

14. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION REPORT



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The Board of Directors
Mega Fortris Berhad
29 Jalan Anggerik Mokara 31/47
Kota Kemuning Seksyen 31
40460 Shah Alam
Selangor Darul Ehsan

Date: 2 October 2024

Our ref: BDO/LWH/TKY2/lmy2

Dear Sirs

Mega Fortris Berhad (“Mega Fortris” or “the Company”) and its subsidiaries (“the Group”) Report on the Compilation of Pro Forma Consolidated Statements of Financial Position as at 30 June 2024 (“This Report”)

We have completed our assurance engagement to report on the compilation of Pro Forma Consolidated Statements of Financial Position of the Group as at 30 June 2024 (“Pro Forma Consolidated Statements of Financial Position”). The Pro Forma Consolidated Statements of Financial Position together with the accompanying notes thereon, for which we have stamped for purpose of identification, have been compiled by the Board of Directors of the Company (“Board of Directors”) for inclusion in the Prospectus of the Group (the “Prospectus”) in connection with the listing of and quotation for the entire enlarged issued shares of the Company on the Main Market of Bursa Malaysia Securities Berhad (the “Listing”).

The applicable criteria on the basis of which the Board of Directors has compiled the Pro Forma Consolidated Statements of Financial Position are described in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position and are specified in the Prospectus Guidelines issued by the Securities Commission Malaysia (“Prospectus Guidelines”) and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants.

The Pro Forma Consolidated Statements of Financial Position have been compiled by the Board of Directors, to illustrate the impact of the events or transactions as set out in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position on the Group’s financial position as at 30 June 2024 as if the events have occurred or the transactions have been undertaken on 30 June 2024. As part of this process, information about the financial position of the Group has been extracted by the Board of Directors from the financial statements of the Group for the financial year ended 30 June 2024, which has been audited.

Directors’ Responsibility for the Pro Forma Consolidated Statements of Financial Position

The Board of Directors is solely responsible for compiling the Pro Forma Consolidated Statements of Financial Position on the basis as described in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

Our Independence and Quality Management

We are independent of the Group in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants (“By-Laws”) and the International Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants (including International Independence Standards)* (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

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**Our Independence and Quality Management (continued)**

The Firm applies Malaysian Approved International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* and accordingly, the Firm is required to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibility

Our responsibility is to express an opinion, as required by the Prospectus Guidelines, about whether the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, by the Board of Directors on the basis described in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position.

We conducted our engagement in accordance with International Standard on Assurance Engagement (ISAE) 3420, *Assurance Engagement to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Board of Directors has compiled, in all material respects, the Pro Forma Consolidated Statements of Financial Position on the basis set out in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines. In providing this opinion, we do not accept any responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Consolidated Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Consolidated Statements of Financial Position. In providing this opinion, we do not accept any responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

The purpose of Pro Forma Consolidated Statements of Financial Position included in the Prospectus is solely to illustrate the impact of significant events or transactions on unadjusted financial information of the entity as if the events had occurred or the transactions had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions as at 30 June 2024 would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Board of Directors in the compilation of the Pro Forma Consolidated Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Consolidated Statements of Financial Position reflect the proper application of those adjustments to the unadjusted financial information.

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Reporting Accountants' Responsibility (continued)

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the Pro Forma Consolidated Statements of Financial Position have been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Consolidated Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, on the basis described in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

Other Matter

This Report has been prepared solely for the purpose stated above, in connection with the Listing. As such, this Report should not be used for any other purpose without our prior written consent. Neither the Firm nor any member or employee of the Firm undertakes responsibility arising in any way whatsoever to any party in respect of this Report contrary to the aforesaid purpose.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'BDO PLT'.

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

A handwritten signature in black ink, appearing to be 'Lee Wee Hoong'.

Lee Wee Hoong
03316/07/2025 J
Chartered Accountant

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Mega Fortris Berhad (199801004408 (460535 - H))
Pro Forma Consolidated Statements of Financial Position

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

The Pro Forma Consolidated Statements of Financial Position have been prepared for illustrative purposes only to show the effects on the audited consolidated statements of financial position of the Group as at 30 June 2024 based on the assumptions that the transactions set out in Note 1.3 had been effected on that date, and should be read in conjunction with the notes thereon.

	Note	As at 30 June 2024 RM	Adjustment for Public Issue RM	Pro Forma I After Public Issue RM	Adjustments for Use of Proceeds RM	Pro Forma II After Pro Forma I and Use of Proceeds RM
ASSETS						
Non-current assets						
Property, plant and equipment		81,207,123	-	81,207,123	-	81,207,123
Right-of-use assets		12,183,420	-	12,183,420	-	12,183,420
Intangible assets		5,017,876	-	5,017,876	-	5,017,876
Trade and other receivables		4,407,851	-	4,407,851	-	4,407,851
Other investments		716,946	-	716,946	-	716,946
Deferred tax assets		411,099	-	411,099	-	411,099
		<u>103,944,315</u>	<u>-</u>	<u>103,944,315</u>	<u>-</u>	<u>103,944,315</u>
Current assets						
Inventories		34,081,868	-	34,081,868	-	34,081,868
Trade and other receivables		67,906,098	-	67,906,098	-	67,906,098
Contract assets		29,397	-	29,397	-	29,397
Current tax assets		1,515,836	-	1,515,836	-	1,515,836
Cash and bank balances	3	42,694,094	99,074,910	141,769,004	(11,095,059)	130,673,945
		146,227,293	99,074,910	245,302,203	(11,095,059)	234,207,144
Assets of disposal group classified as held for sale		648,012	-	648,012	-	648,012
		<u>250,819,620</u>	<u>99,074,910</u>	<u>349,894,530</u>	<u>(11,095,059)</u>	<u>338,799,471</u>
TOTAL ASSETS						
EQUITY AND LIABILITIES						
Equity attributable to owners of the parent						
Share capital	4	34,854,974	99,074,910	133,929,884	(2,972,247)	130,957,637
Reserves	4	90,037,026	-	90,037,026	(8,122,812)	81,914,214
		124,892,000	99,074,910	223,966,910	(11,095,059)	212,871,851
Non-controlling interests		1,263,844	-	1,263,844	-	1,263,844
		<u>126,155,844</u>	<u>99,074,910</u>	<u>225,230,754</u>	<u>(11,095,059)</u>	<u>214,135,695</u>
TOTAL EQUITY						



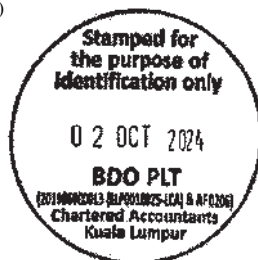
14. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION REPORT

Mega Fortris Berhad (199801004408 (460535 - H))
Pro Forma Consolidated Statements of Financial Position

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024 (continued)

The Pro Forma Consolidated Statements of Financial Position have been prepared for illustrative purposes only to show the effects on the audited consolidated statements of financial position of the Group as at 30 June 2024 based on the assumptions that the transactions set out in Note 1.3 had been effected on that date, and should be read in conjunction with the notes thereon. (continued)

	Note	As at 30 June 2024 RM	Adjustment for Public Issue RM	Pro Forma I After Public Issue RM	Adjustments for Use of Proceeds RM	Pro Forma II After Pro Forma I and Use of Proceeds RM
LIABILITIES						
Non-current liabilities						
Deferred tax liabilities		2,525,062	-	2,525,062	-	2,525,062
Borrowings		38,437,770	-	38,437,770	-	38,437,770
Lease liabilities		7,000,116	-	7,000,116	-	7,000,116
Other payables		486,792	-	486,792	-	486,792
		48,449,740	-	48,449,740	-	48,449,740
Current liabilities						
Trade and other payables		22,049,941	-	22,049,941	-	22,049,941
Borrowings		47,367,818	-	47,367,818	-	47,367,818
Lease liabilities		4,615,465	-	4,615,465	-	4,615,465
Contract liabilities		550,379	-	550,379	-	550,379
Current tax liabilities		1,401,915	-	1,401,915	-	1,401,915
		75,985,518	-	75,985,518	-	75,985,518
Liabilities of disposal group classified as held for sale		228,518	-	228,518	-	228,518
TOTAL LIABILITIES		124,663,776	-	124,663,776	-	124,663,776
TOTAL EQUITY AND LIABILITIES		250,819,620	99,074,910	349,894,530	(11,095,059)	338,799,471
Net assets (RM)		126,155,844	-	225,230,754	-	214,135,695
Number of ordinary shares in issue		697,099,480	147,873,000	844,972,480	-	844,972,480
Net assets attributable to equity holders per ordinary share (RM)		0.18		0.27		0.25



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Mega Fortris Berhad (199801004408 (460535 - H))
Pro Forma Consolidated Statements of Financial Position

NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

1. INTRODUCTION, BASIS OF PREPARATION AND LISTING SCHEME

1.1 Introduction

The Pro Forma Consolidated Statements of Financial Position of Mega Fortris Berhad (“Mega Fortris” or the “Company”) and its subsidiaries (the “Group”) as at 30 June 2024 (“Pro Forma Consolidated SOFP”) together with the notes thereon, for which the Board of Directors of the Company are solely responsible, have been prepared for illustrative purposes only for the purpose of inclusion in the Prospectus in connection with the listing of and quotation for the entire enlarged issued shares of the Company on the Main Market of Bursa Malaysia Securities Berhad (“Listing”).

1.2 Basis of preparation

The Pro Forma Consolidated SOFP of the Company have been prepared based on the audited statements of financial position of the Group as at 30 June 2024, which were prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”) and IFRS Accounting Standards, and in a manner consistent with the format of financial statements and accounting policies of the Group.

The audited financial statements of the Group for the financial year ended 30 June 2024 was not subject to any audit qualification.

The Pro Forma Consolidated SOFP together with the related notes thereon, have been prepared solely to illustrate the impact of the events and transactions set out in Note 1.3 had the events occurred or the transactions been undertaken on 30 June 2024. The Pro Forma Consolidated SOFP is not necessarily indicative of the financial position of the Group that would have been attained had the effects of the events or transactions as set out in Note 1.3 actually occurred on earlier date. Accordingly, such information, because of its nature, may not be reflective of the actual financial position of the Group and does not purport to predict the future financial position of the Group.

1.3 Listing Scheme

The Public Issue and Use of Proceeds from Public Issue as disclosed in Notes 1.3.1 and 1.3.2 respectively are included in the Pro Forma SOFP to show the effects of the transactions on the audited statements of financial position of the Group as at 30 June 2024 had the transactions been effected on 30 June 2024 in accordance with the Prospectus Guidelines.

1.3.1 Public Issue

The Public Issue of 147,873,000 new Shares, representing 17.50% of the enlarged issued share capital of 844,972,480 at an issue price of RM0.67 per Share to be allocated and allotted in the following manner:

- (i) 42,250,000 new Shares made available for application by Malaysian public;
- (ii) 25,350,000 new Shares made available for application by the eligible directors of Mega Fortris Group, eligible employees and persons who have contributed to the success of the Group;
- (iii) 38,024,000 new Shares made available by way of private placement to selected Bumiputera investors approved by the Ministry of International Trade and Industry, Malaysia; and
- (iv) 42,249,000 new Shares made available by way of private placement to institutional and selected investors.



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Pro Forma Consolidated Statements of Financial Position

NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (continued)

1. INTRODUCTION, BASIS OF PREPARATION AND LISTING SCHEME (continued)

1.3 Listing Scheme (continued)

1.3.1 Public Issue (continued)

Upon completion of the Public Issue, Mega Fortris would seek the listing of and quotation for its entire enlarged issued shares comprising 844,972,480 Shares on the Main Market of Bursa Malaysia Securities Malaysia.

1.3.2 Use of Proceeds from Public Issue

The gross proceeds from the Public Issue of RM99,074,910 are expected to be utilised in the following manner:

Details of utilisation	Estimated timeframe for utilisation upon Listing	RM
Capital expenditures ⁽¹⁾ :		
- new production facilities for security seals in United Kingdom	36 months	42,979,851
- new business in providing total solution in supplying and handling of playing cards in sealed security boxes in Macao ("Macao Playing Cards Business")	36 months	45,000,000
Estimated listing expenses ⁽²⁾	Immediate	<u>11,095,059</u>
		<u>99,074,910</u>

Notes:

- (1) As at the latest practicable date of the Prospectus, the Group has yet to enter into any contractual binding agreement or issue any purchase order in relation to the acquisitions of new machineries for the Group's Macao Playing Cards Business and the establishment of new production facilities for security seals in United Kingdom. Accordingly, the Use of Proceeds earmarked for the acquisitions of new machineries for the Group's Macao Playing Cards Business and the establishment of new production facilities for security seals in United Kingdom are not reflected in the Pro Forma Consolidated Statements of Financial Position.
- (2) The estimated listing expenses totalling RM11,095,059 comprise placement fees, brokerage commission, underwriting commission, Initial Public Offering ("IPO") consultants' fees, regulatory fees and miscellaneous fees. The IPO consultants' fees comprise fees incurred for due diligence (local and overseas), audit, independent market research, internal control review, tax advisory (local and overseas), company secretary, enterprise risk management solutions, share registrar and issuing house, principal adviser fees and success fee. The estimated listing expenses of RM2,972,247 directly attributable to the Public Issue will be offset against the share capital of the Company and the remaining estimated listing expenses of RM8,122,812 will be expensed off to the profit or loss.



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Mega Fortris Berhad (199801004408 (460535 - H))
Pro Forma Consolidated Statements of Financial Position

NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (continued)

2. PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

2.1 PRO FORMA ADJUSTMENTS TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

2.1.1 PRO FORMA I

Pro forma I incorporate the effect of Public Issue as disclosed in Note 1.3.1.

2.1.2 PRO FORMA II

Pro forma II incorporates the effects of Pro Forma I and Use of Proceeds from Public Issue as disclosed in Note 1.3.2.

3. CASH AND BANK BALANCES

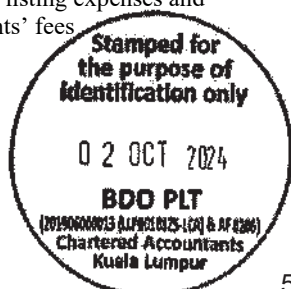
The movements of cash and bank balances are as follows:

	RM
As at 30 June 2024	42,694,094
Proceeds from the Public Issue	<u>99,074,910</u>
Pro Forma I	141,769,004
Estimated listing expenses	<u>(11,095,059)</u>
Pro Forma II	<u>130,673,945</u>

4. SHARE CAPITAL AND RESERVES

The movements in the share capital and reserves are as follows:

	Share capital RM	Reserves RM	Total RM
As at 30 June 2024	34,854,974	90,037,026	124,892,000
Public issue	<u>99,074,910</u>	<u>-</u>	<u>99,074,910</u>
Pro Forma I	133,929,884	90,037,026	223,966,910
Estimated listing expenses attributable to Public Issue	(2,972,247)	-	(2,972,247)
Estimated other listing expenses and IPO consultants' fees	<u>-</u>	<u>(8,122,812)</u>	<u>(8,122,812)</u>
Pro Forma II	<u>130,957,637</u>	<u>81,914,214</u>	<u>212,871,851</u>



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Pro Forma Consolidated Statements of Financial Position

APPROVAL BY THE BOARD OF DIRECTORS

The Pro Forma Consolidated Statements of Financial Position have been approved and adopted by the Board of Directors of Mega Fortris in accordance with a resolution dated 2 October 2024.

Signed on behalf of the Board of Directors.



.....
Datuk Ng Meng Poh
Director



.....
Ng Weng Choi
Director

15. ADDITIONAL INFORMATION

15.1 SHARE CAPITAL

- (i) As at the date of this Prospectus, we have only one class of shares, namely ordinary shares, all of which rank equally with one another.
- (ii) No securities will be allotted or issued on the basis of this Prospectus later than six months after the date of issue of this Prospectus.
- (iii) As at the date of this Prospectus, save as disclosed in Sections 4.2, 6.1.1 and 6.1.2 of this Prospectus, there are no shares, outstanding warrants, options, convertible securities or uncalled capital in our Group which have been or are proposed to be issued during the FYE Under Review, and from 1 July 2024 up to the date of this Prospectus.
- (iv) Save for the Issue Shares reserved for Eligible Persons as disclosed in Section 4.1.1 (ii) of this Prospectus, there is currently no other scheme involving our Directors and employees in the share capital of our Company.
- (v) Our Company does not have any capital that is under option, and has not agreed conditionally or unconditionally to put any capital of our Company under option as at the date of this Prospectus.
- (vi) Save as disclosed in this Prospectus and save as provided under our Constitution and the Act, there are no other restrictions on the holding or voting or transfer of our Shares.

15.2 EXTRACT OF OUR CONSTITUTION

The following provisions are extracted from our Constitution and are qualified in its entirety by the remainder of our Constitution and by applicable law.

The words, terms and expressions appearing in the following provision shall bear the same meanings used in our Constitution unless they are otherwise defined herein or the context otherwise requires.

(i) Transfer of securities

The provisions in our Constitution in respect of arrangements for transfer of the securities and restrictions on their free transferability are as follows:

Clause 31. Transfer of Deposited Securities

- 31.1 Subject to the restriction imposed by this Constitution, the Listing Requirements, the Central Depositories Act and the Rules (with respect to transfer of Deposited Security), the transfer of any listed security or class of listed security of the Company, shall be by way of book entry by the Depository in accordance with the Rules and, notwithstanding Sections 105, 106 or 110 of the Act, but subject to subsection 148(2) of the Act and any exemption that may be made from compliance with subsection 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the listed securities.
- 31.2 The Depository may, in its absolute discretion, refuse to register any transfer Deposited Security where the reason for transfer does not fall within any approved reasons provided for in the Rules or does not comply with the Rules.

15. ADDITIONAL INFORMATION

- 31.3 Subject to provisions of the Act, the Listing Requirements and the Rules, there shall be no restriction on the transfer of fully paid securities except where required by law or transfer is in respect of the partly paid Shares in respect of which a call has been made and is unpaid.

Clause 32. Transfer of Shares (Non-Deposited Securities)

- 32.1 Subject to the provisions of the Act and this Constitution, any Member may transfer all or any of his Shares (which is not Deposited Securities) by a duly executed and stamped instrument in writing. The instrument shall be executed by or on behalf of the transferor and the transferor shall remain the holder of the Shares transferred until the transfer is registered and the name of the transferee is entered in the Register of Members in respect thereof.
- 32.2 The instrument of transfer must be left for registration at the Office of the Company together with such fee not exceeding RM1.00 as the Directors from time to time may require accompanied by the certificate of the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, and thereupon the Company shall subject to the powers vested in the Directors by this Constitution register the transferee as a shareholder and retain the instrument of transfer.
- 32.3 Subject to the Act, the Directors may in their discretion through passing of a resolution to decline or delay registering any transfer of Shares (which is non-Deposited Security) to a person of whom they do not approve, whether or not being fully paid Shares or Shares on which the Company has a lien, within 30 days from the date of receipt the instrument of transfer.
- 32.4 Neither the Company nor its Directors nor any of its officers shall incur any liability for any transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers be legally inoperative or insufficient to pass the property in the Shares proposed or professed to be transferred and although transferred, the transfer may, as between the transferor and transferee be liable to be set aside and notwithstanding that the Company may have notice of such transfer. And in every such case, the transferee, his executors, administrators and assignees alone shall be entitled to be recognised as the holder of such Shares and the previous holder shall so far as the Company is concerned, be deemed to have transferred his whole title hereto.
- 32.5 Subject to any written law, no Shares shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.
- 32.6 Subject to the provisions of this Constitution, the Directors may recognise a renunciation of any Shares by the allottee thereof in favour of some other persons.
- 32.7 All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline or refuse to register shall on demand be returned to the person depositing the same. All powers of attorney granted by members for purpose (inter-alia) of transferring Shares which may be lodged, produced or exhibited to the Company or any of its proper officers shall as between the Company and the grantor of such powers be taken and deemed to continue and remain in full force and effect and the same may be acted upon until such time as express notice in writing of the revocation of the same shall have been given and lodged at the registered office of the Company.

15. ADDITIONAL INFORMATION

(ii) Changes to capital and variation of class rights

The provisions in our Constitution in respect of the changes in capital or variation of class rights are as follows:

Clause 8. Issue of Shares

Without prejudice to any special rights previously conferred on the holders of any existing Shares or class of Shares, but subject to the Act, the Listing Requirements, any other statutory requirements, and to conditions, restrictions and limitations expressed in this Constitution, the Directors may allot, issue or grant rights to subscribe for or otherwise dispose of unissued shares in the Company to such persons, at such time and on such terms and conditions, with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as they deem proper, but the Directors in making any such issue of shares shall comply with the following conditions:

- 8.1 No Shares shall be issued at a discount except in compliance with the provisions of the Act.
- 8.2 The rights attaching to shares of a class other than ordinary shares, shall be expressed in this Constitution, the respective term sheets and/or subscription agreement.
- 8.3 No issue of Shares shall be made without the prior approval of the members of the Company in general meeting.
- 8.4 No Director shall participate in a scheme that involves a new issuance of Shares or other convertible securities to employees unless the Members in a general meeting have approved the specific allotment to be made to such Director and such Director must not vote on the resolution approving the said allotment.

Clause 9. Rights of preference shareholders

- 9.1 Subject to the Act, the Listing Requirements and term sheet and/or subscription agreement, any other relevant authority for the time being in force, and the conditions, restrictions and limitations expressed in this Constitution, any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are or at the option of the Company are liable to be redeemed and the Company has the power to issue such preference capital ranking equally with, or in priority to preference shares already issued.
- 9.2 Subject to the Act, the Listing Requirements and term sheet and/or subscription agreement, a holder of preference shares must have a right to vote in meetings of holders of their respective class of shares in each of the following circumstances:
 - (a) when the dividend or part of the dividend on the share is in arrears for more than six months;
 - (b) on a proposal to reduce the Company's share capital;
 - (c) on a proposal for the disposal of the whole of the Company's property, business and undertaking;

15. ADDITIONAL INFORMATION

- (d) on a proposal that affects the rights attached to the preference shares;
 - (e) on a proposal to wind up the Company;
 - (f) during the winding up of the Company; and
 - (g) the Company shall not, without the consent of the existing preference members at a class meeting, issue further preference capital ranking in priority above preference share already issued.
- 9.3 Subject to this Constitution and/or term sheet and/or subscription agreement, a holder of preference shares shall be entitled to the same rights as a holder of ordinary shares in relation to receiving notices, reports, audited financial statements, and attending general meetings.
- 9.4 The Company shall not allot any preference shares or convert any issued shares into preference shares unless in accordance with the right of the Members with respect to repayment of capital, participation in surplus assets and profits, cumulative or non-cumulative dividends, voting and priority of payment of capital and dividend in relation to other Shares and other classes of preference shares as set out in this Constitution and/or term sheet and/or subscription agreement.

Clause 11. Modification of class rights

Subject to the provisions of the Act, if at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of 3/4 of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of this Constitution relating to general meetings shall *mutatis mutandis* apply so that the necessary quorum shall be two persons at least holding or representing by proxy 1/3 of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution the provisions of Section 292 of the Act shall apply with such adaptations as are necessary.

Clause 12. Alteration of rights by issuance of new Shares

The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

Clause 52. Power to increase capital

Subject to the Act, this Constitution, the Central Depositories Act, the Rules, the Listing Requirements, any other relevant authority for the time being in force, and the conditions, restrictions and limitations expressed in this Constitution, the Company may from time to time, whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully called up or not, by ordinary resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company by the resolution authorising such increase may direct.

15. ADDITIONAL INFORMATION

Clause 53. Offer of new Shares to the Member

Subject to any direction to the contrary that may be given by the Company in general meeting, any new Shares or other convertible securities of whatever kind for the time being unissued and not allotted and any new Shares or securities from time to time to be created shall, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing Shares or securities to which they are entitled. The offer shall be made by notice specifying the number of Shares or securities offered and limiting a time within which the offer, if not accepted shall be deemed to be declined and after the expiration of that time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the Shares or securities offered, the Directors may dispose of those Shares or securities in such manner as they think most beneficial to the Company. The Directors may also dispose of any new Shares or securities which (by reason of the ratio which the new Shares or securities bear to Shares or securities held by persons entitled to an offer of new Shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution.

Clause 54. Ranking of new Shares

Except so far as otherwise provided by the conditions of issue in this Constitution, any share capital raised by the creation of new Shares shall be considered as part of the original share capital of the Company and shall be subject to the same provisions with reference to the allotments, the payment of calls and instalments, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

Clause 55. Power to alter capital

The Company may by ordinary resolution and subject to the Act, the Central Depositories Act, the Rules, the Listing Requirements, any other relevant authority for the time being in force, and the conditions, restrictions and limitations expressed in this Constitution:

- 55.1 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- 55.2 subdivide its share capital or any part thereof into shares of smaller amount, subject nevertheless to the provisions of the Act and so that as between the resulting shares, one or more of such shares may, by the resolution by which such subdivision is effected, be given any preference or advantage as regards dividend, return of capital, voting or otherwise over the others or any other of such shares;
- 55.3 cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled; or
- 55.4 convert and/or reconvert and/or re-classify any class of shares into any other class of shares.

Clause 56. Power to reduce capital

The Company may by special resolution, subject to the Act, the Central Depositories Act, the Rules, the Listing Requirements, any other relevant authority for the time being in force, and the conditions, restrictions and limitations expressed in this Constitution, reduce its share capital, any capital redemption reserve fund or any reserve account in any manner authorised by the Act and subject to any consent required by law.

15. ADDITIONAL INFORMATION

(iii) Remuneration of Directors

The provisions in our Constitution in respect of remuneration of our Directors are as follows:

Clause 93. Directors' Remuneration

The fees and benefits payable to the Directors of the Company including compensation for loss of employment of a Director or a former Director of the Company shall from time to time be approved by Members in general meeting and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree PROVIDED ALWAYS that:

- 93.1 salaries payable to executive Director(s) may not include a commission on or percentage of turnover; and
- 93.2 fees payable to non-executive Directors shall be a fixed sum and not by a commission on or percentage of profits or turnover.

Clause 94. Reimbursement of expenses

- 94.1 The Directors shall be paid all their travelling and other expenses properly and necessarily expended by them in and about the business of the Company including their travelling and other expenses incurred in attending board meetings or of any committee of the Directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors.
- 94.2 If by arrangement with the Directors, any Director shall perform or render any special duties or services outside his ordinary duties as a Director in particular without limiting to the generality of the foregoing if any Director being willing shall be called upon to perform extra services or to make any special efforts in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Company may remunerate the Director so doing a special remuneration in addition to his Director's fees and such special remuneration may be by way fixed sum or otherwise as may be arranged.

Clause 115. Alternate Director

- 115.1 A Director may appoint any person to act as his Alternate Director and at his discretion by way of a notice to the Company, remove such Alternate Director from office. PROVIDED ALWAYS that:
 - (a) such person is not a director of the Company;
 - (b) such person does not act as an alternate for more than one Director of the Company;
 - (c) the appointment is approved by a majority of the other members of the Board; and
 - (d) any fee paid by the Company to an alternate director shall be deducted from that Director's remuneration.

15. ADDITIONAL INFORMATION

- 115.2 An alternate Director shall (except as regards power to appoint an alternate Director and remuneration) be subject in all respects to the terms and conditions existing with reference to the other Directors and shall be entitled to receive notices of all meetings of the Directors and to attend, speak and vote at any such meeting at which his appointer is not present.
- 115.3 Any appointment or removal of an alternate Director may be made by cable, telegram, facsimile, telex or in any other manner approved by the Directors. Any cable or telegram shall be confirmed as soon as possible by letter but may be acted upon by the Company meanwhile.
- 115.4 If a Director making any such appointment as aforesaid shall cease to be a Director (otherwise than by reason of vacating his office at a meeting of the Company at which he is re-elected), the person appointed by him as an alternative Director shall thereupon cease to be an alternate Director.
- 115.5 An alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote.

Clause 117. Remuneration of Managing Director

The remuneration of a managing director or managing directors shall be fixed by the Directors and may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes but shall not include a commission on or percentage of turnover.

(iv) Voting and borrowing powers of Directors

The provisions in our Constitution dealing with voting powers of our Directors in the proposals, arrangements or contracts in which they are interested in and the borrowing powers exercisable by them and how such borrowing powers can be varied are as follows:

Clause 96. General power of the Company vested in Directors

The business of the Company shall be managed by the Directors who may, in addition to the powers and authorities by these presents or otherwise expressly conferred upon them, pay all expenses incurred in promoting and registering the Company, and exercise all such powers of the Company as are not by the Act or by this Constitution required to be exercised by the Company in general meeting subject, nevertheless, to any of this Constitution, to the provisions of the Act, and to such regulations, not being inconsistent with this Constitution or provisions of the Act as may be prescribed by the Company in general meeting but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made or passed.

Clause 97. Limitation on Directors' powers

The Directors shall not without the prior approval of the Company in general meeting:

- (a) exercise any power of the Company to issue shares unless otherwise permitted under the Act;

15. ADDITIONAL INFORMATION

- (b) carry into effect any proposal or execute any transaction for the acquisition of an undertaking or property of a substantial value, or the disposal of a substantial portion of the Company's undertaking or property; and
- (c) subject to the Act, enter into any arrangement or transaction with a Director of the Company or its holding company or with a person connected with such a Director, to acquire from or dispose to such a Director or person, any shares or non-cash assets of the requisite value.

Clause 98. Directors' borrowing powers

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or subsidiary company subject to the law including but not limited to the provisions of the Act and the Listing Requirements, as they may think fit.

Clause 111. Chairman to have a casting vote

- 111.1 Subject to this Constitution any question arising at any meeting of the Directors shall be decided by a majority of votes, each Director having one vote and a determination by a majority of the Directors shall for all purposes be deemed a determination of the Directors.
- 111.2 In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote EXCEPT where only two of the Directors form a quorum and only such Directors are present at the meeting or where only two of the Directors are competent to vote on the question in issue, whereupon the resolution shall be deemed not to have been passed, without affecting any other businesses at the meeting.

Clause 113. Disclosure of interest and restriction on discussion and voting

Every Director shall declare his interest in the Company and his interest in any contract or proposed contract with the Company as may be required by law. Subject to Section 222 of the Act, a Director shall not participate in any discussion or vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly an interest and if he shall do so his vote shall not be counted. A Director shall, notwithstanding his interest, be counted in the quorum for any meeting where a decision is to be taken upon any contract or proposed contract or arrangement in which he is in any way interested PROVIDED ALWAYS that he has complied with Section 221 of the Act and all other relevant provisions of the Act and this Constitution.

Clause 114. Power to vote

Without prejudice to the provisions of any other Constitution, the Act and the Listing Requirements, a Director may vote in respect of:

- 114.1 any arrangement for giving the Director himself or any other Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; or
- 114.2 any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of security.

15. ADDITIONAL INFORMATION

(v) Rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights

The provisions in our Constitution in respect of rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights are as follows:

Clause 8. Issue of Shares

Without prejudice to any special rights previously conferred on the holders of any existing Shares or class of Shares, but subject to the Act, the Listing Requirements, any other statutory requirements, and to conditions, restrictions and limitations expressed in this Constitution, the Directors may allot, issue or grant rights to subscribe for or otherwise dispose of unissued shares in the Company to such persons, at such time and on such terms and conditions, with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as they deem proper, but the Directors in making any such issue of shares shall comply with the following conditions:

- 8.1 No Shares shall be issued at a discount except in compliance with the provisions of the Act.
- 8.2 The rights attaching to shares of a class other than ordinary shares, shall be expressed in this Constitution, the respective term sheets and/or subscription agreement.
- 8.3 No issue of Shares shall be made without the prior approval of the members of the Company in general meeting.
- 8.4 No Director shall participate in a scheme that involves a new issuance of Shares or other convertible securities to employees unless the Members in a general meeting have approved the specific allotment to be made to such Director and such Director must not vote on the resolution approving the said allotment.

Clause 9. Rights of preference shareholders

- 9.1 Subject to the Act, the Listing Requirements and term sheet and/or subscription agreement, any other relevant authority for the time being in force, and the conditions, restrictions and limitations expressed in this Constitution, any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are or at the option of the Company are liable to be redeemed and the Company has the power to issue such preference capital ranking equally with, or in priority to preference shares already issued.
- 9.2 Subject to the Act, the Listing Requirements and term sheet and/or subscription agreement, a holder of preference shares must have a right to vote in meetings of holders of their respective class of shares in each of the following circumstances:
 - (a) when the dividend or part of the dividend on the share is in arrears for more than six months;
 - (b) on a proposal to reduce the Company's share capital;
 - (c) on a proposal for the disposal of the whole of the Company's property, business and undertaking;

15. ADDITIONAL INFORMATION

- (d) on a proposal that affects the rights attached to the preference shares;
- (e) on a proposal to wind up the Company;
- (f) during the winding up of the Company; and
- (g) the Company shall not, without the consent of the existing preference members at a class meeting, issue further preference capital ranking in priority above preference share already issued.

9.3 Subject to this Constitution and/or term sheet and/or subscription agreement, a holder of preference shares shall be entitled to the same rights as a holder of ordinary shares in relation to receiving notices, reports, audited financial statements, and attending general meetings.

9.4 The Company shall not allot any preference shares or convert any issued shares into preference shares unless in accordance with the right of the Members with respect to repayment of capital, participation in surplus assets and profits, cumulative or non-cumulative dividends, voting and priority of payment of capital and dividend in relation to other Shares and other classes of preference shares as set out in this Constitution and/or term sheet and/or subscription agreement.

Clause 11. Modification of class rights

Subject to the provisions of the Act, if at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of 3/4 of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of this Constitution relating to general meetings shall *mutatis mutandis* apply so that the necessary quorum shall be two persons at least holding or representing by proxy 1/3 of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution the provisions of Section 292 of the Act shall apply with such adaptations as are necessary.

15.3 REPATRIATION OF CAPITAL, REMITTANCE OF PROFIT AND TAXATION

Save as disclosed under Annexure C of this Prospectus, there are no other governmental law, decree, regulation or other requirements which may:

- (i) affect the repatriation of capital and the remittance of profit by or to us; or
- (ii) have an impact on the availability of cash and cash equivalents for use by us and the remittance of dividends, interest or other payments to our shareholders.

15.4 LIMITATION ON THE RIGHT TO OWN SECURITIES

Subject to Section 15.5 of this Prospectus, there is no limitation on the right to own our securities, including limitations on the right of non-resident or foreign shareholders to hold or exercise voting rights on our Shares imposed by law or by our Constitution.

15. ADDITIONAL INFORMATION

15.5 DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS

As our Shares are proposed for quotation on the Official List, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of our Shares must deposit his Shares with Bursa Depository on or before the date is fixed, failing which our Share Registrar will be required to transfer our Shares to the Ministry of Finance Malaysia and such Shares may not be traded on Bursa Securities.

Dealing in our Shares deposited with Bursa Depository may only be effected by a Depositor by means of entries in the securities account of that Depositor.

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares shall be deemed to be our shareholder and shall be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

15.6 MATERIAL CONTRACTS

Save as disclosed below, there are no material contracts (including contracts not in writing), not being contracts in the ordinary course of business, that have been entered into by any company within our Group during the FYE Under Review and from 1 July 2024 up to the date of this Prospectus:

- (i) share sale agreement dated 30 June 2023 between our Company (as purchaser) and Mega Fortris Global (as vendor) for the Acquisitions. Further details of the Acquisitions are set out in Section 6.1.2.1 of this Prospectus;
- (ii) share sale agreement dated 2 May 2023 (as supplemented by a supplemental agreement dated 5 May 2023 and a supplemental letter dated 28 June 2024) between our Company (as vendor) and Sunny Tan Kah Wei (as purchaser) for the disposal of 100,000 shares representing 100.00% equity interest in MFSS, together with 100 shares representing 100.00% equity interest in MIOT, for RM100,000.00 satisfied by way of cash. The disposal was completed on 15 May 2023. Further, MFSS (including MIOT) shall repay the amount owing to our Company in the following manner:
 - (a) first 20% to be paid within 30 days from the execution of the supplemental letter;
 - (b) next 30% to be paid on or before 30 September 2024; and
 - (c) remaining 50% to be paid on or before 31 December 2024;
- (iii) share sale agreement dated 2 May 2023 between Mega Fortris Europe (as vendor) and Ole Fast (as purchaser) for the disposal of 2,100 shares representing 70.00% equity interest in MFIB for EUR1.00 satisfied by way of cash. The disposal was completed in June 2023. Further, Mega Fortris Europe has entered into a loan and debt consolidation agreement with MFIB dated 27 April 2023 (as supplemented by a supplemental agreement dated 2 February 2024 and a supplemental letter dated 28 June 2024) for MFIB to repay the amount owing to Mega Fortris Europe in the following manner:
 - (a) first 20% to be paid within 30 days from the execution of the supplemental letter;
 - (b) next 30% to be paid on or before 30 September 2024; and
 - (c) remaining 50% to be paid on or before 31 December 2024.

15. ADDITIONAL INFORMATION

- (iv) sale and purchase agreement dated 17 August 2023 between Horizonshoppes (Malaysia) Sdn Bhd (as vendor) and our Company (as purchaser) for the purchase of a piece of land held under No.56, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor for a total consideration of RM14,000,000.00 satisfied by way of cash and banking facility. The sale and purchase transaction was completed on 30 November 2023;
- (v) the Underwriting Agreement dated 7 October 2024 entered into between our Company and our Joint Underwriters for the underwriting of 67,600,000 Issue Shares under the Retail Offering. Please refer to Section 4.7 of this Prospectus for the salient terms of the Underwriting Agreement;
- (vi) the lock-up letters dated 7 October 2024 entered into between our Company and our Joint Placement Agents in relation to the lock-up arrangement for our IPO and Listing; and
- (vii) the agreement dated 27 August 2024 entered into between our Company, and Mega Fortris Capital, Ng Brothers Estate, OCBC and LOCAH (collectively "**Mega Fortris Global Shareholders**") for the Mega Fortris Global Shareholders to reimburse our Company for 82.5% of the expenses and fees incidental to our Listing *.

* *Excluding brokerage and placement fee, and underwriting commission relating to our Public Issue*

15.7 MATERIAL LITIGATION

As at the date of this Prospectus, save as disclosed below, our Group is not engaged in any governmental proceedings and / or any material litigation, claim and / or arbitration, whether as plaintiff or defendant, which might materially and adversely affect the financial position or profitability of our Group. There are no proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect our financial position or profitability in the 12 months immediately preceding the date of this Prospectus.

15.7.1 Litigation proceeding of our Company and Mega Fortris South Africa

- (i) **Vikela Aluvin (Pty) Limited v. Mega Fortris (Malaysia) Sdn Bhd and Mega Fortris South Africa (Pty) Ltd in the High Court of South Africa (Gauteng Division, Pretoria) Case No.: 98241/2015**
- (ii) **Mega Fortris South Africa (Pty) Ltd v. Aluvin Securiseal (Pty) Limited in the High Court of South Africa (Gauteng Division, Pretoria) Case No.: 47744/2016**

Vikela Aluvin (Pty) Limited ("**Plaintiff**") commenced action proceedings against our Company and Mega Fortris South Africa (collectively, "**Defendants**") on 8 December 2015 for the alleged wrongful repudiation of the distributorship agreement entered into between the Plaintiff and our Company on 13 February 2014 and to which the Plaintiff allegedly suffered damages in the amount of ZAR18,112,825.00 (equivalent to RM4,401,416.48, computed based on the rate of ZAR1:MYR0.243 as at the LPD).

The Plaintiff's claim is that our Company, via the distributorship agreement, granted certain exclusive rights to the Plaintiff to promote, market, sell and distribute all ranges of products supplied by our Company (save for tamper evident security bags product range which will be handled on a case-to-case basis) in South Africa and on a non-exclusive basis in other African countries. The distributorship agreement entitled either party to elect to immediately terminate the agreement as per clause 6.2 of the agreement.

15. ADDITIONAL INFORMATION

On 26 May 2015, the attorneys for the Defendants conveyed by written communication to the attorneys for the Plaintiff on the Defendants' decision to terminate the Plaintiff's right to distribute of the product but to which the Plaintiff had responded that such termination was wrongful.

The Plaintiff alleges that it has suffered, as a result of the Defendants' termination, damages being loss of net profits and reasonable additional costs consequent upon the repudiation and premature termination of the distributorship agreement.

The Defendants counter-argue that they have only terminated the Plaintiff's exclusive rights of distribution in South Africa (and not the Plaintiff's non-exclusive rights of distribution) and that the Plaintiff has failed to meet certain obligations such as obligations as contained in clause 2.2(b) of the distributorship agreement. Thus, the Defendants' termination of the agreement was a result of the breach of contract by the Plaintiff.

The Plaintiff and the Defendants have entered into a settlement agreement on 29 November 2023 ("**Settlement Agreement**") as full and final settlement of all claims arising from the legal proceedings under Case No.: 98241/2015 and Case No.: 47744/2016.

The notice of withdrawal for legal proceedings under Case No.: 98241/2015 and Case No.: 47744/2016 has been filed on 10 January 2024 following the executing of the Settlement Agreement.

15.7.2 Liquidation proceedings and company deregistration process of Mega Fortris South Africa and Mega Fortris Mzansi

- (i) **In the ex parte application of Retha Stockhoff N.O and Maryna Estelle Symes in re the estate of Mega Fortris South Africa (Pty) Ltd (in liquidation) in the High Court of South Africa (Gauteng Division, Pretoria) Case No.: 2024-006598**
- (ii) **In the ex parte application of Maryna Estelle Symes N.O and Punitan Quentin Naidoo N.O in re the estate of Mega Fortris Mzansi (Pty) Ltd (in liquidation) in the High Court of South Africa (Gauteng Division, Pretoria) Case No.: 2024-006586**

Both Mega Fortris South Africa and its 60.00%-owned subsidiary, Mega Fortris Mzansi had commenced liquidation proceedings in South Africa in 2021 (Mega Fortris South Africa was placed under liquidation on 5 February 2021, and Mega Fortris Mzansi on 1 March 2021) by special resolutions submitted to the Companies and Intellectual Property Commission of South Africa ("**CIPC**") providing for the voluntary winding up of the two companies. The commencement of liquidation was due to the inability of Mega Fortris South Africa and Mega Fortris Mzansi to pay their creditors under the negative economic climate of South Africa.

The amount owed to the creditors by (i) Mega Fortris South Africa was ZAR52,017,432.00 (equivalent to RM12,640,235.98) and (ii) Mega Fortris Mzansi was ZAR703,693.77 (equivalent to RM170,997.59). The equivalent amount in "RM" has been computed based on the rate of ZAR1:MYR0.243 as at the LPD.

Our Group had voluntarily wound up our South African subsidiaries as it was no longer viable to maintain these subsidiaries after taking into consideration the challenging economic climate in South Africa which include fluctuating market demands, escalating operational costs, domestic political uncertainties, impact of COVID-19 and a volatile ZAR/USD exchange rate. Our Group had initiated the proceedings for voluntary winding up to responsibly manage the situation and address creditor claims in an orderly manner.

15. ADDITIONAL INFORMATION

Subsequently, liquidators of Mega Fortris South Africa and Mega Fortris Mzansi were appointed on 8 July 2021 and 9 February 2022 respectively to, among others, take possession and realise the companies' assets and apply the proceeds toward the payment of the costs of the liquidation proceedings, and to the creditors in their order of ranking and to thereafter distribute what is left over to the shareholders of these companies (if any).

On 11 December 2023, at our request (being the major creditor of Mega Fortris South Africa) and Mega Fortris South Africa (being the only creditor of Mega Fortris Mzansi), compromise proposals for Mega Fortris South Africa and Mega Fortris Mzansi respectively have been sanctioned and implemented, which entailed the payment of all concurrent creditor claims of these two companies. The legal effect of the sanction is as follows:

- (i) excluding our claim (which we have agreed to forego) all debts owed by Mega Fortris South Africa and Mega Fortris Mzansi have been discharged by the compromise proposal; and
- (ii) all insolvency and liquidation proceedings of these two companies be terminated.

Accordingly, and as a result of the compromise proposals, on 24 January 2024, the liquidators of Mega Fortris South Africa and Mega Fortris Mzansi have filed applications (under Section 354 of the of the South African Companies Act of 1973) to the High Court of South Africa, Gauteng Division, Pretoria ("**Court**") to set aside the liquidation proceedings. On 23 July 2024, the Court granted the applications to set aside the liquidation proceedings. Currently, the liquidators' appointed attorneys are in the process of de-registering the two companies.

15.7.3 Litigation proceeding of our Company, and Lai Gin Nyap ("**LGN**") and Rightlink Capital Sdn Bhd ("**Rightlink**")

High Court of Malaya Suit No. BA-22NCvC-118-03/2023

Dato' Nick Ng and Datuk Adrian Ng v Lai Gin Nyap and Rightlink Capital Sdn Bhd ("**Suit 118**")

On 28 March 2023, Dato' Nick Ng and Datuk Adrian Ng filed a lawsuit against LGN and Rightlink claiming for:

- (i) a declaration that LGN is personally liable to Dato' Nick Ng and Datuk Adrian Ng in respect of the Put and Call Option Agreement ("**PCOA**") in relation to investment of EDBI in Mega Fortris Global;
- (ii) an order of indemnity in respect of payments made by Dato' Nick Ng and Datuk Adrian Ng to EDBI on the exercise of put option by EDBI pursuant to PCOA; and
- (iii) damages to be assessed as both Dato' Nick Ng and Datuk Adrian Ng have suffered massive loss standing at a minimum of approximately SGD8,000,000.00 (equivalent to RM26,034,400.00, computed based on the middle rate quoted by Bank Negara Malaysia as at the LPD of SGD1:MYR3.2543).

LGN and Rightlink then filed for a counterclaim and included us as one of the defendants ("**Counterclaim**") on the ground that Dato' Nick Ng, Datuk Adrian Ng, Mega Fortris Global, Mega Fortris Capital and us have made representations to LGN and Rightlink (which were then passed on to EDBI, OCBC, LOCAF1 (represented by LOCAH) and Cheng Chi-Chao (collectively, the "**Investors**") who entered into various agreements in respect of investments into Mega Fortris Global), and claims for an indemnity from Dato' Nick Ng, Datuk Adrian Ng, Mega Fortris Global, Mega Fortris Capital and us in respect of all sums that LGN and Rightlink may become liable to Dato' Nick Ng and Datuk Adrian Ng or the Investors in such actions as the Investors may bring against LGN and Rightlink.

15. ADDITIONAL INFORMATION

Separately, there were two earlier private disputes between Dato' Nick Ng and Datuk Adrian Ng, and LGN and Rightlink, and details are as follows:

(i) Suit No. WA-22NCvC-885-11/2019 ("**Suit 885**")

On 4 December 2019, Rightlink initiated this Suit 885 against Dato' Nick Ng and Datuk Adrian Ng claiming for amounts owing by Dato' Nick Ng and Datuk Adrian Ng under the engagement letters dated 20 June 2016 and 28 November 2016 ("**LOE 2016**"), in which Dato' Nick Ng and Datuk Adrian Ng counterclaimed against Rightlink for misrepresentation and breach of terms under LOE 2016. The LOE 2016 was entered to appoint Rightlink as the arranger to manage the process of obtaining funding required for the acquisition of Mega Bersatu Ltd's 40% equity interest in Mega Fortris by Dato' Nick Ng and Datuk Adrian Ng through a special purpose vehicle.

(ii) WA-22NCvC-886-11/2019 ("**Suit 886**")

On 2 January 2020, Rightlink initiated this Suit 886 against Dato' Nick Ng, Datuk Adrian Ng and Mega Fortris Capital Sdn Bhd claiming for amounts owing under the letter of engagement dated 15 November 2017 ("**LOE 2017**"). In response, Dato' Nick Ng and Datuk Adrian Ng filed for another counterclaim against Rightlink for misrepresentation and breach of terms under LOE 2017. The LOE 2017 was entered into to appoint Rightlink as an adviser in relation to a proposed exercise to explore a group rationalisation exercise and to seek suitable offers for the acquisition of all of the shares in Mega Fortris, Mega Fortris Capital Sdn Bhd and/or an alternative holding company (if any).

Dato' Nick Ng, Datuk Adrian Ng and MFG Capital Sdn Bhd had entered into a settlement agreement with Rightlink on 26 July 2024 arising from or related to the LOE 2016, LOE 2017, Suit 118, Suit 885 and Suit 886 ("**Settlement Agreement**"). Following the Settlement Agreement:

- (i) on 26 July 2024, the parties to Suit 885 and Suit 886 recorded a consent judgment at the High Court of Malaya, pursuant to which all parties agreed to the following:
 - (a) without admission of wrongdoing or liability whatsoever, a full and final settlement based on the terms set out in the Settlement Agreement; and
 - (b) unreservedly withdraw all allegations made against each other in Suit 885, Suit 886 and Suit 118 and will adhere to the terms of the Settlement Agreement;
- (ii) on 30 July 2024, a settlement sum was paid by Dato' Nick Ng to Rightlink; and
- (iii) on 31 July 2024, the parties to Suit 118 filed:
 - (a) a notice of discontinuance in the High Court of Malaya in relation to all claims and counterclaims in Suit 118 with no liberty to file afresh and with no order as to costs; and
 - (b) a notice of discontinuance in the Court of Appeal of Malaysia in relation to the Civil Appeal No. B-02(IM)(NCvC)-722-04/2024 (i.e. the appeal to the Court of Appeal of Malaysia on the High Court of Malaya's decision in which a case management has been fixed on 24 July 2024) with no liberty to file afresh and with no order as to costs.

15. ADDITIONAL INFORMATION

15.8 CONSENTS

- (i) Our Sole Principal Adviser, Joint Underwriters, Joint Placement Agents, Company Secretaries, the legal advisers, Share Registrar and Issuing House have given their respective written consents for the inclusion in this Prospectus of their names and all references in the form and context in which such names appear before the issuance of this Prospectus, and such consents have not subsequently been withdrawn.
- (ii) The Auditors and Reporting Accountants have given its written consent for the inclusion in this Prospectus of its name, the Accountants' Report and the Reporting Accountants' report on the pro forma consolidated statements of financial position and all references thereto in the form and context in which they are contained in this Prospectus before the issuance of this Prospectus, and such consent has not subsequently been withdrawn.
- (iii) The IMR has given its written consent for the inclusion in this Prospectus of its name, the IMR Report and all references thereto in the form and context in which they are contained in this Prospectus before the issuance of this Prospectus, and such consent has not subsequently been withdrawn.

15.9 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at our registered office at No. D-09-02, Level 9, EXSIM Tower, Millerz Square @ Old Klang Road, Megan Legasi, No. 357, Jalan Kelang Lama, 58000 Kuala Lumpur, Wilayah Persekutuan during normal business hours for a period of six months from the date of this Prospectus:

- (i) our Constitution;
- (ii) the IMR Report as included in Section 8 of this Prospectus;
- (iii) the Accountants' Report as included in Section 13 of this Prospectus;
- (iv) the Reporting Accountants' report on the pro forma consolidated statements of financial position of our Group as at 30 June 2024 as included in Section 14 of this Prospectus;
- (v) the material contracts referred to in Section 15.6 of this Prospectus;
- (vi) the letters of consent referred to in Section 15.8 of this Prospectus; and
- (vii) the audited financial statements of our Company for the FYE Under Review and the audited financial statements of our Subsidiaries for the FYE Under Review.

16. SUMMARISED PROCEDURE FOR APPLICATION AND ACCEPTANCE

THIS SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR IPO SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE “DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE” ACCOMPANYING THE ELECTRONIC COPY OF OUR PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT THE ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in our Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

16.1 OPENING AND CLOSING OF APPLICATION

Applications for our IPO Shares will be accepted and closed at the time and date stated as below:

OPENING OF THE APPLICATION PERIOD : 10.00 A.M., 21 October 2024

CLOSING OF THE APPLICATION PERIOD : 5.00 P.M., 28 October 2024

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

Late Applications will not be accepted.

16.2 METHODS OF APPLICATION

16.2.1 Retail Offering

All Applications must be in accordance with our Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

<u>Types of Application and category of investors</u>	<u>Application Method</u>
Applications by the Malaysian Public:	
(a) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(b) Non-Individuals	White Application Form only
Applications by the Eligible Persons	Pink Application Form only

16. SUMMARISED PROCEDURE FOR APPLICATION AND ACCEPTANCE

16.2.2 Placement

<u>Types of Application and category of investors</u>	<u>Application Method</u>
Institutional and selected investors	Our Joint Placement Agents will contact the selected investors directly. They should follow our Joint Placement Agents' instructions.
Bumiputera investors approved by the MITI	MITI will contact the Bumiputera investors directly. They should follow MITI's instructions.

Eligible Persons, institutional and selected investors (including Bumiputera Investors approved by MITI) may still apply for our Issue Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

16.3 ELIGIBILITY

16.3.1 General

You must have a CDS Account and a correspondence address in Malaysia. If you do not have a CDS Account, you may open a CDS Account by contacting any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our Prospectus on the website of Bursa Securities. The CDS Account must be in your own name. **Invalid, nominee or third party CDS Accounts will not be accepted** for the Applications.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 IPO SHARES OR MULTIPLES OF 100 IPO SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

16.3.2 Applications by Malaysian Public

You can only apply for our IPO Shares if you fulfill all of the following:

- (i) You must be one of the following:
 - (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares; or
 - (b) a corporation / institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors / trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
 - (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.

16. SUMMARISED PROCEDURE FOR APPLICATION AND ACCEPTANCE

- (ii) You must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and
- (iii) You must submit the Applications by using only one of the following methods:
 - (a) White Application Form;
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

16.3.3 Application by the Eligible Persons

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation as well as detailed procedures on how to subscribe to the allocated IPO Shares. The applicants must follow the notes and instructions in the said document and where relevant, in this Prospectus.

The Eligible Persons may request for a copy of the printed Prospectus from our Company at no cost and are given an option to have the printed Prospectus delivered to them free of charge, or to obtain the printed Prospectus from our Company, Issuing House, RHB Investment Bank, participating organisations of Bursa Securities and Members of the Association of Banks in Malaysia or Malaysian Investment Banking Association.

16.4 APPLICATIONS BY WAY OF APPLICATION FORMS

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions printed therein or which are illegible will not be accepted.

The FULL amount payable is RM0.67 for each IPO Share.

Payment must be made out in favour of “**TIH SHARE ISSUE ACCOUNT NO. 776**” and crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with your name and address.

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

- (i) despatched by **ORDINARY POST** in the official envelopes provided, to the following address:

Tricor Investor & Issuing House Services Sdn Bhd
(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
- (ii) **DELIVERED BY HAND AND DEPOSITED** in the drop-in boxes provided at Tricor Customer Service Centre, Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur,

so as to arrive not later than 5.00 p.m. on 28 October 2024 or by such other time and date specified in any changes to the date and time of closing.

16. SUMMARISED PROCEDURE FOR APPLICATION AND ACCEPTANCE

We, together with the Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all enquiries in respect of the Application Forms to the Issuing House.

16.5 APPLICATIONS BY WAY OF ELECTRONIC SHARE APPLICATION

Only Malaysian individuals may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Participating Financial Institutions.

Please refer to the detailed procedures and terms and conditions of Electronic Share Application set out in the “**Detailed Procedures for Application and Acceptance**” accompanying the electronic copy of this Prospectus on the website of Bursa Securities or contact the relevant Participating Financial Institution for further enquiries.

16.6 APPLICATIONS BY WAY OF INTERNET SHARE APPLICATION

Only Malaysian individuals may use the Internet Share Application to apply for our IPO Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, Malayan Banking Berhad, Public Bank Berhad, CGS International Securities Malaysia Sdn. Bhd. (formerly known as CGS-CIMB Securities Sdn. Bhd.), Malacca Securities Sdn Bhd and Moomoo Securities Malaysia Sdn Bhd. A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions or Participating Securities Firms.

Please refer to the detailed procedures and terms and conditions of Internet Share Application set out in the “**Detailed Procedures for Application and Acceptance**” accompanying the electronic copy of this Prospectus on the website of Bursa Securities or contact the relevant Participating Financial Institution for further enquiries.

16.7 AUTHORITY OF OUR BOARD AND OUR ISSUING HOUSE

The Issuing House, on the authority of our Board reserves the right to:

- (i) reject Applications which:
 - (a) do not conform to the instructions of this Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
 - (b) are illegible, incomplete or inaccurate; or
 - (c) are accompanied by an improperly drawn up, or improper form of, remittance; or

16. SUMMARISED PROCEDURE FOR APPLICATION AND ACCEPTANCE

- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (iii) bank in all Application monies (including those from unsuccessful / partially successful applicants) which would subsequently be refunded, where applicable (without interest), in accordance with **Section 16.9** of this Prospectus.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

16.8 OVER / UNDERSUBSCRIPTION

If there is any over-subscription, the Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our IPO Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of our IPO shares and the balloting results in connection therewith will be furnished by the Issuing House to Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on the Issuing House's website at <https://tiih.online> within one Market Day after the balloting date.

Pursuant to the Listing Requirements, we are required to have at least 25.00% of our Company's issued share capital to be held by a minimum number of 1,000 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event this requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all the Applications will be returned in full (without interest or any share of revenue or benefits arising therefrom).

If there is any under-subscription of the Retail Offering, subject to the clawback and reallocation provisions as set out in **Section 4.1.4** of this Prospectus, any of the aforementioned IPO Shares not applied for will then be subscribed by our Joint Underwriters subject to the terms and conditions of the Underwriting Agreement.

16.9 UNSUCCESSFUL / PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful / partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner.

16.9.1 For applications by way of Application Forms

- (i) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary / registered post to your registered or correspondence address last maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.

16. SUMMARISED PROCEDURE FOR APPLICATION AND ACCEPTANCE

- (ii) If your Application is rejected because you did not provide a CDS Account number, your Application monies will be refunded via banker's draft sent by ordinary / registered post to your address as stated in the NRIC or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (i) and (ii) above (as the case may be).
- (iv) The Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or by issuance of banker's draft sent by ordinary / registered post to your registered or correspondence address last maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

16.9.2 For applications by way of Electronic Share Applications and Internet Share Applications

- (i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within two Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited (without interest) into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) within two Market Days after the receipt of confirmation from the Issuing House.
- (ii) You may check your account on the fifth Market Day from the balloting date.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot.
- (iv) For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will be informed of the unsuccessful or partially successful Applications within two Market Days after the final balloting date. The Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will credit the Application monies or any part thereof (without interest) within two Market Days after the receipt of confirmation from the Issuing House.

16. SUMMARISED PROCEDURE FOR APPLICATION AND ACCEPTANCE

16.10 SUCCESSFUL APPLICANTS

If you are successful in your application:

- (i) Our IPO Shares allotted to you will be credited into your CDS Account.
- (ii) A notice of allotment will be despatched to you at your registered or correspondence address last maintained with Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as prescribed securities. As such, our IPO Shares issued / offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.
- (iv) In accordance with Section 29 of the SICDA, all dealings in our IPO Shares will be by book entries through CDS Accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

16.11 ENQUIRIES

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services Telephone at telephone no. (603) 2783 9299
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution or Participating Securities Firm and Authorised Financial Institution

The results of the allocation of our IPO Shares derived from successful balloting will be made available to the public at the Issuing House website at <https://tiih.online>, one Market Day after the balloting date.

You may also check the status of your Application, five Market Days after the balloting date by calling your respective ADA during office hours at the telephone number as stated in the list of ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

We have various licences and permits for our operations in Malaysia and other jurisdictions where we operate. We set out below the details of the major licences, permits and approvals obtained by our Company and material subsidiaries, and the status of compliance of material conditions attached to them as at the LPD.

A. Malaysia

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
1.	Mega Fortris	Majlis Bandaraya Shah Alam	L031110220120001	Industrial licence for the premises situated at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460 Shah Alam	15 December 2023 / 31 December 2024	<ol style="list-style-type: none"> 1. The ownership of the licence cannot be assigned. 2. Mega Fortris is not allowed to employ foreign nationals at the licenced premises without a valid permit / working visa issued by the Immigration Department of Malaysia. 3. Mega Fortris shall apply for a licence for management office if there is an office space within the premises. 4. Mega Fortris is not allowed to carry out business activities other than the approved activities stated in the licence. 5. Mega Fortris shall inform Majlis Bandaraya Shah Alam for any change, addition or cessation of business activities in writing. 	Complied

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
2.	Mega Fortris	Majlis Bandaraya Shah Alam	L031114420230006	Industrial licence for the operation of a management office exceeding 300 sq m for the premises situated at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460 Shah Alam	13 September 2024 / 21 October 2025	<ol style="list-style-type: none"> 1. The ownership of the licence cannot be assigned. 2. Mega Fortris is not allowed to employ foreign nationals at the licenced premises without a valid permit / working visa issued by the Immigration Department of Malaysia. 3. Mega Fortris shall apply for a licence for management office if there is an office space within the premises. 4. Mega Fortris is not allowed to carry out business activities other than the approved activities stated in the licence. 5. Mega Fortris shall inform Majlis Bandaraya Shah Alam for any change, addition or cessation of business activities in writing. 	Complied

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
3.	Mega Fortris	MBSA	L031111220220 001	Business premise licence for the premises situated at No. 27, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460 Shah Alam	1 February 2024 / 31 March 2025	<ol style="list-style-type: none"> 1. The ownership of the licence cannot be assigned. 2. Mega Fortris is not allowed to employ foreign nationals at the licenced premises without a valid permit / working visa issued by the Immigration Department of Malaysia. 3. Mega Fortris shall apply for a licence for management office if there is an office space within the premises. 4. Mega Fortris is not allowed to carry out business activities other than the approved activities stated in the licence. 5. Mega Fortris shall inform Majlis Bandaraya Shah Alam for any change, addition or cessation of business activities in writing. 	Complied

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
4.	Mega Fortris	MITI	A018399	Manufacturing licence for the product of security seals at No. 29, Jalan Anggerik Mokara 31/47, Seksyen 31, Kota Kemuning, 40460 Shah Alam, Selangor	Effective from 16 June 2011 with no expiry date	<ol style="list-style-type: none"> MITI and MIDA shall be notified of the sale of shares in Mega Fortris. Mega Fortris shall train its Malaysian employees to ensure that the transfer of technology and expertise can be channelled at all levels of positions. 	Complied
5.	Mega Fortris	SGS United Kingdom Ltd ("SGS")	MY15/05303	ISO 14001:2015 certificate certifying that the management system of Mega Fortris at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460 Shah Alam, Selangor has been assessed and certified as meeting the requirements of ISO 14001:2015 for the design, manufacturing and supply of security seals	21 June 2022 / 21 June 2025	Nil	Not applicable

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
6.	Mega Fortris	SGS	MY17/02454	ISO 17712:2013 certificate certifying that the management system of Mega Fortris at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460 Shah Alam, Selangor has been assessed and certified as meeting the requirements of ISO 17712:2013 for the design and manufacturing of security seals	15 June 2024 / 14 June 2025	Nil	Not applicable
7.	Mega Fortris	SGS	MY15/05290	ISO 9001:2015 certificate certifying that the management system of Mega Fortris at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460 Shah Alam, Selangor has been assessed and certified as meeting the requirements of ISO 9001:2015 for the design, manufacturing and supply of security seals	20 June 2022 / 19 June 2025	Nil	Not applicable

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
8.	Mega Fortris	Department of Labour Peninsular Malaysia	Various	Certificates of accommodation granted pursuant to Section 24D(2) of the Employees' Minimum Standards of Housing, Accommodation and Amenities Act 1990 (" EMSHAA ") for various premises us as workers' accommodation	Valid for three years from various effective dates	<ol style="list-style-type: none"> 1. Not more than six employees shall stay in the prescribed location. 2. Any deduction of salary for rent or charges shall not be more than RM50.00 per month for every employee occupying the accommodation. 3. Employer to report the occupation of the employees in the accommodation within 30 days of their occupation. 4. Employer to report the termination of the accommodation at least 30 days before the date of termination. 	Complied

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
9.	Mega Fortris	Department of Occupational Safety and Health ("DOSH")	PMT-SL/23 385747	Certificate of fitness in accordance with Factories and Machinery Act 1967 ("FMA 1967") and Regulation 10(2) of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations 1970 ("FAMA Regulations") in respect of an unfired pressure vessel (air vacuum N2 tank) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	27 November 2023 / 26 February 2025	Nil	Not applicable
10.	Mega Fortris	DOSH	PMT-SL/23 385745	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of an unfired pressure vessel (air vacuum N2 tank) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	27 November 2023 / 26 February 2025	Nil	Not applicable

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
11.	Mega Fortris	DOSH	PMT-SL/23 385744	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of an unfired pressure vessel (air vacuum N2 tank) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	27 November 2023 / 26 February 2025	Nil	Not applicable
12.	Mega Fortris	DOSH	PMT-SL/23 385742	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of an unfired pressure vessel (air receiver) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	27 November 2023 / 26 February 2025	Nil	Not applicable

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
13.	Mega Fortris	DOSH	PMT-SL/23 385741	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of an unfired pressure vessel (vertical air receiver) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	27 November 2023 / 26 February 2025	Nil	Not applicable
14.	Mega Fortris	DOSH	PMT-SL/23 385740	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of an unfired pressure vessel (air) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	27 November 2023 / 26 February 2025	Nil	Not applicable

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
15.	Mega Fortris	DOSH	PMT-SL/23 385738	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of an unfired pressure vessel (air) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	27 November 2023 / 26 February 2025	Nil	Not applicable
16.	Mega Fortris	DOSH	PMT-SL/23 385737	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of an unfired pressure vessel (air receiver) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	27 November 2023 / 26 February 2025	Nil	Not applicable

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
17.	Mega Fortris	DOSH	PMT-SL/23 385736	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of an unfired pressure vessel (air receiver) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	27 November 2023 / 26 February 2025	Nil	Not applicable
18.	Mega Fortris	DOSH	PMA-SL/23 385746	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of a hoisting machine (monorail crane) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	27 November 2023 / 26 February 2025	Nil	Not applicable

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
19.	Mega Fortris	DOSH	PMA-SL/23 385743	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of a hoisting machine (monorail host) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	27 November 2023 / 26 February 2025	Nil	Not applicable
20.	Mega Fortris	DOSH	PMA-SL/23 385735	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of a hoisting machine (single girder overhead travelling crane) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	27 November 2023 / 26 February 2025	Nil	Not applicable

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
21.	Mega Fortris	DOSH	PMA-SL/23 385734	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of a hoisting machine (a shape portal crane) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	27 November 2023 / 26 February 2025	Nil	Not applicable
22.	Mega Fortris	DOSH	PMA-SL/23 385733	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of a hoisting machine (a shape portal crane) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	27 November 2023 / 26 February 2025	Nil	Not applicable

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
23.	Mega Fortris	DOSH	PMA-SL/23 385732	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of a hoisting machine (a shape portal crane) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	27 November 2023 / 26 February 2025	Nil	Not applicable
24.	Mega Fortris	DOSH	PMA-SL/23 385731	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of a hoisting machine (goodshoist) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	27 November 2023 / 26 February 2025	Nil	Not applicable

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
25.	Mega Fortris	DOSH	PMA-SL/23 387584	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of a hoisting machine (overhead travelling crane) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	3 December 2023 / 26 February 2025	Nil	Not applicable
26.	Mega Fortris	DOSH	PMA-SL/23 387585	Certificate of fitness in accordance with FMA 1967 and Regulation 10(2) of the FAMA Regulations in respect of a hoisting machine (overhead travelling crane) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	3 December 2023 / 26 February 2025	Nil	Not applicable

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
27.	Mega Fortris	DOSH	PMA-SL/A24-427129	Certificate of fitness in accordance with Occupational Safety and Health Act 1994 in respect of a hoisting machine (a shape portal crane) located at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460, Shah Alam, Selangor	5 July 2024 / 3 October 2025	Nil	Not applicable
28.	Mega Fortris	Fire and Rescue Department of Malaysia	JBPM: SL-7/1392/2024	Fire certificate in relation to the premises at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460 Shah Alam	12 September 2024 / 11 September 2025	Nil	Not applicable
29.	Mega Fortris	Fire and Rescue Department of Malaysia	JBPM: SL-7/1405/2024	Fire certificate in relation to the premises at No. 56, Jalan Anggerik Mokara 31/47, Seksyen 31, Kota Kemuning, 40460 Shah Alam, Selangor	12 September 2024 / 11 September 2025	Nil	Not applicable

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
30.	Mega Fortris Security Bags	Majlis Bandaraya Shah Alam	L031110220230001	Industrial licence for the premises situated at No. 56, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460 Shah Alam	1 February 2024 / 31 March 2025	<ol style="list-style-type: none"> 1. The ownership of the licence cannot be assigned. 2. Mega Fortris Security Bags is not allowed to employ foreign nationals at the licenced premises without a valid permit / working visa issued by the Immigration Department of Malaysia. 3. Mega Fortris Security Bags shall apply for a licence for management office if there is an office space within the premises. 4. Mega Fortris Security Bags is not allowed to carry out business activities other than the approved activities stated in the licence. 5. Mega Fortris Security Bags shall inform Majlis Bandaraya Shah Alam for any change, addition or cessation of business activities in writing. 	Complied

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
31.	Mega Fortris Security Bags	Ministry of Home Affairs ("MOHA")	A051162	Printing licence for No. 56, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460 Shah Alam	Effective from 18 September 2023 with no expiry date	<ol style="list-style-type: none"> 1. Mega Fortris Security Bags shall not change the address where the printers are located without the prior consent of the minister. 2. The printers shall not be used to print any publications which is detrimental to public order, morality, safety, communications with any country or foreign government or may be against any laws or otherwise prejudices or may prejudice public interest or national interest. 3. The licence shall not be transferred, assigned or otherwise placed under the control of anyone else other than Mega Fortris Security Bags without prior approval from MOHA. 4. Mega Fortris Security Bags shall not change any of its directors without prior approval from MOHA. 	Complied

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
32.	Mega Fortris Security Bags	MITI	A025282	Manufacturing licence for the product of tampered evident bags at No. 56, Jalan Anggerik Mokara 31/47, Seksyen 31, Kota Kemuning, 40460 Shah Alam, Selangor	Effective from 11 September 2023 with no expiry date	<ol style="list-style-type: none"> 1. MITI and MIDA shall be notified of the sale of shares in Mega Fortris Security Bags. 2. Mega Fortris Security Bags shall train its Malaysian employees to ensure that the transfer of technology and expertise can be channelled at all levels of positions. 3. Mega Fortris Security Bags shall comply with the capital investment requirements per employee of at least RM140,000.00. 4. The total number of full-time employees of Mega Fortris Security Bags shall consist of at least 80.00% Malaysian citizens. The hiring of foreign employees hired through external sources, are subject to current policies. 	Complied

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
33.	Fortrich Manufacturing	Majlis Bandaraya Shah Alam	L031110920230004	Industrial licence for the premises situated at No. 29, Jalan Anggerik Mokara 31/47, Kota Kemuning, Seksyen 31, 40460 Shah Alam	18 September 2024 / 31 October 2025	<ol style="list-style-type: none"> 1. The ownership of the licence cannot be assigned. 2. Fortrich Manufacturing is not allowed to employ foreign nationals at the licenced premises without a valid permit / working visa issued by the Immigration Department of Malaysia. 3. Fortrich Manufacturing shall apply for a licence for management office if there is an office space within the premises. 4. Fortrich Manufacturing is not allowed to carry out business activities other than the approved activities stated in the licence. 5. Fortrich Manufacturing shall inform Majlis Bandaraya Shah Alam for any change, addition or cessation of business activities in writing. 	Complied

ANNEXURE A - MAJOR LICENCES, PERMITS AND APPROVALS

B. USA

No.	License	Approving authority	Licence / permit / approval / certificate no.	Description of licence / permit / approval / certificate	Effective date / Expiry date	Material conditions	Status of compliance
1.	Mega Fortris Americas	Township of South Brunswick Fire Safety Bureau	24-3522	Fire Safety Permit for Mega Fortris Americas to carry out the activity of "Hazmat (Local Ord Forklift Batt)" at Ridge Rd, No 0174, Ste D South Brunswick, NJ	11 July 2024 / 31 July 2025	This permit must be conspicuously posted at the site for the duration of the activity.	Complied

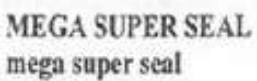
ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

As at the LPD, save for the following trademarks, patents and industrial design, we do not have any brand names, patents, trademarks, licensing agreements, technical assistance agreements, franchises and other intellectual property rights:

A. Trademarks

No.	Trademark	Issuing authority	Registered owner	Trademark number	Validity period ⁽¹⁾	Place of registration	Class / Description of trademark	Status
1.		MyIPO	Mega Fortris	07009667	25 May 2007 to 25 May 2027	Malaysia	Class 6 / Locks, safety locks, seals all made of metal, safes locks of metal for bags, locks of metal for vehicles, locks of metal; other than electric, money boxes of metal, spring locks, boxes (safety cash), lead seals, steel strip, steel wire, stop collars of metal, stops of metal, strap-hinges of metal, strap of metals for handling loads, stretchers for metal bands (tension links); all included in Class 6.	Registered
2.		MyIPO	Mega Fortris	07009668	25 May 2007 to 25 May 2027	Malaysia	Class 6 / Locks, safety locks, seals all made of metal, safes locks of metal for bags, locks of metal for vehicles, locks of metal; other than electric, money boxes of metal, spring locks, boxes (safety cash), lead seals, steel strip, steel wire, stop collars of metal, stops of metal, strap-hinges of metal, strap of metals for handling loads, stretchers for metal bands (tension links); all included in Class 6.	Registered

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Trademark	Issuing authority	Registered owner	Trademark number	Validity period ⁽¹⁾	Place of registration	Class / Description of trademark	Status
3.		MyIPO	Mega Fortris	07009674	25 May 2007 to 25 May 2027	Malaysia	Class 6 / Locks, safety locks, seals all made of metal, safes locks of metal for bags, locks of metal for vehicles, locks of metal; other than electric, money boxes of metal, spring locks, boxes (safety cash), lead seals, steel strip, steel wire, stop collars of metal, stops of metal, strap-hinges of metal, strap of metals for handling loads, stretchers for metal bands (tension links); all included in Class 6.	Registered
4.	MEGA FORTRIS	MyIPO	Mega Fortris	08023622	27 November 2008 to 27 November 2028	Malaysia	Class 6 / Doors seals of metal; lead seals; piston seals of metal; seals (lead); seals (packagings) made of metal; seals of metal for automotive applications; seals of metal for pipes; seals of metal pneumatic suspensions; seals of metal for pressure cookers; seals of metal for preventing leakage of fluids; seals of metal for preventing leakage of gases; seals of metal for shock absorbers; seals of metal for the reduction of friction in metals; seals of metal for use in enamelled pressure vessels; seals of metal for use in glass lined pressure vessels; window seals of metal; all included in Class 6.	Registered

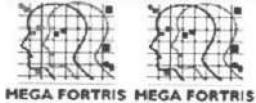
ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Trademark	Issuing authority	Registered owner	Trademark number	Validity period ⁽¹⁾	Place of registration	Class / Description of trademark	Status
5.	MEGA FORTRIS	MyIPO	Mega Fortris	08023623	27 November 2008 to 27 November 2028	Malaysia	Class 9 / Apparatus for testing the integrity of sealed packages; edge sealing apparatus (electric) for packing; electronic seals for tamper indication; glass to metal seals being semiconductor components; hermetically sealed boxes for electronics; printed security seals in machine readable form for use with audio cassettes; printed security seals in machine readable form for use with video cassettes; replacement seals for use between lenses and frames; sealed recombination electric storage batteries for use in emergency power applications; sealed recombination electric storage batteries for use in standby power applications; sealing plastics (electrical apparatus for) (packaging); terminations (connections) for sealing electric cables; terminations (connections) for sealing thermocouples; all included in Class 9.	Registered




ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Trademark	Issuing authority	Registered owner	Trademark number	Validity period ⁽¹⁾	Place of registration	Class / Description of trademark	Status
6.	MEGA FORTRIS	MyIPO	Mega Fortris	08023624	27 November 2008 to 27 November 2028	Malaysia	Class 16 / Cards embossed or printed with security features for authentication purposes; cards embossed or printed with security features for identification purposes; labels (not magnetic or encoded) for use in marking products for security; printed matter for security purposes; printed matter incorporating security markings and secured to a substrate; printed security seals for use with audio cassettes; printed security seals for use with video cassettes; security papers (not sensitized); security passes (not encoded or magnetic); security tapes (adhesives) (not encoded or magnetic); security tapes (paper) (not encoded or magnetic); security tapes (plastic) (not encoded or magnetic); value cards for security purposes (other than machine readable or magnetic); all included in Class 16.	Registered


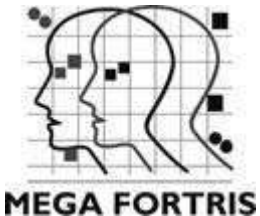
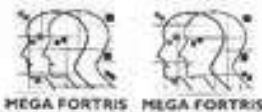
ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Trademark	Issuing authority	Registered owner	Trademark number	Validity period ⁽¹⁾	Place of registration	Class / Description of trademark	Status
7.	MEGA FORTRIS	MyIPO	Mega Fortris	08023625	27 November 2008 to 27 November 2028	Malaysia	Class 20 / Child resistant security closures (non-metallic) for bottles; child resistant security closures (non-metallic) for containers; security boxes, not of metal; security cabinets (non-metallic) (furniture); security cabinets (furniture); security devices (locks), (non-metallic for vehicles); security locking devices (non-electric, non-metallic) for armoured doors; security locking devices (non-electric, non-metallic) for the doors of safes; security trays, not of metal; security units (furniture) of metal; security units (furniture), not of metal; all included in Class 20.	Registered
8.		MyIPO	Mega Fortris	08023626	27 November 2008 to 27 November 2028	Malaysia	Class 35 / Distribution of security apparatus, security system, security seals, high security seals, seals, cables, locks, straps, padlocks, security boxes, security labels; all included in Class 35.	Registered

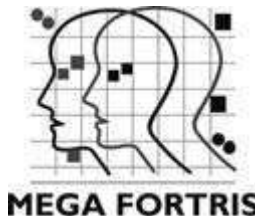
ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Trademark	Issuing authority	Registered owner	Trademark number	Validity period ⁽¹⁾	Place of registration	Class / Description of trademark	Status
9.		MyIPO	Mega Fortris	201505470 3	27 March 2015 to 27 March 2025	Malaysia	Class 6 / Locks, safety locks, seals all made of metal, safes locks of metal for bags, locks of metal for vehicles, locks of metal; other than electric, money boxes of metal, spring locks, boxes (safety cash), lead seals, steel strip, steel wire, stop collars of metal, stops of metal, strap-hinges of metal, strap of metals for handling loads, stretchers for metal bands (tension links); all included in Class 6.	Registered
10.		MyIPO	Mega Fortris	201505471 1	27 March 2015 to 27 March 2025	Malaysia	Class 35 / Advisory, arranging, management and distribution of security apparatus, security system, security seals, high security seals, seals, cables, locks, straps, padlocks, security boxes, security labels; all included in Class 35.	Registered
11.		MyIPO	Mega Fortris	201505471 4	27 March 2015 to 27 March 2025	Malaysia	Class 39 / Advisory services relating to the distribution of goods; Agency services for arranging the transportation of goods; Arrangement for the transportation of goods; Computerised distribution advisory services relating to transport; Import and export cargo handling services; Provision of information relating to the transportation of goods; Tracking and tracing services for goods; all included in Class 39.	Registered

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Trademark	Issuing authority	Registered owner	Trademark number	Validity period ⁽¹⁾	Place of registration	Class / Description of trademark	Status
12.		MyIPO	Mega Fortris	2018050267	5 January 2018 to 5 January 2028	Malaysia	Class 39 / Advisory services relating to the tracking of goods in transit; cargo tracking services; tracking and tracing of shipments; tracking and tracing services for letters and parcels; tracking of passenger or freight vehicles by computer or via GPS; tracking of passenger vehicles by computer or via GPS; all included in Class 39.	Registered
13.		Intellectual Property Office of Singapore	Mega Fortris	1014596	29 May 2009 to 29 May 2029	Singapore	Class 35 / Distribution of security apparatus, security system, security seals, high security seals, seals, cables, locks, straps, padlocks, security box, security labels (not being transport services) (agent, wholesale, representative services, by any means); all included in Class 35.	Registered
14.		Intellectual Property Office of Singapore	Mega Fortris	T0816750B	1 December 2018 to 1 December 2028	Singapore	Class 35 / Distribution of security apparatus, security system, security seals, high security seals, seals, cables, locks, straps, padlocks, security box, security labels (not being transport services) (agent, wholesale, representative services, by any means); all included in Class 35.	Registered

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Trademark	Issuing authority	Registered owner	Trademark number	Validity period ⁽¹⁾	Place of registration	Class / Description of trademark	Status
15.		China National Intellectual Property Administration	Mega Fortris	9092447	7 February 2022 to 6 February 2032	China	Class 35 / Sales promotion of security apparatus, security system, security seals, high security seals, seals, cables, locks, straps, padlocks, security box, security labels (not being transport services) for others; advertising; business consultancy (Professional); outsourcing services (business assistance); business management assistance; licensing of the goods and services of others; Import-export agencies; procurement services for others (purchasing goods and services for other businesses); administrative processing of purchase orders.	Registered
16.		United States Patent and Trademark Office	Mega Fortris	79073362	29 May 2009 to 29 May 2029	United States of America	Class 35 / Wholesale distributorships in the field of security apparatus, security systems, security seals, high security seals, seals, cables, locks, straps, padlocks, security boxes, security labels not being transport services through an agent or using representative services.	Registered

Note:

- (1) We maintain a master tracking list linked to a shared calendar with scheduled reminders to monitor the validity of our intellectual properties. The calendars are linked to the relevant person in charge and also our compliance department. In addition, our intellectual property agents will monitor the intellectual property expiry dates and will initiate auto renewal process. The renewal application of our intellectual properties begins within three months prior to expiry.

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

B. Patents

No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
1.	Security Seal	MyIPO	Mega Fortris	MY-155226-A	A security seal is disclosed comprising a grip portion (32) linked by a frangible stem (34) to a barb portion (36) irreversibly insertable into a seal chamber through an aperture. The barb portion (36) comprises a first pair of barbs (40, 42) which tips extending marginally wider than the aperture width, allowing compressive flexure upon insertion past the aperture, and are frangible upon withdrawal. The barb portion (36) further comprises a second pair of barbs (50, 52) above the first pair of barbs which, upon insertion of the first pair of barbs (40, 42) past the aperture, are positioned to block remaining aperture space not already taken up by the security seal. The seal may be used in securely fastening a security device comprising two parts complementarily closing to form a seal chamber in a container or bag whereby the seal is irreversibly inserted through an aperture on the chamber thereby locking the device until the seal is broken.	27 March 2009	27 March 2009 to 27 March 2029

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
2.	Tamper-Evident Container	MyIPO	Mega Fortris	MY-157176-A	A tamper-evident container is disclosed comprising a body 10 and a slidable lid 40 complementary to cover body opening 20. The body opening 20 comprises a peripheral flange 12 extending along opposing longitudinal walls of the body 10. The slidable lid 40 comprises a plurality of u-shape flanges 45 slidably fitting over the peripheral flange 12. A locking chamber 33 is complementarily formed by and mutually provided on each of the body 10 and slidable lid upon complete closure of the body opening 20 by the slidable lid 40, whereupon a slot is formed by the complementary matching parts of the container body 10 and lid 40 for insertion of a tamper-evident seal (not shown), such as one with a frangible portion which may be irreversibly inserted through the slot to lock the slidable lid 40 onto the body 10. A plurality of ribs 46 protrudes from the underside of the slidable lid 40 such that upon closure of the opening 20, the ribs 46 are adjacent inside of, or abutting, the body wall. The ribs 46 serve to prevent inward bending or flexure of the wall due to external pressure exerting against the wall in a tampering attempt.	2 April 2009	2 April 2009 to 2 April 2029

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
3.	A Cable Lock and Seal Device	MyIPO	Mega Fortris	MY-183510-A	A cable lock and seal device comprising a body (10) and a cover (20) with which complementarily forms a block enclosing there within a passage (30) and a chamber (50). The body (10) is integral with a base (12) in which one end of a cable (14) may be secured. The other free end of the cable (14) may be inserted into the passage (30) which is preferably curved and traverses the assembled body-and-cover block. The chamber (50) is adapted with a ramp (52) rising towards the passage (30), a slot (54) for retaining a spring (56) which second end is disposed to urge a locking wheel (53) up the ramp (52) against said passage (30). The urging of the locking wheel (53) by the biasing means (56 or 58) up the ramp (52) is restrained when the locking wheel's axle (55) engages a rib (51) on the chamber wall to limit the wheel (53)'s further entry into the passage (30) upon sufficiently engaging said cable (14) and preventing its withdrawal by reversing its insertion.	7 February 2014	23 February 2021 to 7 February 2034

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
4.	A Cable Lock and Seal Device	China National Intellectual Property Administration	Mega Fortris	ZL2015800175475	A cable lock and seal device comprising a body (10) and a cover (20) with which complementarily forms a block enclosing there within a passage (30) and a chamber (50). The body (10) is integral with a base (12) in which one end of a cable (14) may be secured. The other free end of the cable (14) may be inserted into the passage (30) which is preferably curved and traverses the assembled body-and-cover block. The chamber (50) is adapted with a ramp (52) rising towards the passage (30), a slot (54) for retaining a spring (56) which second end is disposed to urge a locking wheel (53) up the ramp (52) against said passage (30). The urging of the locking wheel (53) by the biasing means (56 or 58) up the ramp (52) is restrained when the locking wheel's axle (55) engages a rib (51) on the chamber wall to limit the wheel (53)'s further entry into the passage (30) upon sufficiently engaging said cable (14) and preventing its withdrawal by reversing its insertion.	5 February 2015	5 February 2015 to 5 February 2035

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
5.	Security Seal	Intellectual Property Office of the Philippines Bureau of Patents	Mega Fortris	1-2009-00210	A security seal is disclosed comprising a grip portion (32) linked by a fangible steam (34) to a barb portion (36) irreversibly insertable into a seal chamber through an aperture. The barb portion (36) comprises a first pair of barbs (40,42) which tips extending marginally wider than the aperture width, allowing compressive flexure upon insertion past the aperture, and are frangible upon withdrawal. The barb portion (36) further comprises a second pair of barbs (50,52) above the first pair of barbs, which upon insertion of the first pair of barbs (40,42) past the aperture, are positioned to block remaining aperture space not already taken up by the security seal. The seal may be used in securely fastening a security device comprising two parts complementarily closing to form a seal chamber in a container or bag whereby the seal is irreversibly inserted through an aperture on the chamber thereby locking the device until the seal is broken.	30 June 2009	30 June 2009 to 30 June 2029

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
6.	Tamper-Evident Container	Intellectual Property Office of the Philippines Bureau of Patents	Mega Fortris	1-2009-000209	A tamper-evident container is disclosed comprising a body 10 and a slidable lid 40 complimentary to cover body opening 20. The body opening 20 comprises a peripheral flange 12 extending along opposing longitudinal walls of the body 10. The slidable lid 40 comprises a plurality of U-shape flanges 45 slidably fitting over the peripheral flange 12. A locking chamber 33 is complementarily formed by and mutually provided on each of the body 10 and slidable lid upon complete closure of the body opening 20 by the slidable lid 40, whereupon a slot is formed by the complementary matching parts of the container body 10 and lid 40 for insertion of a tamper-evident seal (not shown), such as one with a frangible portion which may be irreversibly inserted through the slot to lock the slidable lid 40 onto the body 10. A plurality of ribs 46 protrudes from the underside of the slidable lid 40 such that upon closure of the opening 20, the ribs 46 are adjacent inside of, or abutting, the body wall. The ribs 46 serve to prevent inward bending or flexure of the wall due to external pressure exerting against the wall in a tampering attempt.	30 June 2009	30 June 2009 to 30 June 2029

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
7.	Security Seal	The Register of Patents Singapore	Mega Fortris	165217	A security seal is disclosed comprising a grip portion (32) linked by a frangible stem (34) to a barb portion (36) irreversibly insertable into a seal chamber through an aperture. The barb portion (36) comprises a first pair of barbs (40, 42) which tips extending marginally wider than the aperture width, allowing compressive flexure upon insertion past the aperture, and are frangible upon withdrawal. The barb portion (36) further comprises a second pair of barbs (50, 52) above the first pair of barbs which, upon insertion of the first pair of barbs (40, 42) past the aperture, are positioned to block remaining aperture space not already taken up by the security seal. The seal may be used in securely fastening a security device comprising two parts complementarily closing to form a seal chamber in a container or bag whereby the seal is irreversibly inserted through an aperture on the chamber thereby locking the device until the seal is broken.	30 June 2009	30 June 2009 to 30 June 2029

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
8.	Tamper-Evident Container	The Register of Patents Singapore	Mega Fortris	158061	A tamper-evident container is disclosed comprising a body 10 and a slidable lid 40 complementary to cover body opening 20. The body opening 20 comprises a peripheral flange 12 extending along opposing longitudinal walls of the body 10. The slidable lid 40 comprises a plurality of U-shape flanges 45 slidably fitting over the peripheral flange 12. A locking chamber 33 is complementarily formed by and mutually provided on each of the body 10 and slidable lid upon complete closure of the body opening 20 by the slidable lid 40, whereupon a slot is formed by the complementary matching parts of the container body 10 and lid 40 for insertion of a tamper-evident seal (not shown), such as one with a frangible portion which may be irreversibly inserted through the slot to lock the slidable lid 40 onto the body 10. A plurality of ribs 46 protrudes from the underside of the slidable lid 40 such that upon closure of the opening 20, the ribs 46 are adjacent inside of, or abutting, the body wall. The ribs 46 serve to prevent inward bending or flexure of the wall due to external pressure exerting against the wall in a tampering attempt.	30 June 2009	30 June 2009 to 30 June 2029

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
9.	Cable Lock and Seal Device	National Institute of Industrial Property Ministry of Economy of Chile	Mega Fortris	2016001992	The invention relates to a locking and sealing device comprising a body and a cover that complementarily forms a block containing within at least one passage and a chamber wherein said body is integrated with a base in which one end of a cable can be secured, and the other end of the cable is free to be inserted into the passageway; said passage traverses the assembled body-cover block said chamber being adapted with: a ramp that rises towards said passageway; a slot for retaining a first end of a biasing means whose second end is arranged to push; a locking wheel by the ramp against said passage wherein said locking wheel has an axis; a rib is provided on at least one side of the wall of the chamber by which the thrust of the locking wheel by the push means upward from the ramp is restricted when the shaft of the locking wheel is coupled to said rib to limit said locking wheel to enter the passage in sufficiently coupling to said cable and prevent its removal by reversing the insertion thereof.	8 August 2016	8 August 2016 to 5 February 2035

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
10.	Cable Lock and Seal Device	Superintendence of Industry and Commerce Ministry of Industry, Commerce and Tourism of Colombia	Mega Fortris	20160001162	A cable locking and sealing device comprising a body (10) and a cover (20), which complementarily forms a block containing therein a passage (30) and a chamber (50). The body (10) is integrated with a base (12) in which one end of a cable (14) can be attached. The other free end of the cable (14) can be inserted into the passage (30) which is preferably curved and passes through the assembled block of body and cover. The chamber (50) is adapted with a ramp (52) which is raised towards the passage (30), a spring holding groove (54) of a spring (56), wherein the second end is arranged to secure the locking wheel (53) upward in the ramp (52) against said passage (30). The locking larvae pressure (53) by the biasing means (56 or 58) upwardly in the ramp (52) is limited when the locking wheel shaft (55) is engaged with a rib (51) on the wall of the chamber 15 in order to limit one further input of the wheel (53) in the passage (30) sufficiently coupling the cable (14) and preventing its release from being released by means of the reversal of insertion.	25 August 2016	25 August 2016 to 5 February 2035

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
11.	Cable Lock and Seal Device	Registry of Intellectual Property Costa Rica	Mega Fortris	20160390	The invention relates to a cable lock and a seal comprising a body and a cover with complementarily a block enclosing a passage and a chamber (50). The body (10) is integral with a base in which it is attached End of a cable OC the other free end of the cable can be inserted into the passage preferably folded and passes through the block/cover body joined to the chamber (50) , a slot for retaining a spring Whose second end is arranged to press a locking wheel on the ramp (30) (52) against said passage the pressure of the locking wheel by means of the biasing means (56 ou in the ramp is limited when the axis of the locking wheel engages a rib on the wall of the chamber to limit a further entry of the wheel In the step after sufficient coupling of said cable preventing its removal by reversing its insertion.	2 May 2015	2 May 2015 to 2 May 2035

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
12.	Cable Lock and Seal Device	National Service of Intellectual Rights of Ecuador	Mega Fortris	SP201669949	A cable locking and sealing device comprising a body (10) and a cover (20), thereby complementary forming a block containing therein a passage (30) and a chamber (50). The body (10) is integrated with a base (12) in which an end of a cable (14) can be attached. The other free end of the cable (14) can be inserted into the passage (30) which is preferably curved and passes through the assembled block body and cover. The chamber (50) is adapted with a ramp (52) that rises towards the passage (30), a spring holding groove (54) of a spring (56), wherein the second end is arranged to secure the locking wheel (53) upward in the ramp (52) against said passage (30). The pressure of the locking wheel (53) by the biasing means (56 or 58) upward in the ramp (52) is limited when the locking wheel shaft (55) is engaged with a rib (51) on the chamber wall in order to limit one further entry of the wheel (53) into the passage (30) sufficiently coupling the cable (14) and preventing its release from being released by inversion of its insertion.	26 August 2016	Not applicable as the application is under examination.

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
13.	Cable Lock and Seal Device	European Patent Office	Mega Fortris	15745948	A cable lock and seal device comprising a body (10) and a cover (20) with which complementarily forms a block enclosing there within a passage (30) and a chamber (50). The body (10) is integral with a base (12) in which one end of a cable (14) may be secured. The other free end of the cable (14) may be inserted into the passage (30) which is preferably curved and traverses the assembled body-and-cover block. The chamber (50) is adapted with a ramp (52) rising towards the passage (30), a slot (54) for retaining a spring (56) which second end is disposed to urge a locking wheel (53) up the ramp (52) against said passage (30). The urging of the locking wheel (53) by the biasing means (56 or 58) up the ramp (52) is restrained when the locking wheel's axle (55) engages a rib (51) on the chamber wall to limit the wheel (53)'s further entry into the passage (30) upon sufficiently engaging said cable (14) and preventing its withdrawal by reversing its insertion.	5 February 2015	5 February 2015 to 5 February 2035

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
14.	Security Seal	Government of the Macao Special Administrative Region - Economic and Technological Development Bureau	Mega Fortris	I/000970	A security seal is disclosed comprising a grip portion (32) linked by a frangible stem (34) to a barb portion (36) irreversibly insertable into a seal chamber through an aperture. The barb portion (36) comprises a first pair of barbs (40, 42) which tips extending marginally wider than the aperture width, allowing compressive flexure upon insertion past the aperture, and are frangible upon withdrawal. The barb portion (36) further comprises a second pair of barbs (50, 52) above the first pair of barbs which, upon insertion of the first pair of barbs (40, 42) past the aperture, are positioned to block remaining aperture space not already taken up by the security seal. The seal may be used in securely fastening a security device comprising two parts complementarily closing to form a seal chamber in a container or bag whereby the seal is irreversibly inserted through an aperture on the chamber thereby locking the device until the seal is broken.	30 July 2009	30 July 2009 to 29 July 2029

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No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
15.	Cable Lock and Seal Device	Government of the Macao Special Administrative Region - Economic and Technological Development Bureau	Mega Fortris	J/003577	A cable locking and sealing device includes a body (10) and a cover (20), the cover and the body complementarily forming a block enclosing a channel (30) and a chamber (50) inside. The body (10) is integrated with a base (12) in which one end of the cable (14) can be fixed. The other free end of the cable (14) can be inserted into a channel (30) which is preferably bent and traverses the assembled body and cover pieces. The chamber (50) is adapted with a ramp (52) rising towards the channel (30), a slot (54) for a retaining spring (56), the second end of which is arranged to push the locking wheel (53) against Go up the slope (52) by the passage (30). When the locking wheel's axle (55) engages the ribs (51) on the chamber wall, the locking wheel (53) pushed upward along the slope (52) by the biasing device (56 or 58) is restrained, so that when the locking wheel is fully Engages the cable (14) and prevents the wheel (53) from further entering the channel (30) when the cable is withdrawn by reversing its insertion.	8 February 2019	8 February 2019 to 7 February 2039

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No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
16.	Cable Lock and Seal Device	Instituto Mexicano de la Propiedad Industrial	Mega Fortris	2016010298	A cable lock and seal device comprising a body (10) and a cover (20) with which complementarily forms a block enclosing there within a passage (30) and a chamber (50). The body (10) is integral with a base (12) in which one end of a cable (14) may be secured. The other free end of the cable (14) may be inserted into the passage (30) which is preferably curved and traverses the assembled body-and-cover block. The chamber (50) is adapted with a ramp (52) rising towards the passage (30), a slot (54) for retaining a spring (56) which second end is disposed to urge a locking wheel (53) up the ramp (52) against said passage (30). The urging of the locking wheel (53) by the biasing means (56 or 58) up the ramp (52) is restrained when the locking wheel's axle (55) engages a rib (51) on the chamber wall to limit the wheel (53)'s further entry into the passage (30) upon sufficiently engaging said cable (14) and preventing its withdrawal by reversing its insertion.	8 August 2016	8 August 2016 to 5 February 2035

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No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
17.	Cable Lock and Seal Device	National Institute for the Defense of Competition and Protection of Intellectual Property of Peru	Mega Fortris	2016001439	A cable lock and seal device comprising a body (10) and a cover (20) with which complementarily forms a block enclosing there within a passage (30) and a chamber (50). The body (10) is integral with a base (12) in which one end of a cable (14) may be secured. The other free end of the cable (14) may be inserted into the passage (30) which is preferably curved and traverses the assembled body-and0cover block. The chamber (50) is adapted with a ramp (52) rising towards the passage (30), a slot (54) for retaining a spring (56) which second end is disposing to urge a locking wheel (53) up the ramp (52) against said passage (30). The urging of the locking wheel (53) by the biasing means (56 or 58) up the ramp (52) is restrained when the locking wheel's axle (55) engages a rib (51) on the chamber wall to limit the wheel (53)'s further entry into the passage (30) upon sufficiently engaging said cable (14) and preventing its withdrawal by reversing its insertion.	5 February 2015	5 February 2015 to 5 February 2035

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
18.	Cable Lock and Seal Device	Companies and Intellectual Property Commission Department of Trade and Industry of South Africa	Mega Fortris	ZA201605484A	A cable lock and seal device comprising a body (10) and a cover (20) with which complementarily forms a block enclosing there within a passage (30) and a chamber (50). The body (10) is integral with a base (12) in which one end of a cable (14) may be secured. The other free end of the cable (14) may be inserted into the passage (30) which is preferably curved and traverses the assembled body-and0cover block. The chamber (50) is adapted with a ramp (52) rising towards the passage (30), a slot (54) for retaining a spring (56) which second end is disposing to urge a locking wheel (53) up the ramp (52) against said passage (30). The urging of the locking wheel (53) by the biasing means (56 or 58) up the ramp (52) is restrained when the locking wheel's axle (55) engages a rib (51) on the chamber wall to limit the wheel (53)'s further entry into the passage (30) upon sufficiently engaging said cable (14) and preventing its withdrawal by reversing its insertion.	8 August 2016	8 August 2016 to 8 August 2034

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No.	Patent title	Issuing authority	Patent owner / Applicant	Patent / Application No.	Patent abstract	Filing date	Validity period ⁽¹⁾
19.	Cable Lock and Seal Device	United States Patent and Trademark Office	Mega Fortris	15117193	A cable lock and seal device with features preventing the locking mechanism from engaging the cable fibers too tightly to cut or fray is disclosed. A conventional device is made up of a body (10) and a cover (20) halves to complementarily form a block enclosing therewithin a passage (30) and a chamber (50). The body (10) is integrally formed with an anchor block (12) in which one end of a cable (14) is anchored. The other free end of the cable (14) may be inserted into the passage (30) which is preferably curved upward in traversing the assembled body-and-cover block. The chamber (50) is adapted with a ramp (52) rising towards the passage (30), a slot (54) for retaining a spring (56) which second end is disposed to urge a locking wheel (53) up the ramp (52) against the passage (30). The improvement lies in providing a rib (51) along the lower wall of the passage (30) proximal to the top end of the ramp (32) so that the urging of the locking wheel (53) by the biasing means (56 or 58) up the ramp (52) is restrained when the locking wheel's axle (55) engages the rib (51) and limits the wheel (53)'s further entry into the passage (30) upon having sufficiently engage	5 February 2015	5 February 2015 to 5 February 2035

ANNEXURE B - INTELLECTUAL PROPERTY RIGHTS

Note:

- (1) We maintain a master tracking list linked to a shared calendar with scheduled reminders to monitor the validity of our intellectual properties. The calendars are linked to the relevant person in charge and also our compliance department. In addition, our intellectual property agents will monitor the intellectual property expiry dates and will initiate auto renewal process. The renewal application of our intellectual properties begins within three months prior to expiry.

C. Industrial designs

We are not dependent on following industrial designs as our Group is (i) still able to market or sell our products, and (ii) secure purchase orders and contracts from our customers, without these industrial designs being registered or renewed.

<u>No.</u>	<u>Design</u>	<u>Issuing authority</u>	<u>Proprietor</u>	<u>Registration no.</u>	<u>Validity period ⁽¹⁾</u>	<u>Place of registration</u>
1.	Bolt seal	MyIPO	Mega Fortris	10-01541-0101	8 December 2010 to 8 December 2025	Malaysia
2.	Cable seal	MyIPO	Mega Fortris	10-01542-0101	8 December 2010 to 8 December 2025	Malaysia
3.	Container seal	MyIPO	Mega Fortris	13-E0091-0101	19 June 2013 to 19 June 2028	Malaysia
4.	Tamper-evident box with RFID tag	MyIPO	Mega Fortris	15-E0003-0101	11 July 2014 to 11 July 2029	Malaysia
5.	Tamper-evident box with RFID tag	Intellectual Property Office of Singapore	Mega Fortris	30201500315R	7 January 2015 to 7 January 2025	Singapore
6.	Container seal	Intellectual Property Office of Singapore	Mega Fortris	D20131140J	26 August 2013 to 26 August 2028	Singapore
7.	Carrying Container	Taiwan Intellectual Property office	Mega Fortris	D174672	1 April 2016 to 8 January 2027	Taiwan

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No.	Design	Issuing authority	Proprietor	Registration no.	Validity period ⁽¹⁾	Place of registration
8.	Tamper-evident box	IP Australia	Mega Fortris	10069/2015	8 January 2015 to 8 January 2025	Australia
9.	Container seal	Egyptian Patent Office	Mega Fortris	1600/2013	11 December 2013 to 10 December 2028	Egypt
10.	Locking or closing devices	European Intellectual Property Office	Mega Fortris	002292607	16 August 2013 to 16 August 2028	European Community
11.	Container for conveyance	Japan Patent Office	Mega Fortris	D2014-15223 (1520916)	11 July 2014 to 6 March 2025	Japan
12.	Container of transporting / carrying	Korean Intellectual Property Office	Mega Fortris	30-0842936	9 January 2015 to 9 January 2035	Korea
13.	Safety storagebox	Government of the Macao Special Administrative Region, Economic and Technological Development Bureau	Mega Fortris	D/000485	1 August 2008 to 1 August 2025	Macao
14.	Tamper-evident box with RFID tag	Government of the Macao Special Administrative Region, Economic and Technological Development Bureau	Mega Fortris	D/001310	6 January 2015 to 6 January 2025	Macao
15.	Container seal	Instituto Mexicano de la Propiedad Industrial	Mega Fortris	MX/f/2013/003255	21 October 2013 to 21 October 2028	Mexico

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<u>No.</u>	<u>Design</u>	<u>Issuing authority</u>	<u>Proprietor</u>	<u>Registration no.</u>	<u>Validity period ⁽¹⁾</u>	<u>Place of registration</u>
16.	Tamper-evident box	New Zealand Intellectual Property Office	Mega Fortris	419713	8 January 2015 to 11 July 2029	New Zealand
17.	Container Seal	United States Patent and Trademark Office	Mega Fortris	US D720215	13 September 2013 to 13 September 2027	United States
18.	Container Seal (Class – 03)	Government of Pakistan, The Patent Office	Mega Fortris	16966-D	10 December 2013 to 19 June 2033	Pakistan
19.	Locking or closing device	United Kingdom Intellectual Property Office	Mega Fortris	90022926070001	16 August 2013 to 15 August 2028	United Kingdom
20.	Security seal	United Kingdom Intellectual Property Office	Mega Fortris UK	3005584	23 July 2002 to 23 July 2027	United Kingdom

Note:

- (1) We maintain a master tracking list linked to a shared calendar with scheduled reminders to monitor the validity of our intellectual properties. The calendars are linked to the relevant person in charge and also our compliance department. In addition, our intellectual property agent will initiate the renewal process of our intellectual properties within three months prior to expiry.

ANNEXURE C - THE REPATRIATION OF CAPITAL AND REMITTANCE OF PROFIT FROM FOREIGN SUBSIDIARIES UNDER FOREIGN LAW

As at the LPD, save as disclosed below, there are no governmental decrees, regulations or other legislations that may affect the repatriation of capital and the remittance of profits of our material foreign subsidiaries:

A. USA

The imposition of United States of America (“U.S.”) withholding tax on repatriation of capital and the remittance of profits from a U.S. company to a Malaysian parent company will depend on the form in which the funds are transferred. Because there is no income tax treaty between the U.S. and Malaysia, no reduced rates or relief is available to the Malaysian parent company.

(i) Tax on interest

Interest paid by a U.S. corporation to a non-U.S. person is generally subject to a 30.00% withholding tax. There is an exemption from the withholding tax for certain “portfolio interest,” however the Malaysian parent company as an owner of 10.00% or more of the voting stock of the U.S. corporation is not eligible for the exemption.

(ii) Tax on dividends

In general, any distributions (including constructive distributions) made by an U.S. corporation to its parent entity, as a non-U.S. holder of shares of its common stock, to the extent paid out of the current or accumulated earnings and profits of the U.S. corporation (as determined under U.S. federal income tax principles), will constitute dividends for U.S. federal income tax purposes and the U.S. corporation will be required to withhold tax from the gross amount of the dividend at a rate of 30.00%. Any distributions in excess of a U.S. company’s earnings and profits are treated as recovery of basis and/or gain and are not subject to withholding tax.

(iii) Tax on capital gain from the sale of shares, redemptions, or share buybacks

There is generally no U.S. withholding tax on any capital gains from the sale of shares, redemptions, or buybacks by a non-U.S. person of shares of a U.S. corporation. A non-U.S. person is generally not subject to U.S. tax on any gain from the sales of shares of a U.S. company, unless the non-U.S. person is engaged in a trade or business in the U.S. or is a U.S. resident. Certain redemptions and share buybacks may be treated as dividends for tax purposes. Under the Foreign Investment in Real Property Tax Act (“FIRPTA”) rules, if more than 50.00% of the fair market value of a U.S. corporation’s business assets are U.S. real estate and related assets (“USRPHC”), then a non-U.S. person will generally be subject to tax payment and return filing obligations on any gain from the sale of a USRPHC and a withholding tax of 15.00% is imposed on the gross proceeds from any sale, capital transaction, or redemption.

(iv) Tax on royalties

Royalties paid to a non-U.S. person are generally subject to a 30.00% withholding tax.

ANNEXURE C - THE REPATRIATION OF CAPITAL AND REMITTANCE OF PROFIT FROM FOREIGN SUBSIDIARIES UNDER FOREIGN LAW

(v) Tax on purchase of products from a Malaysian company

There is no U.S. withholding tax imposed on the purchase of any goods or services from a Malaysian company.

B. UK

In United Kingdom, the imposition of withholding tax on any repatriation of capital and the remittance of profits from a UK company to a Danish parent company ("**Danish Parent**") will depend on the form in which the funds are transferred.

(i) Tax on interest

Under the domestic laws of the United Kingdom, withholding tax is charged at a rate of 20.00% on payments of yearly interest to non-residents. No withholding tax is charged on payments of "short" interest. Broadly, "short" interest is interest on a loan with a term of less than one year.

Under the terms of the UK-Denmark double tax treaty ("**UK DTT**"), where the Danish Parent is the beneficial owner of the income and the other conditions for the application of the treaty are met, any withholding tax liability shall be reduced to zero.

Under Article 11(4) of the UK DTT where there is a special relationship between the payer and the beneficial owner which results in the amount of the interest paid exceeding the amount which would have been agreed by the parties if no such relationship existed, the excess part of the payments shall be taxable according to the laws of each contracting state (i.e., those excess amounts shall not get the benefit of the UK DTT).

Where the Danish Parent receives interest from the company incorporated in England and Wales, Scotland or Northern Ireland and resident for tax purposes in the United Kingdom ("**United Kingdom company**") and that payment has been subject to United Kingdom tax, Denmark allows for a deduction to any Danish tax incurred on the receipt of the interest payment equal to the amount of United Kingdom tax charged, and this deduction cannot exceed that amount.

These UK DTT provisions are also broadly mirrored for payments going from a Danish company to a United Kingdom company.

(ii) Tax on dividends

United Kingdom laws do not impose withholding tax on dividend payments apart from distributions of profits derived from real estate by real estate investment trusts, which are subject to withholding tax at 20.00%.

ANNEXURE C - THE REPATRIATION OF CAPITAL AND REMITTANCE OF PROFIT FROM FOREIGN SUBSIDIARIES UNDER FOREIGN LAW

(iii) Tax on capital gains

United Kingdom laws do not impose withholding tax on capital gains. Non-United Kingdom residents may, however, be liable to account for capital gains tax on disposals of interests in United Kingdom land, or of interests in companies that derive their value from interests in United Kingdom land. For the Danish Parent, this will be United Kingdom corporation tax on chargeable gains at a rate of 25.00%.

(iv) Tax on royalties

Under the domestic laws of the United Kingdom, companies making payments of most forms of royalty that arise in the United Kingdom are required to deduct withholding tax at 20.00%.

Under the terms of the UK DTT, where the Danish Parent is the beneficial owner of the royalties and the other conditions for the application of the treaty are met, any withholding tax liability shall be reduced to zero.

The same provisions apply as with interest on excess payments of royalties due to a special relationship between the payer and payee and tax credits. The UK DTT provisions are also broadly mirrored for royalty payments going from a Danish company to a United Kingdom company.

(v) Tax on purchase of products from a Malaysian company

There is no United Kingdom withholding tax imposed on the purchase of any goods or services from a Malaysian company, unless some or all of the consideration for such purchase comprises a royalty as discussed above.

(vi) Tax on sale of shares

No United Kingdom tax should be imposed at a shareholder level on the sale of the United Kingdom company shares by the Danish Parent, unless the United Kingdom company is a "property-rich company". A company is a "property-rich company" if it is an entity that derives at least 75.00% of its gross asset value from interests in land in the United Kingdom. In such a case, where the United Kingdom company is a "property-rich company" and the Danish Parent transfers its shares, any gain that arises on the sale of shares will be subject to United Kingdom corporation tax on chargeable gains at a rate of 25.00%. This will not apply where the property-rich United Kingdom company is trading before and after the transfer of its shares by the Danish Parent and the United Kingdom land is used in the qualifying trade of the United Kingdom company.

An agreement to transfer shares of the United Kingdom company will normally give rise to a charge to stamp duty reserve tax ("**SDRT**") at the rate of 0.50% of the amount or value of the consideration payable for the transfer. SDRT is, in general, payable by the purchaser. Transfers of shares of the United Kingdom company will generally be subject to stamp duty at the rate of 0.50% of the consideration given for the transfer (rounded up to the next £5.00). The purchaser normally pays the stamp duty. If a duly stamped transfer completing an agreement to transfer is produced within six years of the date on which the agreement is made (or, if the agreement is conditional, the date on which the agreement becomes unconditional) any SDRT already paid is generally repayable, normally with interest, and any SDRT charge yet to be paid is cancelled.

ANNEXURE C - THE REPATRIATION OF CAPITAL AND REMITTANCE OF PROFIT FROM FOREIGN SUBSIDIARIES UNDER FOREIGN LAW

United Kingdom laws should not impose any withholding tax on a sale of shares of the United Kingdom company by the Danish Parent.

(vii) Tax on share buyback

If the United Kingdom company buys back its own shares, then stamp duty on shares may be due to HM Revenue & Customs ("**HMRC**") on the total consideration paid by the United Kingdom company to the relevant shareholders at a rate of 0.50%, rounded up to the nearest £5.00. A stamp duty application will need to be submitted to HMRC so that the instrument of transfer (the form SH03) can be stamped by HMRC. Where a subsidiary company purchases some of its own shares from its parent company, relief from the stamp duty charge may be available under group relief provisions, subject to certain conditions.

United Kingdom laws should not impose any withholding tax on a share buyback of the United Kingdom company shares from the Danish Parent.

(viii) Tax on capital reductions

No United Kingdom tax should generally be imposed at a shareholder level or on the United Kingdom company on effecting a capital reduction, provided the capital reduction is implemented by means of a reduction in the nominal value of the United Kingdom company shares. A capital reduction implemented by means of a share cancellation may have alternative consequences. The tax treatment of dividends paid following a capital reduction should be as per section (ii) above.

United Kingdom laws should not impose any withholding tax on the effecting of a capital reduction by the United Kingdom company shares or a subsequent dividend.

Therefore, where United Kingdom withholding tax is payable on interest or royalty payments by a United Kingdom company, less cash will initially be available to the Danish Parent due to the deduction. This however may be mitigated through the use of a deduction from Danish tax on the receipt of the interest payment equal to the amount of withholding tax charged. United Kingdom corporation tax will only be charged on gains accrued on the sale of shares of the United Kingdom company if the United Kingdom company is a "property-rich company". United Kingdom stamp duty or SDRT will be chargeable on the consideration paid by the United Kingdom company to the Danish Parent on a share sale (typically borne by the purchaser) and potentially on a share buyback (payable by the company).

Please note that the above is based on the United Kingdom tax legislation as at 23 September 2024. The United Kingdom Government plans to publish the Autumn 2024 Budget on 30 October 2024, which may include tax legislative changes that affect the validity of the content of this Annexure C.

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C. Denmark

There are generally no foreign exchange control restrictions imposed under Danish laws and regulations that would restrict or prohibit the repatriation of capital or remittance of profit by a Danish company out of Denmark provided that such transfer is not made to a country or person that is specifically sanctioned and further complies with the relevant corporation and taxation laws and regulations.

(i) Dividends

(a) Corporation rules

Pursuant to Sections 179 to 184 of the Danish Companies Act (Consolidated Act No. 1168 of 1 September 2023) ("**Danish Companies Act**") any distribution of dividends is subject to the (i) approval by the shareholders at the company's general meeting with simple majority and (ii) amount of dividend may not exceed the amount that has been proposed or approved by the company's board of directors. further, only distributable reserves can be paid as dividends. Distributable reserves consist of retained earnings and distributable reserves under a statute or the company's articles of association. The share capital cannot be paid as dividends.

Further, as a general rule, the board of directors is responsible for ensuring that no distribution of dividends exceeds a reasonable amount, having regard to the company's financial position, including that no distribution is made to the detriment of the company or its creditors.

(b) Tax rules

Dividends received from Denmark on shares held by a corporate shareholder holding at least 10.00% of the nominal share capital of the issuing company is exempt from Danish tax (including withholding tax) provided the taxation of the dividends is to be waived or reduced in accordance with the Parent-Subsidiary Directive (2011/96/EU) or in accordance with a tax treaty with the jurisdiction in which the parent company is resident. However, the exemption is contingent on the payee being the beneficial owner of the relevant dividend distribution and otherwise are made in compliance with the anti-avoidance rules, primarily the general anti-avoidance rule addressed in section (iv) below.

In relation to dividend payments from Denmark to Malaysia, the Danish-Malaysia double tax treaty states that dividend payment from Denmark to a resident of Malaysia who is subject to Malaysian tax in respect thereof shall be exempt from any tax in Denmark, i.e., such payment is generally exempt from Danish withholding tax provided that the Malaysian parent company is the beneficial owner and subject to Malaysian tax thereof.

It is noted that the above is based on a shareholding of at least 10.00% (as this is a specifically relevant threshold for purposes of dividend payments). Different rules apply if the shareholding is below 10.00%.

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(ii) Capital reduction

(a) Corporation rules

Pursuant to Sections 185 to 194 of the Danish Companies Act, a Danish company may reduce its share capital i.e., for distribution of such share capital to its shareholders for any reason provided that the general share capital requirements are adhered to. Further, certain requirements in relation to allowing creditors to give notice of any claims towards the company applies.

(b) Tax Rule

Generally, distributions deriving from a capital reduction will be treated as dividend distributions in accordance with the rules described for dividend distributions above.

(iii) Share buyback (own shares)

(a) Corporation Rules

Pursuant to chapter 12 of the Danish Companies Act, a Danish company may purchase or redeem shares issued by it provided that the funds used for such share buy-back only derives from the company's distributable reserves and by approval by the shareholders at the company's general meeting with simple majority. Such shares held by the company shall not count towards the general minimum share capital requirements.

(b) Tax Rules

Generally, payments to shareholders in consideration for buyback or redemption of the company's own shares will be treated as dividend distributions in accordance with the rules described for dividend distributions above.

(iv) Sale of shares (capital gains)

Generally, shareholders not resident in Denmark are normally not subject to Danish taxation on any gains realised on the sale of shares to third parties, irrespective of the ownership period, subject to a general anti-avoidance rule which is addressed below and potentially other anti-avoidance rules, depending on the circumstances of the sale. However, if the ownership of the shares is attributable to a foreign company's fixed place of business ("**permanent establishment**") in Denmark, gains on shares could be included in the taxable income of said permanent establishment if the selling entity (the foreign entity) holds less than 10.00% of the share capital in the Danish entity.

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Pursuant to the general anti-avoidance rule of Section 3 of the Danish Tax Assessment Act (Consolidated Act no. 42 of 13 January 2023, as amended) ("**Danish Tax Assessment Act**") an arrangement or series of arrangements:

- (a) not entered into for commercial reasons reflecting the underlying economic reality and
- (b) which are implemented for the primary purpose of obtaining, or one of the primary purposes of which is to obtain, a tax benefit which is against the purpose and intent of the tax laws,

should be ignored for purposes of assessing the Danish tax liability.

Therefore, even if a payment is not subject to Danish taxes, e.g., in accordance with rules described for dividends if a shareholder, whether resident in Denmark or not, is considered to have taken part in an arrangement considered abusive in accordance with Section 3 of the Danish Tax Assessments Act, Danish withholding tax could be levied on payments made to such shareholder.

(v) Tax on interest

Withholding tax on interest payments would likely not apply.

Interest paid from a Danish entity to a foreign related entity is subject to 22.00% withholding tax, provided that the debt in question is considered "controlled debt" for Danish tax purposes. Generally, debt is considered "controlled debt" if the lender directly or indirectly controls more than 50.00% of the votes or more than 50.00% of the share capital of the company.

However, the interest withholding tax does not apply if:

- (a) the interest is attributable to a permanent establishment in Denmark,
- (b) the taxation of interest must be waived or reduced under the Interest-Royalty Directive (Council Directive 2003/49/EC of 3 June 2003), and the paying company and the receiving company have been affiliated for a continuing period of not less than one (1) year, and the time of payment is within this period,
- (c) the taxation of interest must be waived or reduced under a tax treaty with the country where the receiving company etc. is resident,
- (d) the receiving company directly or indirectly for a period of not less than one (1) year is controlled by a Danish parent company as defined in Section 31C of the Danish Company Taxation Act (Consolidated Act no.1241 of 22 August 2022, as amended),

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- (e) the receiving company is controlled by a parent company who is a resident in a country which has entered into a tax treaty with Denmark, and may be subject to Controlled Financial Company ("CFC") taxation on the interest, or
- (f) the receiving company substantiates that the foreign taxation of the interest payments corresponds to at least three quarters of the Danish corporate tax and it does not forward payments of interest to another foreign company which is taxed on such interest payments at a rate of less than three quarters of the Danish corporate tax rate (i.e. at least 16.50%).

For the exemptions to apply, the lender must be the beneficial owner of the interest in question (i.e. the interest may not be transferred from the lender to another entity). Further, the payable interest must be in compliance with the arm's length principle.

(vi) Tax on royalties

Denmark imposes a 22.00% withholding tax on all types of royalty payments (including one-off payments, credits, etc.) from a Danish entity to a foreign entity. However, this general rule of withholding tax on royalty payments does not apply if:

- (a) the foreign entity receiving the royalties in question conducts business in Denmark through a permanent establishment, and
- (b) the exclusive right for which the royalties are paid for is connected to said foreign entity's permanent establishment in Denmark.

Further, the general rule does not apply if the royalty payments are subject to the Interest-Royalty Directive (Council Directive 2003/49/EC of 3 June 2003) regarding taxation of royalty payments between associated entities within the EU to the extent that the parties have been associated for a minimum of one (1) year prior to the relevant royalty payment. For the avoidance of doubt, withholding tax on royalties may be reduced in accordance with a double tax treaty.

(vii) Tax on purchase of products from a Malaysian company

Generally, Denmark does not impose a special withholding tax on products purchased from a Malaysian company. However, said products might be subject to Value Added Tax ("VAT") and certain custom duties, typically between 5.00% and 14.00%. Imported products will generally be subject to import VAT at 25.00%. However, the import VAT will also give rise to a corresponding VAT deduction for the importer, subject to VAT reporting. Custom duties generally apply to imported goods from a non-EU country.

Further, purchases from an affiliated Malaysian company must be in compliance with the arm's length principle and might be subject to certain transfer pricing requirements, e.g., being required to provide transfer pricing documentation to the authority.