept any responsibility or liability in the event that any acceptance and/or renunciation (as the case may be) of all or any part of the entitlements to the Rights Issue made by the Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in any such countries or jurisdictions.

The SC is not liable for any non-disclosure on the part of YBVB 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 whatsoever 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 YOU SHOULD CONSIDER, PLEASE REFER TO SECTION 6.0 OF THIS ABRIDGED PROSPECTUS.



YB VENTURES BERHAD

(formerly known as Yi-Lai Berhad)

(Registration No.: 200001013437 / 516043-K)

(Incorporated in Malaysia)

RENOUNCEABLE RIGHTS ISSUE OF UP TO RM48,523,305 NOMINAL VALUE OF FIVE (5)-YEAR, 0.10%, IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS (“ICULS”) AT 100% OF ITS NOMINAL VALUE OF RM0.04 EACH (“RIGHTS ICULS”) ON THE BASIS OF FIVE (5) RIGHTS ICULS FOR EVERY ONE (1) EXISTING ORDINARY SHARE IN YB VENTURES BERHAD HELD AS AT 5.00 P.M. ON WEDNESDAY, 11 AUGUST 2021

Principal Adviser



Trustee



IMPORTANT RELEVANT DATES AND TIMES:-

Entitlement Date	:	Wednesday, 11 August 2021 at 5:00 p.m.
Last date and time for:-		
Sale of Provisional Rights ICULS	:	Wednesday, 18 August 2021 at 5:00 p.m.
Transfer of Provisional Rights ICULS	:	Friday, 20 August 2021 at 4:30 p.m.
Acceptance and payment	:	Friday, 27 August 2021 at 5:00 p.m.
Excess application and payment	:	Friday, 27 August 2021 at 5:00 p.m.

ALL THE TERMS AND ABBREVIATIONS USED HEREIN SHALL HAVE THE SAME MEANINGS AS THOSE DEFINED IN THE "DEFINITIONS" SECTION OF THIS ABRIDGED PROSPECTUS UNLESS STATED OTHERWISE.

RESPONSIBILITY STATEMENTS

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

KAF IB, BEING THE PRINCIPAL ADVISER, 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.

OTHER STATEMENTS

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF INVESTING IN THE RIGHTS ISSUE. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

YOU SHOULD NOTE THAT YOU MAY SEEK RECOURSE UNDER SECTIONS 248, 249 AND 357 OF THE CMSA FOR BREACHES OF SECURITIES LAWS INCLUDING ANY STATEMENT IN THIS ABRIDGED PROSPECTUS THAT IS FALSE, MISLEADING, OR FROM WHICH THERE IS A MATERIAL OMISSION; OR FOR ANY MISLEADING OR DECEPTIVE ACT IN RELATION TO THIS ABRIDGED PROSPECTUS OR THE CONDUCT OF ANY OTHER PERSON IN RELATION TO OUR 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 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 AND TO OBSERVE SUCH RESTRICTIONS.

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, the NPA and the RSF:-

“Abridged Prospectus”	: This Abridged Prospectus dated 11 August 2021 in relation to the Rights Issue
“Act”	: The Companies Act 2016
“Advisers”	: Collectively, the Principal Adviser, solicitors, Share Registrar and paying agent as well as Trustee, being the advisers appointed by our Company for the Rights Issue as disclosed in the Advisers’ Directory
“Bloomberg”	Bloomberg Finance Singapore L.P. and its affiliates
“Board”	: Board of Directors of YBVB
“Bursa Depository”	: Bursa Malaysia Depository Sdn. Bhd. (198701006854 / 165570-W)
“Bursa Securities”	: Bursa Malaysia Securities Berhad (200301033577 / 635998-W)
“Cash Option”	: The conversion of ICULS by surrendering such number of ICULS together with cash such that in aggregate it amounts to the Conversion Price subject to a minimum of one (1) ICULS and paying the difference between the aggregate value of the ICULS surrendered and the Conversion Price in cash for one (1) new YBVB Share
“CDS Account(s)”	: A 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 for dealings in such securities by the depositor
“CDS”	: Central Depository System, the system established and operated by Bursa Depository for the central handling of securities deposited with Bursa Depository
“Closing Date”	: 27 August 2021 at 5.00 p.m., being the last date and time for the acceptance of and payment for the Provisional Rights ICULS and the application and payment for the Excess Rights ICULS or such later date and time as our Board may decide and announce not less than two (2) Market Days before the stipulated date and time
“CMSA”	: Capital Markets and Services Act 2007
“Conversion Price”	: RM0.48, being the conversion price of the ICULS for every one (1) new YBVB Share
“COVID-19”	: Coronavirus disease 2019
“E&E”	: Electric and electrical
“EGM”	: Extraordinary general meeting
“Entitled Shareholders”	: Shareholders of YBVB, whose names appear in the Record of Depositors of our Company as at the close of business on the Entitlement Date
“Entitlement Date”	: 11 August 2021, at 5.00 p.m., being the date on which the names of the shareholders of YBVB must appear in the Record of Depositors of our Company in order to be entitled to participate in the Rights Issue
“EPS”	: Earnings per Share
“ESOS”	: Employees’ share option scheme of our Company

DEFINITIONS (CONT'D)

“Excess Rights ICULS”	:	Rights ICULS which are not taken up or not validly taken up by the Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) prior to the Closing Date
“e-RSF”	:	Electronic RSF
“e-Subscription”	:	The method available for Entitled Shareholders to subscribe for the Provisional Rights ICULS and to apply for Excess Rights ICULS electronically via https://www.registrar-boardroom.com.my
“Foreign Entitled Shareholders”	:	Entitled Shareholders who do/do not have a registered address in Malaysia or an address for service in Malaysia
“FPE”	:	Financial period ended 31 March
“FYE”	:	Financial year ended/ending 31 December
“ICULS” or “Rights ICULS”	:	Five (5)-year, 0.10%, irredeemable convertible unsecured loan stocks to be issued by our Company pursuant to the Rights Issue
“IT”	:	Information Technology
“KAF IB” or “Principal Adviser”	:	KAF Investment Bank Berhad (197401003530 / 20657-W)
“LAT”	:	Loss after taxation
“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities
“LPD”	:	15 July 2021, being the latest practicable date prior to the issuance of this Abridged Prospectus
“Market Day(s)”	:	A day on which Bursa Securities is open for trading in securities
“Maximum Scenario”	:	(i) Assuming that the Rights Issue is implemented based on the Maximum Subscription Level basis; and (ii) RM48,523,305 nominal value of Rights ICULS to be issued under the Maximum Subscription Level will be fully converted into 1,213,082,625 new YBVB Shares by surrendering one (1) ICULS together with cash such that in aggregate it amounts to the Conversion Price
“Maximum Subscription Level”	:	The maximum subscription level basis of RM48,523,305 nominal value of Rights ICULS that may be issued under the Rights Issue
“MCO”	:	Movement Control Order
“Minimum Scenario”	:	(i) Assuming that the Rights Issue is implemented based on the Minimum Subscription Level basis; and (ii) RM7,461,599.80 nominal value of Rights ICULS to be issued under the Minimum Subscription Level will be fully converted into 15,544,999 new YBVB Shares by surrendering nominal value of ICULS equivalent to the Conversion Price
“Minimum Subscription Level”	:	The minimum subscription level basis of RM7,461,599.80 nominal value of Rights ICULS that may be issued under the Rights Issue
“MTrustee” or “Trustee”	:	MTrustee Berhad (198701004362 / 163032-V)

DEFINITIONS (CONT'D)

“NA”	: Net assets
“Non-Cash Option”	: The conversion of ICULS by surrendering nominal value of ICULS equivalent to the Conversion Price
“NPA”	: Notice of Provisional Allotment of Rights ICULS
“Official List”	: A list specifying all securities listed on the Main Market of Bursa Securities
“PAT”	: Profit after taxation
“Price-Fixing Date”	: 21 July 2021, being the date on which the Conversion Price was determined by our Board and announced by our Company
“Provisional Rights ICULS”	: Rights ICULS provisionally allotted to the Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) pursuant to the Rights Issue
“Record of Depositors”	: A record of depositors established by Bursa Depository under the Rules of Bursa Depository
“Rights Issue”	: Renounceable rights issue of up to RM48,523,305 nominal value or 1,213,082,625 ICULS at 100% of its nominal value of RM0.04 each on the basis of five (5) Rights ICULS for every one (1) YBVB Share held by the Entitled Shareholders on the Entitlement Date
“RM” and “sen”	: Ringgit Malaysia and sen, respectively
“RSF”	: Rights Subscription Form
“Rules”	: Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the SC
“Rules of Bursa Depository”	: The rules of Bursa Depository as issued pursuant to the SICDA
“SC”	: Securities Commission Malaysia
“Share Registrar”	: Boardroom.com Sdn. Bhd. (200801019600 / 820910-X)
“SICDA”	: Securities Industry (Central Depositories) Act, 1991, as amended from time to time
“SOPs”	: Standard operating procedures
“TERP”	: Theoretical ex-rights price
“TechBase Solution”	: TechBase Solution Sdn. Bhd. (200901025479 / 868581-M)
“Trust Deed”	: The document constituting the ICULS executed by our Company and the Trustee on 21 July 2021
“Undertakings”	: Irrevocable written undertakings from the Undertaking Shareholders to subscribe in full for their respective entitlements of Rights ICULS under the Rights Issue
“Undertaking Shareholders”	: Collectively, Lim Lee Wheng, Au Yee Boon and TechBase Solution
“VWAMP”	: Volume weighted average market price
“WFH”	: Work from home
“YBVB” or “Company”	: YB Ventures Berhad (formerly known as Yi-Lai Berhad) (200001013437 / 516043-K)

DEFINITIONS (*CONT'D*)

“YBVB Group” or “Group” : YBVB and its subsidiaries, collectively

“YBVB Share(s)” or
“Share(s)” : Ordinary share(s) in our Company

All references to “our Company” or “YBVB” in this Abridged Prospectus are made to YB Ventures Berhad and references to “our Group” are made to our Company and our subsidiaries. All references to “we”, “us”, “our” and “ourselves” are made to our Company, or where the context requires, our Group or any of our subsidiaries. All references to “you” in this Abridged Prospectus are made to our Entitled Shareholders and/or where the context otherwise requires, their renounee(s) and/or transferee(s) (if applicable).

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, 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 reference to a time of day in this Abridged Prospectus shall be a reference to Malaysian time, unless otherwise specified.

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ADVISER'S DIRECTORY

- PRINCIPAL ADVISER** : KAF Investment Bank Berhad
Level 14, Chulan Tower
3, Jalan Conlay
50450 Kuala Lumpur
Wilayah Persekutuan

Tel No: +603 2171 0228
Fax No: +603 2171 0314
- SOLICITORS FOR THE RIGHTS
ISSUE** : David Lai & Tan
Level 8-3 & 8-4, Wisma Miramas
No.1, Jalan 2/109E
Taman Desa
Jalan Klang Lama
58100 Kuala Lumpur

Tel No: +603 7972 7968
Fax No: +603 7972 7967
- SHARE REGISTRAR AND PAYING
AGENTS** : Boardroom.com Sdn. Bhd.
Level 5, Block B
Dataran PHB, Saujana Resort
Section U2
40150 Shah Alam
Selangor Darul Ehsan

Tel No: +603 7890 0638
Fax No: +603 7890 1032
- TRUSTEE** : MTrustee Berhad
Level 15, Menara AmFirst
No.1, Jalan 19/3
46300 Petaling Jaya
Selangor Darul Ehsan

Tel No: +603 7954 6862
Fax No: +603 7954 3712
- STOCK EXCHANGE LISTED AND
LISTING SOUGHT** : Main Market of Bursa Securities

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SUMMARY OF RIGHTS ISSUE

This summary of Rights Issue only highlights the key information from other parts of this 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.

Basis of allotment : Five (5) Rights ICULS for every one (1) YBVB Share held by Entitled Shareholders on the Entitlement Date.

Please refer to Section 2.1 of this Abridged Prospectus for further information.

Nominal value of ICULS to be issued : Up to RM48,523,305 nominal value or 1,213,082,625 ICULS
Please refer to Section 2.1 of this Abridged Prospectus for further information.

Issue Price and Conversion Price : The Rights ICULS is issued at 100% of the nominal value of RM0.04 each and the Conversion Price for one (1) new YBVB Share is RM0.48.

Please refer to Section 2.2 of this Abridged Prospectus for further information.

Shareholders' Undertakings : The Rights Issue will be undertaken based on the Minimum Subscription Level basis. The Undertaking Shareholders have provided written irrevocable undertakings to subscribe for their respective entitlements to the Rights ICULS under the Rights Issue for RM7,461,599.80 nominal value of Rights ICULS.

As the Undertakings are sufficient to achieve the Minimum Subscription Level, the remaining portion of RM41,061,705.20 nominal value of Rights ICULS will not be underwritten.

Please refer to Section 2.5 of this Abridged Prospectus for further information.

Utilisation of proceeds : The Rights Issue is expected to raise total gross proceeds of up to RM48.52 million which shall be utilised as follows:-

Utilisation of proceeds	Expected timeframe for utilisation	Minimum Subscription Level	Maximum Subscription Level
		RM'000	RM'000
Business expansion	Within 24 months	6,862	45,585
Working capital	Within 12 months	-	2,338
Estimated expenses	Within 3 months	600	600
Total		7,462	48,523

Please refer to Section 3.0 of this Abridged Prospectus for further information.

Risk factors : There are a number of risks that you should consider before subscribing for or investing in the Rights Issue, particularly the following:-

- (i) risks relating to our businesses and operations, of which our Group are exposed to, including business risks, operational risks, dependence on key management and impact of COVID-19 on our Company's business;
- (ii) risks relating to the industry, of which our Group are exposed to, including competition risk, dependency on the property and IT industries, foreign exchange fluctuation risk and changes in economic, political and regulatory conditions; and
- (iii) risks relating to the Rights Issue, including the unsecured obligations/repayment risks of the ICULS, investment risks, delay or failure in the completion of the Rights Issue, factors affecting the ICULS and potential dilution.

Please refer to Section 6.0 of this Abridged Prospectus for further information.

SUMMARY OF RIGHTS ISSUE (CONT'D)

Procedures for applications : Acceptance of and payment for the Provisional Rights ICULS allotted to you and application for the Excess Rights ICULS may be made on the RSF issued together with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained therein or by way of electronic submission of RSF via e-Subscription at <https://www.registrar-boardroom.com.my>.

The last day, date and time for acceptance of and payment for the Provisional Rights ICULS and the Excess Rights ICULS is on **Friday, 27 August 2021. 5.00 p.m.**

Please refer to Section 9.0 of this Abridged Prospectus for further information.

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YB VENTURES BERHAD
(formerly known as Yi-Lai Berhad)
(Registration No.: 200001013437 / 516043-K)
(Incorporated in Malaysia)

Registered Office:
Level 5, Block B
Dataran PHB, Saujana Resort
Section U2
40150 Shah Alam
Selangor Darul Ehsan

11 August 2021

BOARD OF DIRECTORS

Tan Sri Dato' Sri Dr. Ali Bin Hamsa (Independent and Non-Executive Chairman)
Au Yee Boon (Executive Director)
Lee Boon Siong (Executive Director)
Tan Eik Huang (Independent and Non-Executive Director)
Dato' Sri Gan Chow Tee (Independent and Non-Executive Director)

To: The Entitled Shareholders

Dear Sir/Madam,

RENOUNCEABLE RIGHTS ISSUE OF UP TO RM48,523,305 NOMINAL VALUE OF FIVE (5)-YEAR, 0.10% ICULS AT 100% OF ITS NOMINAL VALUE OF RM0.04 EACH ON THE BASIS OF FIVE (5) RIGHTS ICULS FOR EVERY ONE (1) EXISTING YBVB SHARE HELD BY THE ENTITLED SHAREHOLDERS AT 5.00 P.M. ON 11 AUGUST 2021

1.0 INTRODUCTION

- 1.1 On 4 March 2021, KAF IB had, on behalf of our Board, announced that our Company proposed to undertake a renounceable rights issue of up to RM48,523,305 nominal value or 1,213,082,625 ICULS at 100% of its nominal value of RM0.04 each on the basis of five (5) Rights ICULS for every one (1) YBVB Share held by the Entitled Shareholders on the Entitlement Date.
- 1.2 On 25 May 2021, KAF IB had, on behalf of our Board, announced that the SC had, vide its letter dated 25 May 2021, approved the issuance of the ICULS pursuant to the Rights Issue under subsection 214(1) of the CMSA, subject to the compliance with the standard conditions and continuing obligations as stipulated in Guidelines on Issuance of Corporate Bonds and Sukuk to Retail Investors issued by the SC.
- 1.3 On 8 June 2021, KAF IB had, on behalf of our Board, announced that Bursa Securities had, vide its letter dated 8 June 2021, resolved to approve, amongst others, the following:-
 - (i) the admission of up to RM48,523,305 nominal value of ICULS to the Official List of Bursa Securities and the listing of and quotation for up to RM48,523,305 nominal value of ICULS on the Main Market of Bursa Securities; and
 - (ii) the listing of and quotation for up to 1,213,082,625 new YBVB Shares to be issued upon conversion of ICULS on the Main Market of Bursa Securities.

The approval of Bursa Securities for, amongst others, the Rights Issue is subject to the following conditions:-

	Conditions imposed	Status of compliance
(1)	Approval by the SC for the Rights Issue	Complied
(2)	YBVB and KAF IB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Rights Issue	Noted
(3)	YBVB and KAF IB to inform Bursa Securities upon the completion of the Rights issue	To be complied
(4)	YBVB and KAF IB 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
(5)	YBVB to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the conversion of the ICULS as at the end of each quarter together with a detailed computation of listing fees payable	To be complied

- 1.4 On 30 June 2021, our shareholders had, during the EGM held on 30 June 2021, approved the Rights Issue.
- 1.5 On 21 July 2021, KAF IB had, on behalf of our Board, announced the following:-
- (i) the Conversion Price has been fixed at RM0.48; and
 - (ii) the Entitlement Date for the Rights Issue has been fixed at 5.00 p.m. on 11 August 2021.
- 1.6 The official listing of and quotation for the ICULS to be issued pursuant to the Rights Issue will commence after, amongst others, the receipt of confirmation from Bursa Depository that all the CDS Accounts of the Entitled Shareholders and/or their renounee(s)/transferee(s) have been duly credited and notices of allotment have been despatched to them.
- 1.7 No person is authorised to give any information or to make any representation not contained in this Abridged Prospectus in connection with the Rights Issue and if given or made, such information or representation must not be relied upon as having been authorised by us or KAF IB in connection with the Rights Issue.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

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2.0 DETAILS OF THE RIGHTS ISSUE

2.1 Particulars of the Rights Issue

The Rights Issue, to be undertaken on a renounceable basis, entails the issuance of up to RM48,523,305 nominal value or 1,213,082,625 ICULS at 100% of its nominal value of RM0.04 each on the basis of five (5) Rights ICULS for every one (1) YBVB Share held by the Entitled Shareholders on the Entitlement Date. The Maximum Subscription Level was derived as follows:-

		No. of Shares/ ICULS
Issued share capital (including treasury shares) as at the LPD	(A)	242,616,525
No. of ICULS to be issued pursuant to the Rights Issue	(B) = (A) x 5 / 1	1,213,082,625
Maximum nominal value of ICULS	(C) = (B) x RM0.04	48,523,305

The Entitled Shareholders can fully or partially subscribe for and/or renounce their entitlements to the Rights ICULS. Any unsubscribed Rights ICULS shall be made available for excess applications by the Entitled Shareholders and/or their renounee(s)/transferee(s).

In addition to taking up their respective entitlements under the Rights Issue, the Entitled Shareholders may also apply for Excess Rights ICULS under the excess application for Rights Issue. Any unsubscribed Rights ICULS or Rights ICULS which are not validly taken up or not allotted for any reason whatsoever shall be made available for excess applications by the Entitled Shareholders and/or their renounee(s)/transferee(s).

The Rights ICULS will be provisionally allotted to the Entitled Shareholders on the Entitlement Date after obtaining all relevant approvals in respect of the Rights Issue. Any fractional entitlements of the Rights ICULS under the Rights Issue will be disregarded and shall be dealt with in such a manner as our Board shall in its absolute discretion deem fit, expedient and in the best interests of our Company.

The ICULS will be issued in registered form and constituted by the Trust Deed. The salient terms of the ICULS are set out in Section 2.4 of this Abridged Prospectus.

As you are an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Rights ICULS which you are entitled to subscribe for in full or in part under the terms of the Rights Issue. You will find enclosed in this Abridged Prospectus an NPA notifying you of the number of Rights ICULS which you are entitled to subscribe for under the terms of the Rights Issue and an RSF to enable you to subscribe for the Provisional Rights ICULS as well as to apply for Excess Rights ICULS if you so choose to.

Any dealings in our securities will be subject to, inter-alia, the provisions of the SICDA, the Rules of Bursa Depository and any other relevant legislation. Accordingly, the Rights ICULS will, upon subscription, be credited directly into the respective CDS Accounts of the successful applicants. No physical certificates will be issued but notices of allotment will be despatched to the successful applicants. A notice of allotment will be despatched to you within eight (8) Market Days from the last date for acceptance of and payment for the Rights Issue or such period as may be prescribed by Bursa Securities.

2.2 Basis and justifications of arriving at the issue price and the Conversion Price

The Rights ICULS shall be issued at 100% of the nominal value of RM0.04 each. The nominal value was fixed after taking into consideration the minimum level of funds intended to be raised by YBVB for the purposes stated in Section 3.0 of this Abridged Prospectus. On 21 July 2021, our Board has fixed the Conversion Price at RM0.48 for one (1) new YBVB Share after taking into consideration, among others, the following:-

- (i) the 5-day VWAMP of YBVB Shares up to and including 19 July 2021, being the last Market Day immediately before the Price-Fixing Date, of RM0.5281; and
- (ii) the prevailing market conditions and market price of YBVB Shares on the Price-Fixing Date.

The Conversion Price represents a discount of RM0.034 or approximately 6.61% to the TERP of YBVB Shares of RM0.5140, calculated based on the five (5)-day VWAMP of the YBVB Shares up to and including 19 July 2021 of RM0.5281.

Throughout the tenure of the ICULS, the Conversion Price may be subject to adjustments under certain circumstances in accordance with the provisions of the Trust Deed.

2.3 Ranking of the ICULS and new YBVB Shares arising from the conversion of ICULS

The ICULS shall constitute direct, unconditional, unsubordinated and unsecured obligations of YBVB and subject to the provisions contained in the Trust Deed, at all times rank equally, without discrimination, preference or priority between themselves and rank at least equally with all present and future direct, unconditional, unsecured and unsubordinated debts and obligations of YBVB from time to time, except those which are preferred by law.

The new YBVB Shares to be issued arising pursuant to the conversion of the ICULS shall, upon issue and allotment, rank equally in all respects with the then existing YBVB Shares, save and except that such new YBVB Shares to be issued arising from the conversion of the ICULS shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution which may be declared, made or paid, the entitlement date of which is prior to the date of allotment of such new YBVB Shares to be issued arising from the conversion of the ICULS.

2.4 Salient terms of ICULS

The salient terms of ICULS are set out as follows:-

Issuer	:	YBVB
Issue size	:	Up to RM48,523,305 nominal value or 1,213,082,625 ICULS to be issued pursuant to the Rights Issue
Issue price	:	Each ICULS shall be issued at 100.0% of its nominal value of RM0.04
Form and denomination	:	The ICULS will be issued in registrable form and in denomination of RM0.04 each and multiples thereof, and constituted by the Trust Deed
Issue date	:	A Market Day to be mutually agreed between our Company and KAF IB
Tenure	:	Five (5) years from and inclusive of the date of issue of the ICULS
Maturity date	:	The date immediately preceding the fifth (5 th) anniversary date of first issue of the ICULS, and if such date is not a Market Day, then on the immediate preceding Market Day
Basis of allotment	:	RM0.20 nominal value of ICULS for every one (1) existing YBVB Share held by the Entitled Shareholders on the Entitlement Date
Coupon rate/ Payment	:	0.10% per annum on the nominal value of the ICULS payable on an annual basis
Conversion mode	:	The ICULS may be converted into new YBVB Shares in the following manner:- <ul style="list-style-type: none"> (i) by surrendering nominal value of ICULS equivalent to the Conversion Price, i.e. the Non-Cash Option; or (ii) by surrendering such number of ICULS together with cash such that in aggregate it amounts to the Conversion Price subject to a minimum of one (1) ICULS and paying the difference between the aggregate value of the ICULS surrendered and the Conversion Price in cash for one (1) new YBVB Share, i.e. the Cash Option

- Conversion rights : The holders of ICULS shall have the right at any time during the conversion period to convert such amount of ICULS held into new YBVB Shares at the Conversion Price. Any remaining ICULS not converted at the end of the conversion period shall be mandatorily converted into new YBVB Shares at the Conversion Price on the maturity date. Any fractional new YBVB Shares arising from the conversion of the ICULS will be disregarded and shall be dealt with in such manner as our Board shall in its absolute discretion deem fit, expedient and in the best interests of our Company
- Conversion Price : The conversion price of the ICULS is RM0.48 for every one (1) new YBVB Share
- Adjustments in the Conversion Price and nominal value : Necessary adjustments to the Conversion Price and/or the nominal value shall be made in the event of any alteration in our Company's share capital on or before the maturity date, whether by way of rights issue, bonus issue, consolidation of shares, subdivision of shares or capital distribution whether on a reduction of capital howsoever being effected, in accordance with the provisions of the Trust Deed
- Conversion period : On any Market Day after the issue date and up to and including the maturity date at 5.00 pm
- Status of ICULS : The ICULS shall constitute direct, unconditional, unsubordinated and unsecured obligations of YBVB and subject to the provisions contained in the Trust Deed, must at all times rank equally, without discrimination, preference or priority between themselves and must rank at least equally with all present and future direct, unconditional, unsecured and unsubordinated debts and obligations of YBVB, from time to time, except for those which are preferred by law
- Ranking of new YBVB Shares to be issued pursuant to the conversion of ICULS : The new YBVB Shares to be issued pursuant to the conversion of ICULS shall, upon issue and allotment, rank equally in all respects with the then existing YBVB Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or other forms of distribution which may be declared, made or paid where the entitlement date is prior to the date of allotment of such new YBVB Shares
- Rights of holders of ICULS : The holders of ICULS are not entitled to any voting rights and shall not have any participating rights in any distribution and/or offer of securities in our Company until and unless such ICULS holders convert their ICULS into new YBVB Shares
- Board lot : The ICULS will be freely transferable in board lots of 100 units of ICULS for the purpose of trading on Bursa Securities, unless otherwise revised by the relevant authorities
- Amendment to the ICULS holders' rights : Save as otherwise provided in the Trust Deed and consented to in writing by our Company, approval of the holders of ICULS by way of special resolution is required to sanction any modification, variation or arrangement requested by YBVB in respect of the rights of the ICULS holders
- Governing laws : Laws of Malaysia and the exclusive jurisdiction of the Courts of Malaysia
- Redemption : The ICULS will not be redeemable for cash. All outstanding ICULS will be mandatorily converted into new YBVB Shares on the maturity date

Events of default : The Trustee may and, if so directed by a resolution passed at a meeting of the ICULS holders (by a majority consisting of not less than three-fourths (3/4) of the votes cast on a show of hands or, if a poll is duly demanded, by a majority consisting of not less than three-fourths (3/4) of the votes cast on a poll), shall (subject to its rights to be indemnified to its satisfaction under the Trust Deed) declare (by giving a written notice to the Company) that the outstanding ICULS is immediately due and repayable, and the ICULS then outstanding shall become immediately due and repayable at their nominal amounts of RM0.04 each together with accrued interest up to and including the date of repayment, if any of the following events occur:

- (i) if the Company fails to pay any principal, premium interest or profit owing on the ICULS after the remedy period of seven (7) business days from the date on which the payment is due;
- (ii) if the Company fails to issue and allot new Shares following the exercise of the conversion rights by a ICULS holder;
- (iii) if the Company fails to perform or observe any of its obligations under the Trust Deed and/or the terms and conditions of the certificate of ICULS (other than the Company's obligation to pay the interest in which event clause (i) above shall apply) and such default is not capable of remedy within seven (7) days from the written notice issued by the Trustee to the Company and is certified by the Trustee to be in its reasonable opinion materially prejudicial to the interests of the ICULS holders;
- (iv) if a distress, execution or seizure before a judgment is levied or enforced on or against a substantial part of the assets of the Company and is not paid out, withdrawn or discharged within thirty (30) days (or such longer period as the Trustee may consider appropriate in relation to the jurisdiction concerned), except if such distress, execution or seizure is disputed in good faith under or pursuant to proceedings duly instituted by the Company;
- (v) if a petition to wind up the Company is presented against the Company, except if such petition is disputed in good faith under or pursuant to proceedings duly instituted by the Company;
- (vi) if an incumbrancer takes possession or a trustee, administrator or receiver is appointed in respect of all or any substantial part of the assets of the Company or any form of execution of legal process has been enforced against the Company and such possession or appointment is certified by the Trustee to be in its reasonable opinion materially prejudicial to the interests of the ICULS holders;
- (vii) if an effective resolution is passed by the Company or an order of a court of competent jurisdiction is made for the winding-up of the Company, except for the purposes of or pursuant to a consolidation, amalgamation, merger or reconstruction the terms of which are agreed to in writing by the Trustee;
- (viii) if the Company is the subject of a scheme of compromise or arrangement under Section 366 of the Act and for purposes of this clause, the Company shall be deemed the subject of such a scheme of compromise or arrangement if:-

- (a) an application is made under Section 366 of the Act to convene a meeting of creditors or class of creditors or of members or class of members;
- (b) an application is made for a restraining order under Section 368 of the Act; or
- (c) an application is made under Section 366 of the Act for approval by the court of a compromise or arrangement,

whether or not the court or meeting (as the case may be) approves such application or matter but the Company shall not be deemed to be the subject of a scheme of compromise or arrangement if it is a scheme for the purposes of or pursuant to a consolidation, amalgamation, merger or reconstruction the terms of which are agreed to in writing by the Trustee;

- (ix) if a qualified and experienced person approved by an independent oversight committee appointed to manage and control distressed enterprises of the Company is appointed;
- (x) if it is or will become unlawful for the Company to perform or comply with all or any of its obligations under the Trust Deed;
- (xi) if the Company ceases or threatens to cease to carry on all or any substantial part of its business which it carries on as at the date of the Trust Deed;
- (xii) if the Company is for the purposes of Section 465 of the Act deemed to be unable to pay its debts;
- (xiii) if all or any ICULS is de-listed or ceases to be listed on Bursa Securities by reason of the Company's default of Listing Requirements (and, for this purpose, a suspension of trading at the request of the Company or Bursa Securities shall not be deemed a de-listing or cessation of listing);
- (xiv) any borrowed money of the Company is not paid when due or becomes due and payable or any guarantee or indemnity given by the Company in respect of such borrowed money is not honoured when due and called upon, or if any other indebtedness of the Company becomes due and payable prior to its stated maturity or where the security created for any other indebtedness becomes enforceable, but only if the aggregate amount of such borrowed money which is not paid, such indebtedness and the amount under such guarantee or indemnity which is not honoured (both of which have occurred and is continuing) equals or exceeds RM75,000,000 or its equivalent in other currency and such default is not capable of remedy within thirty (30) days;
- (xv) any consent, authorisation, licence or approval of, registration with or declaration to governmental or public bodies or authorities or courts in Malaysia (if any) required by the Company to authorise or required by the Company in connection with the execution, issue, sale, delivery, validity, enforceability or admissibility in evidence of the Trust Deed or the ICULS or the performance by the Company of its obligations under the Trust Deed or the ICULS (as the case may be) is revoked, withheld or modified to such degree as would be materially prejudicial to the interests of the ICULS holders or is not granted or is revoked or

terminated or expired and is not renewed or otherwise ceases to be in full force and effect;

- (xvi) all or any material part of the undertaking or assets of the Company is seized, nationalised, expropriated or compulsorily acquired by or under the authority of any governmental body in Malaysia, but only if the relevant governmental body does not make or does not propose to make an offer of compensation which would be sufficient to repay amounts due on all outstanding ICULS. For the purpose of this clause, the word 'material' means a value exceeding 50% of the value of the net tangible assets of the Group as disclosed in the latest audited accounts of the Group; or
- (xvii) the Company disposes of a whole or a substantial part of its principal assets, or threatens to cease or ceases to carry on the whole or a substantial part of its business otherwise than for purposes of a consolidation, amalgamation, merger or reconstruction under which the rights of the ICULS holders are not impaired and the continuing entity effectively assumes the entire obligations of the Company and for the purpose of this clause, the word 'substantial' means a value exceeding 50% of the value of the net tangible assets of the Group as disclosed in the latest audited accounts of the Group;

but the ICULS shall not become immediately due and repayable if any of the events referred to in clauses (xii) to (xvii) above occur unless and until the Trustee has served a written notice on the Company requiring the Company to remedy such event of default (if capable of being remedied) and the Company fails to comply with such notice within thirty (30) days from the date of such notice.

For clarity, in the event of the ICULS becoming payable upon the occurrence of an event of default, the amount which is immediately due and payable by YBVB to the ICULS holders or which the ICULS holders may prove for in the liquidation of the Company shall be the nominal value of the outstanding ICULS. Save as aforementioned, the ICULS shall not be liable to be redeemed in cash but only by conversion into new Shares in accordance with the provisions of the Trust Deed.

- Rights of the holders of ICULS on liquidation : In the event of the ICULS becoming payable upon the occurrence of an event of default, the amount which is immediately due and payable by YBVB to the holders of the ICULS or which the holders of the ICULS may prove for in the liquidation shall be the nominal value of the outstanding ICULS. Save as aforementioned, the ICULS shall not be liable to be redeemed in cash but only by conversion into new YBVB Shares in accordance with the provisions of the Trust Deed
- Rating : Not applicable
- Listing : The ICULS and the new YBVB Shares arising from the conversion of the ICULS will be listed on Bursa Securities
- Trust Deed : The ICULS is constituted by a trust deed to be executed between YBVB and a trustee to be appointed by YBVB, acting for the benefit of the holders of ICULS

2.5 Shareholders' Undertakings

The Rights Issue will be undertaken on the Minimum Subscription Level, which was determined after taking into consideration the minimum level of funds required by YBVB for the purposes stated in Section 3.0 of this Abridged Prospectus.

To facilitate the implementation of the Rights Issue on the Minimum Subscription Level basis, the following shareholders of YBVB have provided written irrevocable undertakings on 3 March 2021 and 8 June 2021 to subscribe for their respective entitlements to the Rights ICULS under the Rights Issue in the following manner:-

Undertaking Shareholders	As at the LPD		Entitlement under Rights Issue		
	No. of Shares	%	No. of Rights ICULS	%	RM
Lim Lee Wheng	8,242,166	3.40	41,210,830	3.40	1,648,433.20
Au Yee Boon	13,115,833	5.41	65,579,165	5.41	2,623,166.60
TechBase Solution	15,950,000	6.57	79,750,000	6.57	3,190,000.00
Total	37,307,999	15.38	186,539,995	15.38	7,461,599.80

The Undertaking Shareholders have provided written confirmations that they have sufficient financial resources to subscribe in full for their irrevocable undertaking pursuant to the Rights Issue. KAF IB has verified that the Undertaking Shareholders have the financial resources to fulfil their commitments pursuant to the Undertakings. As the Undertakings are sufficient to achieve the Minimum Subscription Level, we have not procured any underwriting arrangements for the remaining open portion of RM41,061,705.20 nominal value of Rights ICULS or representing approximately 84.62% of the Rights ICULS to be issued under the Maximum Subscription Level.

The Undertaking Shareholders have confirmed that their subscription for Rights ICULS pursuant to the Undertakings will not give rise to any consequences of mandatory general offer obligations under the Rules immediately upon the completion of the Rights Issue. However, if the Undertaking Shareholders fail to observe their obligations as stipulated in the Undertakings, the Rights Issue will be terminated and all subscription money received pursuant to the Rights Issue will be immediately returned to all subscribers of the Rights ICULS without interest. Please refer to Section 6.3.3 of this Abridged Prospectus for information on the risks in relation to the delay or failure in the completion of the Rights Issue.

Should the Undertaking Shareholders and/or persons acting in concert with them convert their holdings of ICULS into new Shares during the tenure of ICULS such that their shareholdings in our Company exceed 33%, whether individually or collectively, they will be required to extend a mandatory take-over offer for all the remaining YBVB Shares and convertible securities not already owned by them pursuant to the Rules. For the avoidance of doubt, it is not the intention of the Undertaking Shareholders to undertake a mandatory take-over offer. In such an event, the Undertaking Shareholders will make an application to the SC to seek an exemption under the Rules from the obligation to undertake a mandatory take-over offer prior to the conversion of such portion of their holdings of ICULS that will trigger such obligation under the Rules. The Undertaking Shareholders will at all times observe and ensure compliance with the provisions of the Rules.

2.6 Public shareholding spread requirement

Pursuant to Paragraph 8.02(1) of the Listing Requirements, at least 25% of YBVB's total listed shares (excluding treasury shares) are required to be held by public shareholders. Although the eventual level of subscription for the Rights Issue is not determinable at this juncture, in the event that only the Undertaking Shareholders will be subscribing for their respective entitlements to the Rights ICULS and converting all such ICULS into new YBVB Shares via the Cash Option, the public shareholding spread of YBVB will be approximately 39.46%, which is still above the requisite threshold of at least 25% of its total listed shares to be held by public shareholders.

3.0 UTILISATION OF PROCEEDS

Utilisation of proceeds	Expected timeframe for utilisation	Minimum Subscription Level RM'000	Maximum Subscription Level RM'000
Business expansion ⁽¹⁾	Within 24 months	⁽⁴⁾ 6,862	45,585
Working capital ⁽²⁾	Within 12 months	-	2,338
Estimated expenses ⁽³⁾	Within 3 months	600	600
Total		7,462	48,523

Notes:-

- (1) Our Group's existing manufacturing facilities comprise eight (8) production lines with a production capacity of approximately 7.12 million square metre of ceramic, homogeneous and porcelain tiles annually, which are currently operating at the peak capacity. Thus, in line with our Company's business strategies to focus on introducing products that are aligned with the customer buying behaviour as well as to optimise and improve the cost-efficiency for our manufacturing business, the management of our Group intends to upgrade our existing production lines and to construct four (4) new production lines (collectively referred to as the "Business Expansion Plan") with the total estimated costs as follows:-

Business Expansion Plan	RM'000
<i>Upgrading of existing production lines</i>	
- Modification of eight (8) existing press machines	13,500
- Purchase of two (2) new digital printers	1,500
<i>Installation of four (4) new production lines</i>	
- Four (4) press machines	15,707
- Four (4) spray dryer machines	6,970
- Four (4) digital printers	3,000
- Two (2) kilns	4,908
Total	45,585

The upgrading of the existing production lines will enhance our efficiency in terms of productivity as well as to cater for larger tiles which are more aligned with the customer buying behaviours. In addition, given the gradual recovery of the economy coupled with the encouraging sales enquiries and demand from our original equipment manufacturer (OEM) customers, the construction of the new production lines are essential for our Group to remain competitive and position itself strategically to capture new business opportunities as the new advanced production lines will increase our production capacity, quality standard, productivity, product flexibility and at the same time, reduced energy consumption and environmental impact.

Any shortfall due to the eventual proceeds raised from the Rights Issue for the implementation of the Business Expansion Plan, will be funded via a combination of internally generated funds and/or bank borrowings. Any surplus for such expenditures will be adjusted accordingly against the amount allocated for working capital purposes.

- (2) Intended to be utilised to meet the working capital requirements of our Group, such as operating expenses, utilities, payment for staff salaries and trade creditors. The proceeds to be utilised for each component of working capital are subject to the operating requirements at the time of utilisation and therefore has not been determined at this juncture. Solely for illustration purposes and based on best estimates, the proceeds allocated for our Group's working capital requirements are anticipated to be utilised for each component of the working capital as per the following breakdown:-

	RM'000
Operating expenses	1,200
Utilities	500
Payment for staff salaries	300
Payment for trade creditors	338
Total	2,338

- (3) The proceeds earmarked for estimated expenses in relation to the Rights Issue will be utilised as set out below:-

	RM'000
Professional fees	420
Fee payable to relevant authorities	131
Other expenses *	49
Total	600

*Note *:- Being miscellaneous expenses including printing and advertising cost, expenses incidental to the convening of the EGM and other miscellaneous expenses.*

Any surplus or shortfall for such expenses will be adjusted accordingly against the amount allocated for working capital purposes.

- (4) *Under the Minimum Subscription Level scenario, the gross proceeds raised, after payment for expenses incidental to the Rights Issue, will be utilised to part-finance the modification of the existing press machines pursuant to the Business Expansion Plan. The remaining requisite funds earmarked for the Business Expansion Plan will be funded via internally generated funds and/or bank borrowings. As at the LPD, the cash and bank balances of our Group stood at RM53.53 million.*

Pending utilisation of proceeds for the abovementioned purposes, the total gross proceeds arising from the Rights Issue will be placed in interest-bearing deposits and/or short-term money market instruments with financial institutions as our Board in its absolute discretion deems fit and in the best interest of our Company. The resulting interest income derived from such placements will be used as additional working capital for our Group.

The additional proceeds to be received by our Company pursuant to the conversion of the ICULS via the Cash Option, if any, are intended to be utilised for the Business Expansion Plan and/or working capital requirements of our Group. The eventual quantum of such proceeds cannot be determined at this juncture as it would be dependent on the number of ICULS converted under the Cash Option. However, no proceeds will be raised upon conversion of ICULS via the Non-Cash Option.

4.0 RATIONALE FOR THE RIGHTS ISSUE

After due consideration of the various funding options available to our Company, our Board is of the opinion that the Rights Issue is the most appropriate avenue of fund raising for our Company for the purposes stated in Section 3.0 of this Abridged Prospectus in view of the following reasons:-

- (i) the Rights Issue serves to raise funds for the purpose set out in Section 3.0 of this Abridged Prospectus, particularly for the Business Expansion Plan, which is expected to contribute positively to the future financial performance of our Group;
- (ii) the Rights Issue enables our Company to raise funds without incurring high interest costs as in the case of borrowings from financial institutions, where the 0.10% annual coupon payment on the nominal value of the ICULS is much lower than the base lending rate of financial institutions, which exceeds 5.0% per annum as at the LPD (*Source: Base Rates, BLR and Indicative Effective Lending Rates of Financial Institutions as at 6 August 2020 published by Bank Negara Malaysia*);
- (iii) our Entitled Shareholders would have the opportunity to increase their equity participation in our Company at a pre-determined conversion price during the tenure of the ICULS. In addition, the proceeds from the conversion of the ICULS, if any, will provide an additional source of funds for our Company's future working capital requirements and/or Business Expansion Plan; and
- (iv) the issuance of ICULS does not have an immediate dilutive effect on the EPS of our Group as opposed to the issuance of new YBVB Shares and it enables our Group to strengthen our eventual capital base upon full conversion of the ICULS.

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5.0 INDUSTRY OVERVIEW AND PROSPECTS

5.1 Overview and outlook of the Malaysian economy

The Malaysian economy registered a smaller decline of 0.5% in the first quarter (4Q 2020: -3.4%). The growth performance was supported mainly by the improvement in domestic demand and robust exports performance, particularly for E&E products. Growth was also supported by the continued policy measures. The imposition of the Second MCO (“MCO 2.0”) and the continued closure of international borders and restrictions on inter-state travel, however, weighed on economic activity. Nevertheless, as restrictions were eased in February and March, economic activity gradually picked up. All economic sectors registered an improvement, particularly in the manufacturing sector. On the expenditure side, growth was driven by better private sector spending and strong growth in trade activity. On a quarter-on-quarter seasonally-adjusted basis, the economy registered a growth of 2.7% (4Q 2020: -1.5%).

In terms of sectoral performance, all economic sectors registered an improvement. The manufacturing sector expanded at a higher pace of 6.6% (4Q 2020: 3.0%), driven by the robust E&E production and continued recovery in the consumer-, primary- and construction-related clusters. The strong performance of the E&E subsectors reflected the higher global demand for semiconductors components, as reflected by the improvement in the World Semiconductor Trade Statistics. Despite the imposition of MCO 2.0, the consumer- and primary-related manufacturing also recorded higher growth, as most manufacturing sectors were allowed to operate while adhering to stringent standard operating procedures. Global concerns surrounding electronic-chip shortages on the automotive sector had only a limited impact on the strong domestic passenger car production due to the lower chip intensity of most mass market vehicles. In addition, the extension of Sales and Services Tax exemption for the purchase of motor vehicles until June 2021 also helped Malaysia’s motor vehicle production.

Domestic demand recorded a smaller decline of 1.0% (4Q 2020: -4.5%) in the first quarter of 2021, weighed down by the contraction in private sector expenditure amid the imposition of MCO 2.0. However, the impact of MCO 2.0 was smaller given that most economic sectors were allowed to operate and with continued policy support for households and businesses. On the external front, robust external demand particularly for E&E products, contributed to a continued expansion in net exports. Private consumption contracted by 1.5% during the quarter (4Q 2020: -3.5%). Although household spending was affected by the imposition of MCO 2.0, the impact was smaller compared to the MCO last year amid relatively less restrictive containment measures. While wage and employment growth remain in contraction, the overall growth improved, as most businesses continued to operate, which lent support to household spending. Spending on online platforms also continued to increase, cushioning the impact of the drop of in-store spending, as reflected in the expansion of the index of online retail sales (1Q 2021: 22.8%; 4Q 2020: 30.4%). Furthermore, consumer expenditure remained supported by various stimulus measures including the Employment Provident Fund i-Sinar withdrawals, wage subsidies as well as the Targeted Repayment Assistance. Public consumption improved to 5.9% (4Q 2020: 2.4%) amid a rebound in supplies and services spending, particularly by the Federal Government. Growth was also supported by faster expansion in emoluments

(Source: Economic and Financial Developments in the Malaysian Economy in the First Quarter of 2021, Bank Negara Malaysia)

5.2 Overview and outlook of the manufacturing industry in Malaysia

The manufacturing sector contracted by 8.7% during the first half of 2020, as almost all industry operations were temporarily halted, following supply chain disruptions amid the MCO. Within the export-oriented industries, the E&E cluster was severely affected as global demand decelerated sharply. Domestic-oriented industries also recorded sluggish growth, with transport equipment; and non-metallic mineral products, basic metal and fabricated metal products segments registering a double-digit contraction.

Nonetheless, the manufacturing sector is expected to improve by 2.4% in the second half of 2020, as industrial activities resume operations in line with the gradual lifting of the MCO. Within the export-oriented industries, the E&E segment is projected to improve following rising demand for computer and electronic products. Chemical and rubber products are anticipated to continue to record high growth, benefitting from higher demand for rubber gloves and pharmaceutical products. Within the domestic-oriented industries, the food products and transport equipment segments are expected to rebound, supported by higher demand. Overall, for the year, the manufacturing sector is expected to decline by 3%.

The manufacturing sector is forecast to rebound by 7% in 2021, driven by steady improvement in both the export- and domestic-oriented industries. The E&E segment is projected to accelerate in line with the digital transformation as WFH and virtual communication become part of new business practices. Higher demand for integrated circuits, memory and microchips within the global semiconductor market will further support the segment. The production of chemical and rubber products is expected to expand rapidly in tandem with the increase in demand for disinfectants, sanitisers and rubber gloves. With the economic recovery, consumer-related products will benefit from higher household disposable income, while construction-related products will be supported by major infrastructure and affordable housing projects.

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

The building material industry is poised for modest growth next year as operating conditions improve and construction activities gradually resume following the easing of movement restrictions. The research house projected that the average net cement selling price in Peninsular Malaysia will rise by 8% to RM260 per tonne in 2021, compared with an estimated RM240 per tonne this year. Meanwhile, we project cement consumption in Peninsular Malaysia to only improve by 5% to 4.4 million tonnes in 2021 from 4.2 million tonnes estimated in 2020, driven by gradual resumption of construction activities of ongoing projects and new property launches.

(Source: "Building material sector set for modest growth" dated 31 December 2020, The Star)

5.3 Overview and outlook of the information and communication technology industry in Malaysia

The services sector recorded a smaller decline of 2.3% in the first quarter of 2021 (4Q 2020: -4.8%). This was due to the improvement in the consumer-related activities, supported by the relaxation of containment measures such as dine-ins and inter-district travel beginning from middle of February 2021. Nevertheless, the weakness in tourism activity continues to affect key subsectors such as accommodation as well as air travel under the transport and storage subsector. Meanwhile, growth in the finance and insurance subsector improved, attributed to higher fee income, stable loan and deposit growth, and higher net insurance premiums. The information and communication subsector continued to benefit from demand for data communication services following the adoption of remote working and learning arrangements. The agriculture sector registered a positive growth of 0.4% (4Q 2020: -1.0%), driven mainly by expansion in livestock, other agriculture, forestry and logging subsectors. Growth in the oil palm subsector declined further as production was affected by floods in the earlier part of the quarter, while labour shortages continued to affect harvesting activities.

(Source: Economic, Monetary and Financial Developments in the Malaysian Economy in the First Quarter of 2021, Bank Negara Malaysia)

The services sector contracted by 6.7% in the first half of 2020 largely due to worldwide travel bans, domestic movement restrictions and quarantines, which severely affected the tourism-related subsectors and airlines. Among the subsectors that have been severely affected include wholesale and retail trade, food & beverages and accommodation, transportation and storage as well as real estate and business services. Nevertheless, the information and communication subsector expanded as online transactions increased significantly during the MCO. The services sector is expected to record a smaller decline of 1% in the second half of the year, reflecting the gradual resumption of economic activities. Overall, the sector is projected to contract by 3.7% in 2020 before rebounding by 7% in 2021. With the normalisation of economic activities in 2021, all subsectors are projected to record positive growth.

The information and communication subsector expanded by 5.8% in the first half of 2020, primarily supported by higher usage of internet, particularly online transactions, entertainments, educational and WFH activities. The subsector is projected to expand further by 7.1% in the second half of the year buoyed by various Government initiatives. The initiatives include a tax exemption of up to RM5,000 for information, communication and technology equipment to support WFH activities and individual income tax relief of up to RM2,500 on the purchase of digital devices. For the year, the subsector is anticipated to accelerate by 6.4% as WFH activities, virtual communication and online businesses become the new normal. In 2021, the subsector is projected to expand by 7.9%, with the fifth-generation cellular network spectrum facilitating e-commerce and e-learning activities. The roll-out of the National Fourth Industrial Revolution Policy and Digital Economy Blueprint in the fourth quarter of 2020 is expected to enhance the productivity and competitiveness of the subsector. The formation of the Malaysian Digital Economy Task Force, which focuses on digital technology, cybersecurity, trade and digital content is expected to support the acceleration of the subsector.

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

5.4 Prospects of our Group

Currently, our Group is principally involved in the manufacture and sale of ceramic, homogeneous tiles, trading and distribution of tiles. Although the businesses have recorded losses for the past three (3) financial years, our Group intends to continue with the business by introducing “just-in-time” concept with the aim of enhancing efficiency and productivity, and put in place a research and development team to develop a new range of products. Pursuant thereto, our Group managed to reduce the firing cycle time between 5% and 24% (depending on the size of the tiles) and the firing temperature by reducing the use of natural gas in the production process. Further, our Group launched a new generation of functional tiles, namely Talos Living Tiles (“**Talos**”) in November 2020. Talos incorporates advanced nano glazing technology which is expected to bring about numerous health benefits from the release negative ions and with this, our Group anticipates favourable response from our customers. Upon completion of the Business Expansion Plan as stipulated in Section 3.0 of this Abridged Prospectus, our Group anticipates that our Group’s production capacity would increase by approximately 50.0%.

Further, our Company had on 30 October 2020 obtained our shareholders’ approval to diversify into IT solutions, particularly in the provision of blockchain technology solutions and system integration services. Our Company had entered into a joint venture agreement with TechBase Solution, which serves as an entry point into the IT industry for our Group without significant investment commitment, whilst enabling our Group to leverage on the knowledge, skills, expertise and experience of TechBase Solution. In the meantime, our Group may also in the future embark on additional viable ventures relating to IT services through strategic investments, joint ventures, collaborations agreements and/or merger and acquisitions of suitable businesses/investments in the IT industry.

(Source: The management of YBVB)

6.0 RISK FACTORS

You and/or your renounee(s)/transferee(s) (if applicable) should carefully consider the following risk factors which may have an impact on the future performance of our Group, in addition to the other information contained elsewhere in this Abridged Prospectus, before subscribing for or investing in the Rights Issue.

6.1 Risks relating to our Group’s businesses and operations

6.1.1 Business risks

Our Group is not insulated from general business risk as well as certain risks that are inherent within the ceramic and IT industries in which we operate. These risks include, but are not limited to, general economic downturn in the global and regional economies, the entry of new players, changes in law and tax legislation affecting the ceramic and IT industries, labour and raw material shortages, increase in the production costs, changes in business and credit conditions as well as fluctuations in foreign exchange rates and interest rates.

Our Group seeks to limit these business risks through, inter-alia, the delivery of quality services and products to our customers so as to maintain good business relationships, establishment of a large pool of reliable and reputable customers and suppliers with long term relationships, expansion of customer base by increasing our range of products and services offered and effective cost control. Nonetheless, there is no assurance that we will be able to mitigate the various risks inherent in the ceramic and IT industries.

6.1.2 Operational risks

Our Group's revenue and financial performance are dependent on our business operations running smoothly and efficiently without any significant disruptions. Our Group's business operations could be adversely affected by various factors such as changes in operating expenses, competition, unavailability of human resources, the ability of our Group in controlling unforeseen costs and managing production capacity, machine downtime/failure and other operational risks common to going concerns. Our Board believes that such operational risks can be controlled and monitored by the key management of our Group through, inter alia, effective cost management, regular inspection of operational facilities and adequate workforce planning. Nonetheless, no assurance can be given that our Group will be completely sheltered against such operational risks in the future.

6.1.3 Dependence on key management

Our Board believes that our Group's continuing success will depend on the abilities and continuing efforts of our directors and key management personnel. The loss of any of our directors or key management personnel without suitable and timely replacement could adversely affect our Group's continued ability to manage our operations effectively and competitively.

Our Group recognises the importance of our ability to attract and retain skilled personnel in the future growth and success of our Group. In this regard, continuous efforts are made to groom existing staff members to further support senior management and/or to shoulder further responsibilities in preparation for long term growth of our Group. In addition, our Group's middle management team is constantly exposed to various aspects of our business operations in order to ensure that they understand our Group's businesses and are adequately equipped with the knowledge necessary for them to assume senior management positions. Our Group also takes appropriate measures to promote long-term commitment amongst our key personnel and staff members through incentives, opportunities and development programs in all key functions of our Group's operations.

Notwithstanding this, there can be no assurance that the above measures will always be successful in retaining key personnel or ensuring smooth transition should changes occur.

6.1.4 Risk relating to the impact of COVID-19

In the wake of the recent outbreak of the COVID-19, the Government of Malaysia had imposed the MCO pursuant to the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1987. Pursuant to the MCO, our Group has temporarily suspended all of the operations in our manufacturing facilities and offices. Despite the gradual resumption of work on 13 May 2020, the progress at the manufacturing facilities had been affected and thus causing a delay in the production process. As a result, the backlogs had caused a reduction in revenue recognition compared to the earlier budgeted plan.

In addition, we continued to incur cash outflow from fixed operating expenses such as salaries during this COVID-19 period and additional costs in order to comply with the SOPs for COVID-19 infection control measures which include sanitisation expenses, screening tests and purchase of personal protective equipment for the employees. Nevertheless, this has not posed significant constraints on the cash flow and financial position of our Group.

Further, YBVB has taken additional measures in light of the outbreak including allowing its employees to work from home where possible, fixed rotation of factory workers and full compliance with COVID-19 infection control measures laid out by the Health Ministry of Malaysia. With the imposition of full MCO from 1 June 2021 until to-date, YBVB is only operational at 10% of its workforce and thus all of the operations in our manufacturing facilities have been halted. Nonetheless, currently we do not experience delay in products delivery to customers as we still have ready stocks in the factory.

Nevertheless, with the increasing in COVID-19 cases, there can be no assurance that the restrictions for the on-going full MCO and/or any future phases of MCO will not adversely affect our business operations and financial performance.

6.2 Risks relating to the industry

6.2.1 Competition risk

Our Group operates in competitive industries, namely the ceramic industry and IT industry, which we expected to face increasing competition from existing competitors, where some may have significantly greater resources or advantages in terms of market dominance, financial resources, technical knowledge and human resources. In addition, emerging companies may also enter the market, hence result in revenue erosion and loss of market share to our Group, any of which could materially and adversely affect our Group's businesses, operating results and financial condition.

While no assurance can be given that our Group would be able to maintain our competitive edge over our competitors and also our customer base, our Group believes that our existing business relationships with customers and experienced management would continue to be the key underlying factors for the future growth of our Group's business operations.

6.2.2 Dependency on the property and IT industries

To a large extent, the prospects of the industries in which our Group operates are highly correlated to the growth of the property and IT industries, which in turn is dependent on the state of the Malaysian economy. The Malaysian economy as well as the property and IT industries are cyclical in nature. Any downturn in the Malaysian economy in general or the property and IT industries specifically could affect the overall demand for our Group's products/services, thereby adversely affecting our Group's financial performance.

Recognising this risk, our Group is continuously trying to increase our customer base by expanding our scope of products and services to cater for different customers, so as to minimise any adverse impact on the overall demand for our Group's products/services potentially arising from a general downturn in the property and IT industries. Notwithstanding this, should our Group be able to diversify our customer base, our Board is still unable to guarantee that it will be sufficient to mitigate any material adverse effect suffered as a consequence of any downturn in the Malaysian economy.

6.2.3 Foreign exchange fluctuation risk

Our Group transacts certain sales in foreign currencies such as United States Dollar and Singapore Dollar, hence is exposed to potential foreign currency exchange losses or gains arising from timing differences. Any appreciation or depreciation of foreign currencies against the RM will expose our Group to incurring foreign currency exchange gains or losses due to fluctuations in the exchange of foreign currencies to RM.

The risk of foreign currency exchange fluctuation is, to a certain extent, mitigated by the managed float mechanism adopted by Bank Negara Malaysia on the RM as well as our Group's foreign exchange policies where our Group assesses, controls and monitors the risk via regular review of foreign exchange movements and our Group's foreign exchange exposure. For the past three (3) years up to the LPD, our Group has not encountered any significant foreign currency exchange fluctuation that has resulted in any material adverse impact to the financials of our Group. Nevertheless, there can be no assurance that any future significant fluctuation in exchange rates will not have an impact on our Group's earnings.

6.2.4 Changes in economic, political and regulatory conditions

Our Group's business prospects are subject to the developments in economic, political and regulatory conditions in Malaysia. Any adverse development in such conditions may have a negative impact on the prospects of our Group. These adverse developments include, among others, downturn in the global and Malaysian economies, changes in political leadership, changes in interest rates, war, terrorism activities, riots, and unfavourable changes in government policies in relation to property industry. COVID-19 pandemic has also caused an economic slowdown worldwide, including the delay in production. Although our Group may take a prudent approach to manage these risks internally, however these risks are beyond our control. Hence, there can be no assurance that any adverse economic, political and regulatory changes will not materially affect our Group's business prospects.

6.3 Risks relating to the Rights Issue

6.3.1 Unsecured obligations/repayment risks of the ICULS

The ICULS shall constitute direct, unconditional, unsubordinated and unsecured obligations of our Company and subject to the provisions contained in the Trust Deed, must at all times rank equally, without discrimination, preference or priority between themselves and must rank at least equally with all present and future direct, unconditional, unsecured and unsubordinated debts and obligations of our Company except for those which are preferred by law. Moving forward, there is no assurance that the financial performance of our Group would be favourable to sustain the financial condition of our Group at a satisfactory level to support the value of the ICULS and generate sufficient cash flows to service the annual coupon when due.

In the event of the ICULS becoming payable upon the occurrence of an event of default pursuant to the Trust Deed, the amount which is immediately due and payable by our Company to the holders of the ICULS shall be the nominal value of the outstanding ICULS.

Our Company will endeavour to ensure that we will maintain prudent cash flow management and monitor our cash flow position regularly to minimise the event of default. However, there is no assurance that our Company will generate sufficient cash flow to mitigate the coupon payment risk of the ICULS.

6.3.2 Investment risks

The market price of YBVB Shares will be influenced by, amongst others, prevailing market sentiments, volatility of the stock market, the prospects and operating results of our Group and the future outlook of the industries in which we operate. The issue price and the Conversion Price was arrived at after taking into consideration, amongst others, the 5-day VWAMP of YBVB Shares immediately before the Price-Fixing Date and the prevailing market conditions and market price of YBVB Shares on the Price-Fixing Date.

The market price of the ICULS, like all listed securities traded on Bursa Securities and being new securities to be issued by our Company, are subject to, inter-alia, price discovery by investors, fluctuations in tandem with the overall outlook of the stock market in Malaysia and globally, and will be influenced by, amongst others, the market price, potential payments of dividends and volatility of the YBVB Shares and the remaining conversion period of the ICULS. There is no assurance that the Conversion Price will be in-the-money during the tenure of the conversion period of the ICULS.

6.3.3 Delay or failure in the completion of the Rights Issue

The Rights Issue is exposed to the risk that it may be aborted or delayed on the occurrence of any force majeure events or events/circumstances, which are beyond the control of our Group and KAF IB, arising prior to the completion of the Rights Issue. No assurances can be made that the abovementioned factors or events/circumstances will not cause a failure or delay in the completion of the Rights Issue.

Where prior to the issuance and allotment of the Rights ICULS to the successful Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable):-

- (i) in the event of failure in the completion of the Rights Issue where the SC issues a stop order pursuant to Section 245(1) of the CMSA, all applications shall be deemed to be withdrawn and cancelled and our Company shall be liable to repay all monies paid in respect of the Rights ICULS within 14 days from the date of the stop order, failing which we shall be liable to return such monies with interest at the rate of 10% per annum or at such rate which may be specified by the SC pursuant to Section 245(7)(a) of the CMSA; or
- (ii) in the event of failure in the completion of the Rights Issue (other than pursuant to Section 245(1) of the CMSA), all application money received pursuant to the Rights Issue will be refunded to the Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) who have subscribed for the Rights ICULS without interest.

In the event that the Rights ICULS have been allotted to the successful Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) and:-

- (a) the SC issues a stop order pursuant to Section 245(1) of the CMSA, any issue of the Rights ICULS shall be deemed to be void and all monies received from the applicants shall be forthwith repaid and if any such money is not repaid within 14 days from the stop order, our Company shall be liable to return such monies with interest at the rate of 10% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(b) of the CMSA; or
- (b) the Rights Issue is subsequently cancelled or terminated for reasons other than pursuant to a stop order by the SC under Section 245(1) of the CMSA, a return of money to our shareholders can only be achieved by way of cancellation of our Company's share capital as provided under the Act and its related rules.

Notwithstanding the above, our Company will exercise our best endeavour to ensure the successful implementation of the Rights Issue. However, there can be no assurance that the abovementioned events will not cause a delay in or failure of the Rights Issue.

6.3.4 Factors affecting the ICULS

There is no prior market for the ICULS, and as such there is no assurance that an active market for the ICULS will develop upon the listing and quotation on the Main Market of Bursa Securities, or if developed, that such a market may be sustained or adequately liquid during the tenure of the ICULS. Our Board believes that a variety of factors could cause the future market price performance of the ICULS to fluctuate, including but not limited to trades of substantial amount of the ICULS on Bursa Securities in the future, fluctuation in the market price of the underlying YBVB Shares, announcements of corporate developments relating to our Group's business and the future financial performance of our Group.

The future price performance of the ICULS will also depend on various external factors, such as the prospects of industries in which our Group operates, the economic, monetary and political conditions of Malaysia, outlook of interest rates, the investors' sentiments and liquidity in the local stock market as well as the performance of regional and world bourses. Notwithstanding the above, it should be noted that our Group's financial performance is not dependent on the market price performance of the YBVB Shares and/or the ICULS.

6.3.5 Potential dilution

Entitled Shareholders who do not subscribe for their entitlement under the Rights Issue will experience dilution in their existing shareholdings in the Company as a result of the conversion of the ICULS into new YBVB Shares. Pursuant thereto, their proportionate entitlement to any future dividend, distributions, rights and/or allotment that our Company may declare or make after completion of Rights Issue will correspondingly be diluted upon conversion of ICULS into new YBVB Shares.

6.3.6 Forward-looking statements

Certain statements in this Abridged Prospectus are based on historical data, which may not be reflective of the future results and others are forward-looking in nature, which are subject to uncertainties and contingencies.

All forward-looking statements contained in this Abridged Prospectus are based on estimates and assumptions made by our Company, unless stated otherwise. Although our Board believes that these forward-looking statements are reasonable, the statements 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 view of these uncertainties, the inclusion of any forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by our Company that the plans and objectives of our Group will be achieved.

7.0 EFFECTS OF THE RIGHTS ISSUE

As at the LPD, save for the Rights Issue and the following transaction, there are no other material transactions which may have a material effect on the operations, financial position and results of our Group since the date of announcement of our Group's latest unaudited consolidated financial statements for FPE 2021:-

- (i) A bonus issue of 97,045,933 new YBVB Shares on the basis of two (2) new YBVB Shares for every three (3) existing YBVB Shares which had been completed on 2 April 2021 (“**Bonus Issue**”).

7.1 Issued share capital

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

	Minimum Scenario		Maximum Scenario	
	No. of Shares	RM	No. of Shares	RM
As at the LPD	⁽¹⁾ 242,616,525	93,692,416	⁽¹⁾ 242,616,525	93,692,416
To be issued upon conversion of ICULS	15,544,999	⁽²⁾ 7,461,600	1,213,082,625	⁽²⁾ 582,279,660
Enlarged issue share capital	258,161,524	101,154,016	1,455,699,150	675,972,076

Notes:-

(1) Including 808,166 treasury shares.

(2) The ICULS are assumed to be converted at the Conversion Price of RM0.48 per Share.

7.2 Earnings and EPS

Barring any unforeseen circumstances, the Rights Issue is expected to contribute positively to the future earnings of our Group when the benefits of the utilisation of proceeds are realised. Nonetheless, the Rights Issue will:-

- (i) reduce the earnings of our Group during the tenure of the ICULS by the annual coupon payment of the ICULS of approximately RM0.01 million* and RM0.05 million* per annum based on the Minimum Subscription Level and Maximum Subscription Level respectively; and
- (ii) result in a dilution of the consolidated EPS of our Company arising from the increase in the number of YBVB Shares in issue upon conversion of the ICULS.

*Note *:- Calculated based on the annual coupon rate of 0.10% multiply by the nominal value of ICULS of RM7.46 million and RM48.52 million based on the Minimum Subscription Level and Maximum Subscription Level respectively.*

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7.3 NA and gearing

The proforma effects of the Rights Issue on the consolidated NA per Share and gearing of our Company based on the latest audited consolidated financial statements of our Company for the FYE 2020 are as follows:-

<u>Minimum Scenario</u>	Audited as at 31.12.2020 RM'000	(I) (1) After subsequent events RM'000	(II) After (I) and Rights Issue RM'000	After (II) and upon full conversion of ICULS RM'000
Share capital	93,692	93,692	93,692	101,154
Treasury shares	(256)	(256)	(256)	(256)
ICULS - Equity portion	-	-	(2) 7,433	-
Reserve	80,405	80,405	80,405	80,405
Retained earnings	109,147	109,147	(3) 108,547	108,547
Shareholders' equity / NA	282,988	282,988	289,821	289,850
No. of Shares ('000)	145,571	242,617	242,617	258,162
NA per Share (RM)	1.94	1.17	1.19	1.12
Borrowings (RM'000)	-	-	-	-
Gearing (times)	-	-	-	-

<u>Maximum Scenario</u>	Audited as at 31.12.2020 RM'000	(I) (1) After subsequent events RM'000	(II) After (I) and Rights Issue RM'000	After (II) and upon full conversion of ICULS RM'000
Share capital	93,692	93,692	93,692	675,972
Treasury shares	(256)	(256)	(256)	(256)
ICULS - Equity portion	-	-	(2) 48,339	-
Reserve	80,405	80,405	80,405	80,405
Retained earnings	109,147	109,147	(3) 108,547	108,547
Shareholders' equity / NA	282,988	282,988	330,727	864,668
No. of Shares ('000)	145,571	242,617	242,617	1,455,699
NA per Share (RM)	1.94	1.17	1.36	0.59
Borrowings (RM'000)	-	-	-	-
Gearing (times)	-	-	-	-

Notes:-

- (1) After completion of the Bonus Issue.
- (2) The estimated equity component of the ICULS arising from the Rights Issue is determined by deducting the liability component of the ICULS of about RM37,196 under the Minimum Scenario and RM241,890 under the Maximum Scenario, which is estimated by discounting the coupon payments over the tenure of five (5) years at an effective annual interest rate of 0.10%, from the gross proceeds to be raised under the Rights Issue.

The equity component of the ICULS also includes the resulting deferred tax asset arising from the temporary differences of the liability component of the ICULS of about RM8,927 under the Minimum Scenario and RM58,054 under the Maximum Scenario, which is recognised based on the Malaysian statutory tax rate of 24.0%.

- (3) After deducting the estimated expenses incidental to the Rights Issue of approximately RM0.60 million.

7.4 Substantial shareholders' shareholdings

The pro forma effects of the Rights Issue on our substantial shareholders' shareholdings in our Company are as follows:-

	As at the LPD				Minimum Scenario Assuming full conversion of ICULS			
	Direct		Indirect		Direct		Indirect	
Substantial shareholders	No. of Shares	(1) %	No. of Shares	(1) %	No. of Shares	(1) %	No. of Shares	(1) %
Lim Lee Wheng	8,242,166	3.40	⁽²⁾ ⁽³⁾ 29,065,833	11.98	11,676,402	4.52	⁽²⁾ ⁽³⁾ 41,176,597	15.95
Au Yee Boon	13,115,833	5.41	⁽³⁾ ⁽⁴⁾ 24,192,166	9.97	18,580,763	7.20	⁽³⁾ ⁽⁴⁾ 34,272,235	13.28
TechBase Solution	15,950,000	6.57	-	-	22,595,833	8.75	-	-
Gunung Resources Sdn. Bhd.	33,250,000	13.70	-	-	33,250,000	12.88	-	-

	Maximum Scenario Assuming full conversion of ICULS			
	Direct		Indirect	
Substantial shareholders	No. of Shares	(1) %	No. of Shares	(1) %
Lim Lee Wheng	49,452,996	3.40	⁽²⁾ ⁽³⁾ 174,394,998	11.98
Au Yee Boon	78,694,998	5.41	⁽³⁾ ⁽⁴⁾ 145,152,996	9.97
TechBase Solution	95,700,000	6.57	-	-
Gunung Resources Sdn. Bhd.	199,500,000	13.70	-	-

Notes:-

- (1) Including treasury shares.
- (2) Deemed interested through the shareholdings of her spouse, Au Yee Boon's interest in our Company.
- (3) Deemed interested by virtue of his interest in TechBase Solution pursuant to Section 8 of the Act.
- (4) Deemed interested through the shareholdings of his spouse, Lim Lee Wheng's interest in our Company.

7.5 Convertible securities

As at the LPD, our Company does not have any other convertible securities.

8.0 WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS

8.1 Working capital

Our Group's current working capital is funded through the existing cash and bank balances along with the funds generated from our Group's operating activities. As at the LPD, our Group holds cash and bank balances of RM53.53 million.

Our Directors are of the opinion, after taking into consideration the proceeds from the Rights Issue, our Group's cash and bank balances and the funds to be internally generated from our operations, that the working capital available to the corporation will be sufficient for a period of twelve (12) months from the date of this Abridged Prospectus.

8.2 Borrowings

As at the LPD, our Group has no outstanding bank borrowings.

Our Board confirmed that there has been no default on payments of either interest and/or principal sums in respect of any borrowings for the FYE 2020 and the subsequent financial period up to the LPD.

8.3 Material commitments and contingent liabilities

As at the LPD, our Board is not aware of any material commitments and contingent liabilities incurred or known to be incurred by our Group which, upon becoming due and enforceable, may have a material and adverse impact on the financial results/position of our Group.

9.0 INSTRUCTIONS FOR ACCEPTANCE, PAYMENT, SALE/TRANSFER AND EXCESS APPLICATION

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL RIGHTS ICULS, EXCESS APPLICATION FOR THE RIGHTS ICULS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU WISH TO SELL/TRANSFER ALL OR ANY PART OF YOUR ENTITLEMENT ARE SET OUT IN THIS ABRIDGED PROSPECTUS, THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN.

YOU AND/OR YOUR RENOUNCEE(S)/TRANSFeree(S) (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS PRINTED THEREIN CAREFULLY, IN ACCORDANCE WITH SECTION 232(2) OF THE CMSA. THE RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THE ABRIDGED PROSPECTUS.

ACCEPTANCE OF AND/OR PAYMENT FOR THE PROVISIONAL RIGHTS ICULS WHICH DO NOT CONFORM STRICTLY TO THE TERMS OF THIS ABRIDGED PROSPECTUS, THE RSF OR THE NOTES AND INSTRUCTIONS PRINTED THEREIN OR WHICH ARE ILLEGIBLE MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF THE BOARD.

9.1 General

If you are an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Rights ICULS which you are entitled to subscribe for in full or in part under the terms of the Rights Issue. You will find enclosed together with this Abridged Prospectus, one (1) NPA notifying you of the crediting of such Provisional Rights ICULS into your CDS Account and one (1) RSF to enable you to subscribe for the Provisional Rights ICULS as well as to apply for Excess Rights ICULS if you choose to do so. This Abridged Prospectus and RSF are also available at our Registered Office, our Share Registrar's website at <https://www.registrar-boardroom.com.my> or on Bursa Securities' website at <http://www.bursamalaysia.com>.

You and/or your renounee(s)/transferee(s) (if applicable) should take note that a trading board lot for the Rights ICULS will comprise 100 Rights ICULS. The minimum Rights ICULS that can be subscribed for or accepted in relation to the Rights Issue is one (1) Rights ICULS. Fractions of Rights ICULS which may arise from the Rights Issue will be disregarded and shall be dealt with in such manner as our Board shall in their absolute discretion deem fit, expedient and in the best interests of our Company.

Our Share Registrar will not contact you and/or your renounee(s)/transferee(s) (where applicable) for acceptance which do not strictly conform with the terms and conditions of this Abridged Prospectus or the RSF and the notes and instructions contained in the RSF which are illegible. An announcement on the outcome of the Rights Issue shall be released to Bursa Securities after the Closing Date.

9.2 NPA

The Provisional Rights ICULS are prescribed securities pursuant to Section 14(5) of the SICDA and therefore, all dealings in the NPA will be by book entries through CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository. You and/or your renounee(s)/transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making your applications.

9.3 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the Provisional Rights ICULS is at **5.00 p.m. on Friday, 27 August 2021**, or such extended date and time as our Board may decide at its absolute discretion. Where the closing date of the acceptance is extended from the original closing date, the announcement of such extension will be made not less than two (2) Market Days before the original closing date.

9.4 Methods of acceptance and application

You may subscribe for the Provisional Rights ICULS as well as apply for Excess Rights ICULS, if you chose to do so, using either of the following methods:-

Method	Category of Entitled Holders
RSF	All Entitled Shareholders
e-Subscription	All Entitled Shareholders

9.5 Procedures for acceptance and payment

9.5.1 By way of RSF

If you wish to accept your entitlement to Provision Rights ICULS, the acceptance of and payment for the Provisional Rights ICULS allotted to you must be made on the RSF enclosed together with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in these documents. Acceptances which do not strictly conform to the terms of this Abridged Prospectus, NPA or RSF or the notes and instructions contained in these documents or which are illegible may not be accepted at the absolute discretion of our Board.

Renouncee(s)/transferee(s) who wishes to accept the Provisional Rights ICULS must obtain a copy of the RSF from their stockbrokers or the registered office or Share Registrar's website at <https://www.registrar-boardroom.com.my> or from the Bursa Securities' website at <http://www.bursamalaysia.com> and complete the RSF and submit the same together with the remittance to Share Registrar in accordance with the notes and instructions printed therein.

The procedures for acceptance and payment applicable to the Entitled Shareholders also apply to renouncee(s)/transferee(s) who wishes to accept the Provisional Rights ICULS.

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL RIGHTS ICULS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU AND/OR YOUR RENOUNCEE(S) / TRANSFEREE(S) (IF APPLICABLE) WISH TO SELL OR TRANSFER ALL OR ANY PART OF YOUR ENTITLEMENT ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS PRINTED THEREIN. IN ACCORDANCE WITH SECTION 232(2) OF THE CMSA, THE RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THIS ABRIDGED PROSPECTUS. YOU AND/OR YOUR RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN CAREFULLY.

You and/or your renouncee(s)/transferee(s) (if applicable) who are accepting in full or in part of your entitlement to the Provisional Rights ICULS are required to fill and complete Parts I(A) and II of the RSF in accordance with the notes and instructions contained in the RSF. Each completed and signed RSF together with the relevant payment must be despatched by **ORDINARY POST, COURIER** or **DELIVERED BY HAND** using the envelope provided (at your own risk) to our Share Registrar at the following address:-

Boardroom.com Sdn. Bhd.
Level 5, Block B
Dataran PHB, Saujana Resort
Section U2
40150 Shah Alam
Selangor Darul Ehsan

Tel No: +6 03 7890 0638

Fax No: +6 03 7890 1032

so as to arrive not later than **5.00 p.m. on Friday, 27 August 2021**, being the last date and time for acceptance and payment for the Provisional Rights ICULS, or such extended time and date as may be determined and announced by our Board not less than two (2) Market Days before the stipulated date and time.

One (1) RSF can only be used for acceptance of the Provisional Rights ICULS standing to the credit of one (1) CDS Account. Separate RSF must be used for the acceptance of the Provisional Rights ICULS standing to the credit of more than one (1) CDS Account. If successful, Rights ICULS subscribed by you or your renouncee(s)/transferee(s) (if applicable) will be credited into the respective CDS Accounts where the Provisional Rights ICULS is standing to the credit.

A reply envelope is enclosed in this Abridged Prospectus. In order to facilitate the processing of the RSF by our Share Registrar for the Provisional Rights ICULS, you are advised to use one (1) reply envelope for each completed RSF.

You and/or your renouncee(s)/transferee(s) (if applicable) should take note that a trading board lot for the Rights ICULS will comprise 100 Rights ICULS each. The minimum number of securities that can be subscribed for or accepted is one (1) Rights ICULS. Fractions of Rights ICULS which may arise from the Rights Issue will be disregarded and shall be dealt with in such manner as our Board shall in its absolute discretion deem fit, expedient and in the best interests of our Company.

If acceptance and payment for the Provisional Rights ICULS from you and/or your renounee(s)/transferee(s) (if applicable) is not received by our Share Registrar by **5.00 p.m. on Friday, 27 August 2021**, being the last date and time for acceptance and payment for the Provisional Rights ICULS, or any other extended date and time as may be determined and announced by our Board not less than two (2) Market Days before the stipulated time and date at its discretion, you and/or your renounee(s)/transferee(s) (if applicable) will be deemed to have declined the Provisional Rights ICULS made to you and/or your renounee(s)/transferee(s) (if applicable) and it will be cancelled. In the event that the Rights ICULS are not fully taken up by such applicants, our Board will then have the right to allot such Rights ICULS to the applicants who have applied for Excess Rights ICULS in the manner as set out in Section 9.9 of this Abridged Prospectus. Proof of time of postage shall not constitute proof of time of receipt by our Share Registrar. Our Board reserves the right to accept any application in full or in part only without providing any reasons.

You and/or your renounee(s)/transferee(s) (if applicable) who lose, misplace or for any other reasons require another copy of the RSF may obtain additional copies from your stockbrokers, Bursa Securities' website at <http://www.bursamalaysia.com>, our Share Registrar's website at <https://www.registrar-boardroom.com.my> or our registered office.

EACH COMPLETED RSF MUST BE ACCOMPANIED BY THE APPROPRIATE REMITTANCE MADE IN RM FOR THE FULL AMOUNT PAYABLE FOR THE RIGHTS ICULS ACCEPTED IN THE FORM OF BANKER'S DRAFT(S), CASHIER'S ORDER(S), MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "ACCOUNT PAYEE ONLY" AND MADE PAYABLE TO "YB VENTURES BERHAD RIGHTS ICULS" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME IN BLOCK LETTERS TOGETHER WITH YOUR CONTACT NUMBER, YOUR ADDRESS AND YOUR CDS ACCOUNT NUMBER SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR NOT LATER THAN THE LAST DATE AND TIME FOR ACCEPTANCE AND PAYMENT AS SET OUT ON THE COVER PAGE OF THIS ABRIDGED PROSPECTUS.

APPLICATIONS ACCOMPANIED BY PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF. CHEQUE OR OTHER MODE(S) OF PAYMENT NOT PRESCRIBED HEREIN ARE NOT ACCEPTABLE.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES IN RESPECT OF THE RIGHTS ISSUE WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED WITH THEIR RIGHTS ICULS, AND NOTICES OF ALLOTMENT WILL BE ISSUED AND DESPATCHED BY ORDINARY POST TO THEM OR THEIR RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE) AT THEIR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN EIGHT (8) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

APPLICANTS SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

WHERE AN APPLICATION IS NOT ACCEPTED OR ACCEPTED ONLY IN PART, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE CREDITED INTO YOUR BANK ACCOUNT REGISTERED WITH BURSA DEPOSITORY OR BY ISSUANCE OF CHEQUE AND SHALL BE DESPATCHED TO THE APPLICANTS WITHIN FIFTEEN (15) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT THE APPLICANTS' OWN RISK.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY APPLICATION OR TO ACCEPT ANY APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON THEREOF.

9.5.2 By way of e-Subscription

You can have the option to accept your entitlement to the Provisional Rights ICULS and payment for the Provisional Rights ICULS through e-Subscription available from Boardroom.com portal at <https://www.registrar-boardroom.com.my>. The e-Subscription is available to all Entitled Shareholders including individuals, corporations or institutional shareholders. You are advised to read the instructions as well as the terms and conditions of the e-Subscription.

The Entitled Shareholders who wish to subscribe for the Provisional Rights ICULS and apply for Excess Rights ICULS by way of e-Subscription shall take note of the following:-

- (i) any e-Subscription received by the Share Registrar after the Closing Date shall be regarded as null and void and of no legal effect unless our Board in its absolute discretion determines otherwise. Any e-Subscription, once received by the Share Registrar from you, is irrevocable and shall be binding on you. All valid e-Subscription received by Share Registrar are irrevocable and cannot be subsequently withdrawn;
- (ii) the e-Subscription must be made in accordance with the procedures and terms and conditions of the e-Subscription, this Abridged Prospectus and the notes and conditions contained in the e-RSF. Any incomplete or incorrectly completed e-RSF submitted via Boardroom.com portal may or may not be accepted at the absolute discretion of the Board;
- (iii) your application for the Rights ICULS and Excess Rights ICULS (if applicable) must be accompanied by the remittance in RM via internet bank transfer, the bank account details as follows:-

Name of account	YB VENTURES BERHAD RIGHTS ICULS	YB VENTURES BERHAD EXCESS RIGHTS ICULS
Name of bank	Malayan Banking Berhad	
Bank account no.	564044019534	564044019096

You are required to pay an **additional fee of RM15.00** being the stamp duty and handling fees for each e-Subscription per CDS account into the Share Registrar's bank account as follows:-

Name of account	BOARDROOM.COM SDN BHD
Name of bank	CIMB Bank Berhad
Bank account no.	8010020271

- (iv) All Entitled Shareholders who wish to submit by way of e-Subscription are required to follow the procedures and read the terms and conditions as stated below:-

Procedures

Procedure	Action
User registration	<ul style="list-style-type: none"> • Access the Boardroom.com portal at https://www.registrar-boardroom.com.my • Click <<Login/Register>> followed by <<Register New User>> to register as a new user. • Complete the registration by filling up the information required and upload a clear copy of your MyKAD (both front and back page) or Passport. • Read and agree to the terms & conditions and thereafter submit your registration.

Procedure	Action
	<ul style="list-style-type: none"> • Please enter a valid email address in order for you to receive the verification email from the Boardroom.com portal. • Please verify your email address before the link expire in one (1) hour from your registration. • Your registration will be verified and approved by the Boardroom.com portal. Once approved, an email notification will be sent to you. • If you have already registered an account with Boardroom.com portal, you are not required to register again.
e-Subscription	<ul style="list-style-type: none"> • Sign in to https://www.registrar-boardroom.com.my • Login with your user ID and password for e-Subscription before the Closing Date. • Click the “MY RIGHTS ISSUE”. • Select the Company name from the drop selection and click the relevant Corporate Exercise event name. • Select the CDS account that you wish to submit and input the number of Right ICULS to subscribe and number of Excess Rights ICULS to apply (if you choose to do so). • Ensure all information in the form is accurate before submitting the form. • Proceed for the payment via online banking and please indicate the details with the last 9 digits of CDS account number and shareholder name when payment is made. • Download the payment advice when the payment was successful transferred. • Upload the proof of payment(s) (i.e. payment advice) for the subscription and fill up the online payment transaction number as your reference number. • Click the confirm button to submit the e-RSF.

If you encounter any problems during the registration or submission, please email to the Share Registrar at admin.registrar@boardroom.com.my or call at **+603-7890 0638** for assistance.

Terms and conditions of the e-Subscription

By submitting your acceptance of the Rights ICULS and application of the Excess Rights ICULS (if applicable) by way of e-Subscription:-

- (a) you confirmed that you have attained 18 years of age as at the last day for subscription and payment;
- (b) you confirmed that you have, prior to making the e-Subscription, received a printed copy of this Abridged Prospectus and/or have had access to this Abridged Prospectus from Bursa Securities’ website at www.bursamalaysia.com, the contents of which you have read and understood;
- (c) you agree to all the terms and conditions for the e-Subscription and have carefully considered the risk factors as set out in this Abridged Prospectus, in addition to all other information contained in this Abridged Prospectus, before making the e-Subscription application;
- (d) you agree and undertake to subscribe for and to accept the number of Rights ICULS and Excess Rights ICULS applied for (if applicable) as stated in the e-RSF. Your confirmation of your subscription will signify, and will be treated as, your subscription of the number of Rights ICULS that may be allotted to you;

- (e) You acknowledge that your submission by way of e-Subscription 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 or the Share Registrar and irrevocably agree that if:-
- the Company or Share Registrar does not receive your submission of the e-RSF; or
 - data on the e-RSF is wholly or partially lost, corrupted or inaccessible, or not transmitted or not communicated to the Share Registrar,
- your submission of the e-RSF will be deemed as failed and not to have been made. The Company and Share Registrar will not be held liable for any delays, failures or inaccuracies in the processing of your e-Subscription due to the above reasons and you further agree that you may not make any claims whatsoever against the Company or Share Registrar for any loss, compensation or damage in relation to the unsuccessful or failure of your e-Subscription;
- (f) You will ensure that all information provided by you in the e-RSF is identical with the information in the records of Bursa Depository and further agree and confirm that in the event the said information differs from the records of Bursa Depository, your application by way of e-Subscription may be rejected at the absolute discretion of the Board without assigning any reason. Therefore:-
- you must inform Bursa Depository promptly of any change in address failing which the notification on the outcome of your e-Subscription will be sent to your address last maintained with Bursa Depository; and
 - by making and completing an e-Subscription, you agree that:-
 1. in consideration of the Company agreeing to allow and accept your e-Subscription for the Provisional Rights ICULS and Excess Rights ICULS applied (if applicable), your e-Subscription is irrevocable and cannot be subsequently withdrawn; and
 2. the Share Registrar will not be liable for any delays, failures or inaccuracies in the processing of data relating to your e-Subscription due to a breakdown or failure of transmission or communication facilities or to any cause beyond the Company's control;
- (g) You agree that your application shall not be deemed to have been accepted by reason of the remittance have been made.
- (h) You agree that all the Rights ICULS to be issued pursuant to the Rights Issue will be allotted by way of crediting the Rights ICULS into your CDS account. No physical share or warrant certificates will be issued.
- (i) You agree that the Company and Share Registrar reserve the right to reject your application which does not conform to these terms and conditions.
- (j) If your application is successful, a notice of allotment will be issued and despatched by ordinary post to the address as shown in the Record of Depositors provided by Bursa Depository at your own risk within 8 Market Days from the Closing Date.

In respect of unsuccessful or partially accepted applications, the full amount or the surplus application monies, as the case may be, will be refunded without interest. the refund will be credited into your bank account registered with Bursa Depository for the purpose of cash dividends/distribution. if you have not registered such bank account with Bursa Depository, the refund will be made by issuance of cheque and shall be despatched by ordinary post to the address as shown on the Record of Depositors at your own risk within 15 Market Days from the Closing Date.

If acceptance of and payment for the Provisional Rights ICULS allotted to you (whether in full or in part, as the case may be) are not received by the Share Registrar by **5.00 p.m. on Friday, 27 August 2021**, the provisional entitlement to you or remainder thereof (as the case may be) will be deemed to have been declined and will be cancelled. Proof of time of postage shall not constitute proof of time of receipt by the Share Registrar.

The Board will then have the right to allot any Rights ICULS not taken up or not validly taken up to applicants applying for the Excess Rights ICULS in the manner as set out in Section 9.9 of this Abridged Prospectus. The Board reserves the right not to accept any application or to accept any application in part only without assigning any reason thereof.

9.6 Procedures for part acceptance

If you do not wish to accept the Rights ICULS provisionally allotted to you in full, you are entitled to accept part of your Provisional Rights ICULS. The minimum number of securities that can be subscribed for or accepted is one (1) Rights ICULS.

You must complete Parts I(A) and II of the RSF by specifying the number of Rights ICULS which you are accepting and deliver the completed RSF together with the relevant payment to our Share Registrar, in the same manner as set out in Section 9.4 of this Abridged Prospectus.

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF.

The portion of the Provisional Rights ICULS that have not been accepted will be made available for Excess Rights ICULS applications.

9.7 Procedures for sale or transfer of Provisional Rights ICULS

As the Provisional Rights ICULS are prescribed securities, you may sell or transfer all or part of your entitlement to the Rights ICULS to one (1) or more person(s) through your stockbroker in the period up to the last date and time for sale or transfer of such Provisional Rights ICULS, without first having to request for a split of the Provisional Rights ICULS standing to the credit of your CDS Account. To dispose of all or part of your entitlement to the Provisional Rights ICULS, you may sell such entitlement on the open market or transfer such entitlement to such persons as may be allowed pursuant to the Rules of Bursa Depository.

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF. IN SELLING OR TRANSFERRING ALL OR PART OF YOUR PROVISIONAL RIGHTS ICULS, YOU AND/OR YOUR RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE) NEED NOT DELIVER ANY DOCUMENT, INCLUDING THE RSF, TO ANY STOCKBROKER. HOWEVER, YOU AND/OR YOUR RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE) MUST ENSURE THAT THERE IS SUFFICIENT PROVISIONAL RIGHTS ICULS STANDING TO THE CREDIT OF YOUR CDS ACCOUNTS BEFORE SELLING OR TRANSFERRING.

If you have sold or transferred only part of your Provisional Rights ICULS, you may still accept the balance of your Provisional Rights ICULS by completing the RSF. Please refer to Section 9.4 of this Abridged Prospectus for the procedures for acceptance and payment.

Purchaser(s) or transferee(s) of the Provisional Rights ICULS may obtain a copy of this Abridged Prospectus and the RSF from their stockbrokers or from our Share Registrar as stated above. This Abridged Prospectus and RSF are also available on Bursa Securities' website at <http://www.bursamalaysia.com>.

YOU SHOULD NOTE THAT ANY RSF AND REMITTANCE LODGED WITH THE SHARE REGISTRAR WILL BE IRREVOCABLE AND CANNOT SUBSEQUENTLY BE WITHDRAWN.

9.8 Procedures for acceptance by renounee(s)/transferee(s)

Renounee(s)/transferee(s) who wish to accept the Provisional Rights ICULS must obtain a copy of the RSF from their stockbrokers, our Share Registrar, or at our registered office or Share Registrar's website at <https://www.registrar-boardroom.com.my> or from Bursa Securities' website at <http://www.bursamalaysia.com> and complete the RSF, submit the same together with the remittance to our Share Registrar in accordance with the notes and instructions printed therein.

The procedures for acceptance and payment applicable to the Entitled Shareholders as set out in Section 9.4 of this Abridged Prospectus also apply to renounee(s)/transferee(s) who wish to accept the Provisional Rights ICULS. Please refer to the relevant sections for the procedures to be followed.

RENOUNCEE(S)/TRANSFEREE(S) ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS ABRIDGED PROSPECTUS AND THE RSF CAREFULLY.

9.9 Procedures for Excess Rights ICULS application

(a) By way of RSF

If you and/or your renounee(s)/transferee(s) (if applicable) wish to apply for Excess Rights ICULS in addition to the Provisional Rights ICULS, you may do so by completing Part I(B) of the RSF (in addition to Parts 1(A) and II) and forwarding it (together with a **separate remittance in RM** for the full amount payable in respect of the Excess Rights ICULS applied for) to our Share Registrar at the address set out above, so as to arrive **not later than 5.00 p.m. on Friday, 27 August 2021**, being the last date and time for excess application and payment, or such extended time and date as may be determined and announced by our Board not less than two (2) Market Days before the stipulated date and time.

PAYMENT FOR THE EXCESS RIGHTS ICULS APPLIED FOR SHOULD BE MADE IN THE SAME MANNER AS SET OUT IN SECTION 9.4 OF THIS ABRIDGED PROSPECTUS EXCEPT THAT BANKER'S DRAFT(S), CASHIER'S ORDER(S), MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "ACCOUNT PAYEE ONLY" AND MADE PAYABLE TO "YB VENTURES BERHAD EXCESS RIGHTS ICULS" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME IN BLOCK LETTERS TOGETHER WITH YOUR CONTACT NUMBER, YOUR ADDRESS AND YOUR CDS ACCOUNT NUMBER SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR NOT LATER THAN THE LAST DATE AND TIME FOR EXCESS APPLICATION AND PAYMENT AS SET OUT ON THE COVER PAGE OF THIS ABRIDGED PROSPECTUS. ANY EXCESS OR INSUFFICIENT PAYMENT MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. CHEQUES OR OTHER MODE(S) OF PAYMENT NOT PRESCRIBED HEREIN ARE NOT ACCEPTABLE.

(b) By way of e-Subscription

If you are an Entitled Shareholder who is an individual, you may apply for the Excess Rights ICULS via e-Subscription in addition to your Provisional Rights ICULS. If you wish to do so, you may apply for the Excess Rights ICULS by following the same steps as set out in Section 9.5.2 of this Abridged Prospectus.

The e-Subscription for Excess Rights ICULS will be made on, and subject to, the same terms and conditions appearing in Section 9.5.2 of this Abridged Prospectus.

It is the intention of our Board to allot the Excess Rights ICULS, if any, on a fair and equitable basis in the following priority:-

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

- (ii) secondly, for allocation to Entitled Shareholders who have applied for Excess Rights ICULS, on a pro-rata basis and in board lots, calculated based on their respective shareholdings in YVBV as at the Entitlement Date;
- (iii) thirdly, for allocation to Entitled Shareholders who have applied for Excess Rights ICULS, on a pro-rata basis and in board lots, calculated based on the quantum of Excess Rights ICULS applied for; and
- (iv) finally, for allocation to transferee(s) and/or renouncee(s) who have applied for Excess Rights ICULS, on a pro-rata basis and in board lots, based on the quantum of Excess Rights ICULS applied for.

In the event of any balance of Excess Rights ICULS after steps (i) to (iv) are carried out, steps (ii) to (iv) will be repeated in the same sequence again to allocate the balance Excess Rights ICULS until such balance is exhausted.

Nevertheless, our Board reserves the right to allot the Excess Rights ICULS applied for via e-RSF or under Part I(B) of the RSF in such a manner as our Board deems fit and expedient, and in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board set out in Sections 9.9 (i) to (iv) of this Abridged Prospectus are achieved. Our Board also reserves the right at its absolute discretion not to accept any application for the Excess Rights ICULS, in full or in part, without assigning any reason thereto.

APPLICATIONS ACCOMPANIED BY PAYMENT OTHER THAN IN THE MANNER STATED ABOVE WITH EXCESS OR INSUFFICIENT REMITTANCES MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE EXCESS RIGHTS ICULS. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED WITH THEIR RIGHTS ICULS, AND NOTICES OF ALLOTMENT WILL BE ISSUED AND DESPATCHED BY ORDINARY POST TO THE APPLICANTS AT THEIR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN EIGHT (8) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE EXCESS RIGHTS ICULS OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

APPLICANTS SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

IN RESPECT OF UNSUCCESSFUL OR PARTIALLY SUCCESSFUL EXCESS RIGHTS ICULS APPLICATIONS, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE CREDITED INTO YOUR BANK ACCOUNT REGISTERED WITH BURSA DEPOSITORY.

IF YOU HAVE NOT REGISTERED SUCH BANK ACCOUNT WITH BURSA DEPOSITORY, THE REFUND WILL BE MADE BY WAY OF ISSUANCE OF CHEQUE AND SHALL BE DESPATCHED TO THE APPLICANTS WITHIN FIFTEEN (15) MARKET DAYS FROM THE LAST DATE FOR EXCESS APPLICATION AND PAYMENT FOR THE EXCESS RIGHTS ICULS BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT THE APPLICANTS' OWN RISK.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

9.10 Notice of allotment

Within 5 Market Days after the Closing Date, the Company will make the relevant announcements in relation to the subscription rate of the Rights Issue.

Upon allotment of the Rights ICULS in respect of your acceptance and/or your renounee(s) / transferee(s) acceptance (if applicable) and Excess Rights ICULS application (if any), the Rights ICULS shall be credited directly into the respective CDS Account where the Provisional Rights ICULS were credited. No physical certificates will be issued in respect of the Rights ICULS. However, a notice of allotment will be despatched to you and/or your renounee(s) / transferee(s) (if applicable) by ordinary post within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities, to the address last shown on the Record of Depositors at your own risk.

Where any application for the Rights ICULS is not accepted due to non-compliance with the terms of the Rights Issue or accepted in part only, the full amount or the balance of the application monies, as the case may be, will be refunded without interest to you. The refund will be by issuance of cheque or banker's draft and will be despatched to you within 15 Market Days from the Closing Date by ordinary post to the address last shown on the Record of Depositors at your own risk.

Please note that a completed RSF and the payment thereof, once lodged with the Share Registrar for the Rights ICULS, cannot be withdrawn subsequently.

9.11 Form of issuance

Bursa Securities has prescribed our securities listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the ICULS are prescribed securities and as such, the SICDA and the Rules of Bursa Depository shall apply in respect of the dealings in the ICULS.

Failure to comply with the specific instructions for applications or inaccuracy in the CDS Account number may result in the application being rejected. No physical loan stock shall be issued to you under the Rights Issue. The notices of allotment will be issued and forwarded to you by ordinary post at your own risk to the address shown in the Record of Depositors provided by Bursa Depository within eight (8) Market Days from the last date and time for acceptance and payment of the Rights Issue.

Subscription of Rights ICULS by Entitled Shareholders

Where the Rights ICULS are provisionally allotted to you as an Entitled Shareholder in respect of your existing YBVB Shares standing to the credit of your CDS Account on the Entitlement Date, the acceptance by you of the Provisional Rights ICULS shall mean that you consent to receive such Rights ICULS as prescribed or deposited securities credited directly into your CDS Account. Hence, the Rights ICULS will be credited directly into your CDS Account upon allotment and issuance.

Subscription of Rights ICULS by a renounee/transferee

Any person who has purchased the Provisional Rights ICULS or to whom the Provisional Rights ICULS has been transferred and intends to subscribe for the Rights ICULS must state his/her CDS Account number in the space provided in the RSF. The Rights ICULS will be credited directly as prescribed or deposited securities into his/her CDS Account upon allotment and issuance.

Application for the Excess Rights ICULS by an Entitled Shareholder and/or his renounee(s)/transferee(s) (if applicable)

The Excess Rights ICULS, if allotted to the successful applicant who applies for the Excess Rights ICULS, will be credited directly as prescribed securities into the CDS Account of the successful applicant. The allocation of the Excess Rights ICULS will be made on a fair and equitable basis as disclosed in Section 9.9 of this Abridged Prospectus.

9.12 Laws of foreign jurisdictions

This Abridged Prospectus and the accompanying NPA and RSF have not been (and will not be) made to comply with the laws of any foreign country or jurisdiction, and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) of any foreign country or jurisdiction. The Rights Issue will not be made or offered for subscription in any foreign country or jurisdiction.

The Foreign Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) may accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue only to the extent that it would be lawful to do so. KAF IB, our Company, our Directors and officers and other professional advisers would not, in connection with the Rights Issue, be in breach of the laws of any country or jurisdiction to which the Foreign Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) are or may be subject to. The Foreign Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) shall solely be responsible to seek advice from their legal advisers and/or other professional advisers as to the laws of the countries or jurisdictions to which they are or may be subject to. KAF IB, our Company, our Directors and officers and other professional advisers shall not accept any responsibility or liability in the event that any acceptance or renunciation made by any foreign Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) is or shall become unlawful, unenforceable, voidable or void in any such country or jurisdiction.

Accordingly, this Abridged Prospectus and the accompanying NPA and RSF will not be sent to the Foreign Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) who do not have a registered address in Malaysia. However, such Foreign Entitled Shareholders or their renounee(s)/transferee(s) (if applicable) may collect this Abridged Prospectus, including the accompanying NPA and RSF, from our Share Registrar, in which event our Share Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the aforesaid documents relating to the Rights Issue.

The foreign Entitled Shareholders or their renounee(s)/transferee(s) (if applicable) will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such country or jurisdiction and we shall be entitled to be fully indemnified and held harmless by such Foreign Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) for any issue, transfer or other taxes or other requisite payments that such person may be required to pay in any country or jurisdiction. They will have no claims whatsoever against us and/or KAF IB in respect of their rights and entitlements under the Rights Issue. Such Foreign Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) should 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 accept the Rights Issue.

By signing any of the forms accompanying this Abridged Prospectus, the NPA and the RSF, the Foreign Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) KAF IB, other experts, our Company and our Board and officers that:-

- (i) we would not, by acting on the acceptance or renunciation in connection with the Rights Issue, be in breach of the laws of any jurisdiction to which that Foreign Entitled Shareholders and/or renounee(s)/transferee(s) (if applicable) are or may be subject to;
- (ii) the Foreign Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation of the Provisional Rights ICULS;
- (iii) the Foreign Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) are not nominees or agents of a person in respect of whom we would, by acting on the acceptance or renunciation of the Provisional Rights ICULS, be in breach of the laws of any jurisdiction to which that person is or may be subject to;

- (iv) the Foreign Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) are aware that the Rights ICULS can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;
- (v) the Foreign Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) have received a copy of this Abridged Prospectus, and have had access to such financial and other information and have been afforded the opportunity to pose such questions to the representatives of our Company and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the Rights ICULS; and
- (vi) the Foreign Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights ICULS, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Rights ICULS.

Persons receiving this Abridged Prospectus, NPA and RSF (including without limitation custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any country or jurisdiction, where to do so would or might contravene local securities, exchange control or relevant laws or regulations. If this Abridged Prospectus, NPA and RSF are received by any persons in such country or jurisdiction, or by the agent or nominee of such a person, he must not seek to accept the offer unless he has complied with and observed the laws of the relevant country or jurisdiction in connection herewith. Any person who does forward this Abridged Prospectus, NPA and RSF to any foreign country or 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 we reserve the right to reject a purported acceptance of the Rights ICULS from any such application by Foreign Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) in any foreign country or jurisdiction.

Our Company reserves the right, in our absolute discretion, to treat any acceptance of Rights ICULS as invalid if it believes that such acceptance may violate any applicable legal or regulatory requirements in Malaysia.

10.0 TERMS AND CONDITIONS

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

11.0 FURTHER INFORMATION

You are advised to refer to the attached appendices for further information.

Yours faithfully,

For and on behalf of the Board of Directors of

YB VENTURES BERHAD (FORMERLY KNOWN AS YI-LAI BERHAD)



AU YEE BOON
Executive Director

INFORMATION ON OUR COMPANY**1. SHARE CAPITAL**

As at the LPD, the issued share capital of our Company is RM93.69 million consisting of 242,616,525 YBVB Shares, including 808,166 treasury shares.

2. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

Please refer to Section 7.4 of this Abridged Prospectus for information on the substantial shareholders' shareholdings prior to and after the Rights Issue.

3. OPTIONS TO SUBSCRIBE FOR SHARES

The shareholders of YBVB have approved the establishment of an ESOS on 30 October 2020 but our Company has yet to grant any options under the ESOS as at the LPD. The maximum number of Shares which may be made available under the ESOS shall not exceed in aggregate 15% of the total number of issued Shares (excluding treasury shares) at any point in time over a period of five (5) years from the effective date of implementation of the ESOS.

4. BOARD OF DIRECTORS

The particulars of the Directors of YBVB as at the LPD are set out below:-

<u>Name</u>	<u>Address</u>	<u>Age</u>	<u>Nationality</u>	<u>Designation</u>
Tan Sri Dato Sri Dr. Ali bin Hamsa	55, Jalan SS 21/36 Damansara Utama 47400 Petaling Jaya Selangor	66	Malaysian	Independent Non- Executive Chairman
Au Yee Boon	D-32-02, Tropicana Grande Condo No.3, Persiaran Tropicana Tropicana Golf & Country Resort 47410 Petaling Jaya Selangor	41	Malaysian	Executive Director
Lee Boon Siong	B-21-12, Savanna Bukit Jalil Jalan 1/155A, Bukit Jalil 57000 Kuala Lumpur	41	Malaysian	Executive Director
Tan Eik Huang	22, Lebuah Binjai 2 Taman Sri Rambai 14000 Bukit Mertajam Pulau Pinang	36	Malaysian	Independent Non- Executive Director
Dato' Sri Gan Chow Tee	13, Jalan Puncak Perdana 5 Perdana Height, 43200 Cheras, Selangor	56	Malaysian	Independent Non- Executive Director

INFORMATION ON OUR COMPANY (CONT'D)**Directors' shareholdings**

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

	As at the LPD				Minimum Scenario Assuming full conversion of ICULS			
	Direct		Indirect		Direct		Indirect	
Directors	No. of Shares	⁽¹⁾ %	No. of Shares	⁽¹⁾ %	No. of Shares	⁽¹⁾ %	No. of Shares	⁽¹⁾ %
Au Yee Boon	13,115,833	5.41	⁽²⁾ 24,192,166	9.97	18,580,763	7.20	⁽²⁾ 34,272,235	13.28
Lee Boon Siong	829,666	0.34	-	-	829,666	0.32	-	-
Tan Eik Huang	1,399,999	0.58	-	-	1,399,999	0.54	-	-

	Maximum Scenario Assuming full conversion of ICULS			
	Direct		Indirect	
Directors	No. of Shares	⁽¹⁾ %	No. of Shares	⁽¹⁾ %
Au Yee Boon	78,694,998	5.41	⁽²⁾ 145,152,996	9.97
Lee Boon Siong	4,977,996	0.34	-	-
Tan Eik Huang	8,399,994	0.58	-	-

Notes:-

(1) Including treasury shares.

(2) Deemed interested by virtue of his interest in TechBase Solution pursuant to Section 8 of the Act and the shareholdings of his spouse, Lim Lee Wheng's interest in our Company.

INFORMATION ON OUR COMPANY (CONT'D)

5. HISTORICAL SHARE PRICE

The monthly highest and lowest prices of YBVB Shares as traded on Bursa Securities for the past twelve (12) months from August 2020 to July 2021 are as follows:-

	Highest (RM)	Lowest (RM)
<u>2020</u>		
August	1.090	0.885
September	0.985	0.850
October	0.985	0.860
November	0.940	0.840
December	1.060	0.855
<u>2021</u>		
January	1.040	0.850
February	1.310	0.895
March	1.170	0.630
April	0.645	0.590
May	0.630	0.560
June	0.585	0.540
July	0.525	0.580
Last transacted market price on 3 March 2021 <i>(being the latest Market Day preceding the announcement of the Rights Issue)</i>		1.08
Last transacted market price on 6 August 2021 <i>(being the latest Market Day prior to the ex-date of the Rights Issue)</i>		0.590
Last transacted market price on the LPD <i>(Source: Bloomberg)</i>		0.540

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INFORMATION ON OUR COMPANY (CONT'D)**6. HISTORICAL FINANCIAL INFORMATION****6.1 Historical financial performance**

	<----- Audited ----->			<-----Unaudited----->	
	FYE 2018 RM'000	FYE 2019 RM'000	FYE 2020 RM'000	FPE 2020 RM'000	FPE 2021 RM'000
Revenue	118,532	118,134	91,384	22,985	30,191
Cost of sales	(111,820)	(113,582)	(83,800)	(23,983)	(26,683)
Gross profit	6,712	4,552	7,584	(998)	3,508
Other income	312	372	13,568	208	1,157
Distribution expenses	(6,611)	(6,758)	(6,725)	(1,442)	(1,871)
Administrative expenses	(4,106)	(4,744)	(4,963)	(1,121)	(1,794)
Amortisation of intangible assets	(508)	-	(30)	-	(91)
Reversal / (Allowance for) impairment loss on receivables	-	(196)	52	(66)	-
Other expenses	(806)	(346)	(889)	(8)	(22)
Results from operating activities	(5,007)	(7,120)	8,597	(3,427)	887
Net finance income	632	822	400	61	17
Share of profit of an associate	-	-	2	-	-
(Loss before taxation) / Profit before taxation	(4,375)	(6,298)	8,999	(3,366)	904
Tax income/(expense)	1,220	495	1,147	(119)	(172)
LAT / PAT	(3,155)	(5,803)	10,146	(3,485)	732
EPS / Loss per Share (sen)	(2.14)	(3.99)	6.99	(2.40)	0.50

6.2 Historical financial position

	<----- Audited ----->			<-----Unaudited----->	
	FYE 2018 RM'000	FYE 2019 RM'000	FYE 2020 RM'000	FPE 2020 RM'000	FPE 2021 RM'000
Non-current assets	59,716	56,327	156,302	156,302	154,546
Current assets	162,531	161,181	166,544	166,543	164,369
Total assets	222,247	217,508	322,846	322,845	318,915
Share capital	100,907	93,692	93,692	93,692	93,692
Treasury shares	(11,390)	(101)	(256)	(256)	(256)
Reserves	3,571	3,615	80,405	94,031	80,642
Retained earnings	108,979	99,001	109,147	95,520	109,878
Total equity attributable to owners of our Company	202,067	196,207	282,988	282,987	283,956
Non-current liabilities	1,146	679	18,341	18,341	18,240
Current liabilities	19,034	20,622	21,517	21,517	16,719
Total liabilities	20,180	21,301	39,858	39,858	34,959
Total equity and liabilities	222,247	217,508	322,846	322,845	318,915

INFORMATION ON OUR COMPANY (CONT'D)**6.3 Historical cash flow**

	<----- Audited ----->			<----Unaudited---->	
	FYE 2018 RM'000	FYE 2019 RM'000	FYE 2020 RM'000	FPE 2020 RM'000	FPE 2021 RM'000
Net cash from / (used in) operating activities	(8,816)	8,238	4,222	(1,908)	3,186
Net cash from / (used in) investing activities	7,282	14,963	16,474	23,141	(16,163)
Net cash from / (used in) financing activities	(4,925)	(291)	(509)	(212)	(172)
Exchange differences on translation of the financial statement of foreign operations	(6)	45	38	(5)	237
Net increase/(decrease) in cash and cash equivalents	(6,465)	22,955	20,225	21,016	(12,912)
Cash and cash equivalents at beginning of the financial year/period	13,222	6,757	29,712	29,712	49,937
Cash and cash equivalents at end of the financial year/period	6,757	29,712	49,937	50,728	37,025

6.4 Commentaries on Past Financial Performance**FYE 2018**

For FYE 2018, the revenue of our Group increased by RM6.83 million or 6.11% to RM118.53 million (FYE 2017: RM111.70 million) pursuant to our focus in enhancing our sales channel by renovating and improving the marketing touch-points. However, our Group incurred a lower gross profit of RM0.41 million to RM6.71 million (FYE 2017: RM7.12 million) due to the challenging operating landscape and increased in gas tariff. As a consequence, our Group recorded a slightly higher LAT of RM3.16 million (FYE 2017: LAT of RM2.92 million).

For the FYE 2018, our Company recorded a net decrease in cash and cash equivalents of RM6.47 million (FYE 2017: RM2.26 million). This was mainly due to the increase in inventories as well as trade and other receivables of RM13.82 million, decrease in trade and other payables of RM3.42 million, the redemption of other investments of RM6.92 million, interest and dividend received of RM1.42 million and the repurchase of treasury shares of RM4.93 million.

FYE 2019

For FYE 2019, the revenue of our Group decreased slightly by RM0.40 million or 0.34% to RM118.13 million (FYE 2018: RM118.53 million) due to the competitive landscape and the soft property market, which has impacted our sale volume. However, our Group registered a much lower gross profit of RM4.55 million (FYE 2018: RM6.71 million) due to higher raw material cost and increased in gas tariff despite the operating cost is being kept in check by our management. As a consequence, our Group incurred a higher LAT of RM5.80 million (FYE 2018: LAT of RM3.16 million).

For the FYE 2019, our Company recorded a net increase in cash and cash equivalents of RM22.96 million (FYE 2018: decrease of RM6.47 million). This was mainly due to the decrease in inventories as well as increase in trade and other payables of RM10.34 million, acquisition of property, plant and equipment as well as other investments of RM1.88 million and uplift of fixed deposit of RM15.20 million.

FYE 2020

The revenue of our Group decreased by RM26.75 million or 22.64% to RM91.38 million (FYE 2019: RM118.13 million) due mainly to business disruptions by the COVID-19 pandemic. Nonetheless, our Group registered a higher gross profit of RM7.58 million (FYE 2019: RM4.55 million) due to cost saving and higher operating efficiencies achieved by our Group. Further, our Group recorded a PAT of RM10.15 million (FYE 2019: LAT of RM5.80 million) which was mainly due to the recognition of a gain on disposal of properties of RM10.0 million.

INFORMATION ON OUR COMPANY (CONT'D)

For the FYE 2020, our Company recorded a net increase in cash and cash equivalents of RM20.23 million (FYE 2019: RM22.96 million). This was mainly due to the decrease in inventories and contract assets of RM10.86 million, increase in trade and other receivables of RM5.65 million, acquisition of property, plant and equipment as well as associate company of RM12.11 million, proceeds from disposal of property, plant and equipment as well as other investments of RM11.83 million and uplift of fixed deposit of RM18.2 million.

Unaudited FPE 2021

The revenue of our Group increased by RM7.20 million or 31.32% to RM30.19 million (FPE 2020: RM22.99 million) due mainly to improved marketing strategy to encompass expansion of products into new market. Nonetheless, our Group registered a gross profit of RM3.51 million (FPE 2020: Gross loss of RM1.0 million) due to aggressive cost efficiency exercises carried out by the management. Further, our Group recorded a PAT of RM0.73 million (FPE 2020: LAT of RM3.49 million) which was mainly due to implementation of cost efficiency exercises by the new management of our Group.

For the FPE 2021, our Company recorded a net decrease in cash and cash equivalents of RM12.91 million (FPE 2020: increase of RM21.02 million). This was mainly due to the increase in acquisition of other investments of RM16.03 million.

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ADDITIONAL INFORMATION

1. RESPONSIBILITY STATEMENT

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

KAF IB, being our 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 this Rights Issue.

2. CONSENTS

The Principal Adviser, Solicitors, Share Registrar and Trustee have given and have not subsequently withdrawn their written consents to the inclusion in this Abridged Prospectus of their names and all references thereto in the form and context in which they appear in this Abridged Prospectus.

Bloomberg has given and has not subsequently withdrawn its written consent to the inclusion of this Abridged Prospectus of its name and citation of the market data made available to its subscribers in the form and context in which it appears in this Abridged Prospectus.

3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

As at the LPD, our Board is not aware of any material commitments and contingent liabilities incurred or known to be incurred by our Group which, upon becoming due and enforceable, may have a material and adverse impact on the financial results/position of our Group.

4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, our Group is not involved in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board has no knowledge of any proceedings pending or threatened against us or any facts which are likely to give rise to any proceedings, which may materially and adversely affect the business or financial position of our Group, save and except for the following case:-

- (i) YBVB had been cited as the 2nd defendant in Kuala Lumpur High Court Suit No. WA-22NCC-285-07/2020 ("**Suit No. 285**") filed on 8 July 2020 by Teng Kam Kheong, who intends to seek a specific prayer against us to purchase three properties for a sum of RM100.0 million.

On 30 July 2020, we had taken out an application to have Suit No. 285 summarily determined in favour of YBVB. Following the hearing that was held on 18 December 2020, Teng Kam Kheong withdrew the action against all parties (including YBVB) with no order as to cost and without liberty to file afresh.

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ADDITIONAL INFORMATION (CONT'D)**5. MATERIAL CONTRACTS**

As at the LPD, saved as disclosed below, our Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within the two (2) years preceding the date of this Abridged Prospectus:-

- (i) joint venture agreement dated 8 September 2020 between YBVB and TechBase Solution, which was subsequently supplemented by a supplemental agreement dated 7 October 2020 for the diversification of business of YBVB and venturing into the IT industry including the business of the development of system integration and blockchain products by establishing TechBase System Sdn Bhd, a joint venture company to facilitate the cooperation. YBVB undertook to provide funding to meet the financing conditions for the joint venture business up to a commitment amount of RM9,500,000.00 which may be provided through financing via bank facilities and/or cash, provision of services and undertaking of work or a combination of any of the foregoing. YBVB had progressively settled the total commitment amount in November and December 2020.

Whereas TechBase Solution undertakes to provide a commitment of up to RM9,887,755.00 which may be provided in form of cash and/or equivalent (i.e. in the form of providing the necessary source code and/or equipment and software) which the equivalent had been provided by TechBase Solution in November 2020. The joint venture agreement is still valid and subsisting as at the LPD; and

- (ii) sale and purchase agreement dated 22 December 2020 between Yi-Lai Industry Berhad, a wholly-owned subsidiary of YBVB, and Glass & Plastic Packaging Sdn. Bhd. for the sale of all of that leasehold land held under Pajakan Negeri 4478, Lot 409 Sekysen 32, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor (bearing postal address of No. 8, Jalan 241, 46100 Petaling Jaya, Selangor Darul Ehsan) measuring approximately 5,772.3 square metres at a total consideration of RM15,000,000.00. As at the LPD, the transaction is pending completion and the consideration sum has yet to be received by Yi-Lai Industry Berhad.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of YBVB at Level 5, Block B, Dataran PHB, Saujana Resort, Section U2, 40150 Shah Alam, Selangor Darul Ehsan during ordinary business hours from Monday to Friday (except public holidays) for a period of six (6) months from the date of this Abridged Prospectus:-

- (i) the Constitution of YBVB;
- (ii) the letters of consent referred to in Section 2 of this Appendix II;
- (iii) the cause paper in respect of the material litigation referred to in Section 4 of this Appendix II;
- (iv) the material contracts referred to Section 5 of this Appendix II;
- (v) the Undertakings as referred to in Section 2.5 of this Abridged Prospectus; and
- (vi) the Trust Deed.

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