

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

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

**THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF IN DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.** All enquiries concerning the Rights Issue of Shares should be addressed to our Share Registrar, Boardroom Share Registrars Sdn Bhd at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia (Tel: (03) 7890 4700).

This Abridged Prospectus, together with the NPA and RSF (collectively, the "Documents"), will be despatched only to our Entitled Shareholders whose names appear in our Company's Record of Depositors as at 5.00 p.m. on 28 January 2022 at their registered address in Malaysia or who have provided our Share Registrar with a registered address in Malaysia in writing by 5.00 p.m. on 28 January 2022. The Documents are not intended to be (and will not be made to) comply with the laws of any country or jurisdiction other than Malaysia and are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue of Shares complies with the laws of any countries or jurisdictions other than the laws of Malaysia. Entitled Shareholders and/ or their transferee(s) and/ or renouncee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers and other professional advisers as to whether the acceptance or renunciation (as the case may be) of their entitlements to the Rights Issue of Shares, application for Excess Rights Shares or the subscription, offer, sale, resale, pledge or other transfer of the new securities arising from the Rights Issue of Shares made by any Entitled Shareholders and/ or their transferee(s) and/ or their renouncee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions in which Entitled Shareholders and/ or their transferee(s) and/ or their renouncee(s) (if applicable) are residents. Our Company, the Principal Adviser and/ or the Advisers named herein shall not accept any responsibility or liability in the event that any acceptance or renunciation (as the case may be) of the Provisional Allotments, application for the Excess Rights Shares, or the subscription, offer, sale, resale, pledge or other transfer of the Rights Shares made by any Entitled Shareholder and/ or their renouncee(s) or transferees (if applicable) is or becomes illegal, unenforceable, voidable or void in such countries or jurisdiction in which the said Entitled Shareholder and/ or his renouncee(s) or transferees (if applicable) is resident.

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

Approval for the Rights Issue of Shares has been obtained from the shareholders of our Company at the EGM convened on 12 November 2021. Approval has been obtained from Bursa Securities via its letter dated 11 October 2021 for the listing of and quotation for the Rights Shares on the Main Market of Bursa Securities. However, this is not an indication that Bursa Securities recommends the Rights Issue of Shares and shall not be taken as an indication of the merits of the Rights Issue of Shares. Bursa Securities does not take any responsibility for the correctness of statements made or opinions expressed in this Abridged Prospectus. The listing of and quotation for the Rights Shares on the Main Market of Bursa Securities will commence after, amongst others, the receipt of confirmation from Bursa Depository that all the CDS Accounts of the successful Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) have been duly credited with the Rights Shares allotted to them and notices of allotment have been despatched to them.

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

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



## JENTAYU SUSTAINABLES BERHAD

(formerly known as Ip muda Berhad)  
(Registration No. 197501000834 (22146-T))  
(Incorporated in Malaysia)

**RENOUNCEABLE RIGHTS ISSUE OF 101,457,300 NEW ORDINARY SHARES IN JENTAYU SUSTAINABLES BERHAD (FORMERLY KNOWN AS IPMUDA BERHAD) ("JENTAYU SUSTAINABLES SHARE(S)") ("RIGHTS SHARE(S)") ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) EXISTING JENTAYU SUSTAINABLES SHARE HELD BY OUR ENTITLED SHAREHOLDERS OF OUR COMPANY AT 5.00 P.M. ON 28 JANUARY 2022 AT AN ISSUE PRICE OF RM0.30 PER RIGHTS SHARE**

*Principal Adviser, Managing Underwriter and  
Joint Underwriter*



**MIDF AMANAH INVESTMENT BANK BERHAD**  
(Registration No. 197501002077 (23878-X))  
(A Participating Organisation of Bursa Malaysia  
Securities Berhad)

*Joint Underwriter*



**BIMB SECURITIES SDN BHD**  
(Registration No. 199401004484 (290163-X))  
(A Participating Organisation of Bursa  
Malaysia Securities Berhad)

*Joint Underwriter*



**KAF INVESTMENT BANK BERHAD**  
(Registration No. 197401003530 (20657-W))  
(A Participating Organisation of Bursa  
Malaysia Securities Berhad)

### IMPORTANT RELEVANT DATES AND TIMES

Entitlement Date	:	Friday, 28 January 2022 at 5.00 p.m.
<b>Last date and time for:</b>		
Sale of Provisional Allotments	:	Wednesday, 9 February 2022 at 5.00 p.m.
Transfer of Provisional Allotments	:	Friday, 11 February 2022 at 4.30 p.m.
Acceptance and payment	:	Thursday, 17 February 2022 at 5.00 p.m.
Excess Rights Shares application and payment	:	Thursday, 17 February 2022 at 5.00 p.m.

This Abridged Prospectus is dated 28 January 2022

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

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

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

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

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

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

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

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

## DEFINITIONS

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

<b>Abridged Prospectus</b>	:	This abridged prospectus dated 28 January 2022 in relation to the Rights Issue of Shares
<b>Act</b>	:	Companies Act, 2016
<b>Acquisition of Hospital</b>	:	Acquisition of the 8,800,000 ordinary shares in Ultimate Forte, representing the entire equity interest in Ultimate Forte by our Company from the Ultimate Forte Vendors for the Purchase Consideration
<b>BIMB Securities</b>	:	BIMB Securities Sdn Bhd (Registration No. 199401004484 (290163-X))
<b>Board</b>	:	Board of Directors of Jentayu Sustainables
<b>Bonus Issue of Shares and Warrants</b>	:	Bonus issue of 101,457,300 Bonus Shares together with 152,185,950 Bonus Warrants on the basis of two (2) Bonus Shares together with three (3) Bonus Warrants for every two (2) existing Jentayu Sustainables Shares held by our Entitled Shareholders on the Entitlement Date
<b>Bonus Shares</b>	:	101,457,300 new Jentayu Sustainables Shares to be issued pursuant to the Bonus Issue of Shares and Warrants
<b>Bonus Warrants</b>	:	152,185,950 free detachable warrants in Jentayu Sustainables to be issued pursuant to the Bonus Issue of Shares and Warrants
<b>Bursa Depository</b>	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
<b>Bursa Securities</b>	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
<b>Cash Consideration</b>	:	Cash payment of RM6,679,500 by Jentayu Sustainables to the Ultimate Forte Vendors pursuant to the Acquisition of Hospital
<b>CDS</b>	:	Central Depository System, the system established and operated by Bursa Depository for the central handling of securities deposited with Bursa Depository
<b>CDS Account(s)</b>	:	Securities account(s) established for a Depositor by Bursa Depository for the recording of deposits or withdrawals of securities and for dealings in such securities by the Depositor
<b>Closing Date</b>	:	17 February 2022 at 5.00 p.m., being the last date and time for the acceptance of and payment for the Rights Shares
<b>CMSA</b>	:	Capital Markets and Services Act, 2007

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**DEFINITIONS (CONT'D)**

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<b>Consideration Share(s)</b>	:	New Jentayu Sustainables Share(s) to be issued to the Ultimate Forte Vendors pursuant to the Acquisition of Hospital
<b>Corporate Exercises</b>	:	Collectively, the Property Disposal, Special Dividend, Bonus Issue of Shares and Warrants, Rights Issue of Shares and Acquisition of Hospital
<b>COVID-19</b>	:	Coronavirus disease 2019
<b>Deed Poll</b>	:	The deed poll dated 12 January 2022 constituting the Bonus Warrants executed by our Company
<b>Depositor</b>	:	A holder of a CDS Account
<b>Director(s)</b>	:	Director(s) of our Company and within the meaning given in Section 2 of the CMSA
<b>Diversification</b>	:	Diversification of our Group's business activities to include the renewable energy business, healthcare business and related activities, where shareholders' approval has been obtained in our Company's EGM held on 18 December 2020
<b>Documents</b>	:	This Abridged Prospectus, together with the NPA and RSF, collectively
<b>e-Subscription</b>	:	Electronic subscription
<b>EGM</b>	:	Extraordinary general meeting
<b>Entitled Shareholders</b>	:	Shareholders whose names appear in the Record of Depositors of our Company as at 5.00 p.m. on the Entitlement Date in order to be entitled to the Rights Issue of Shares
<b>Entitlement Date</b>	:	Friday, 28 January 2022 at 5.00 p.m. being the day, date and time on which the names of our Entitled Shareholders appear in the Record of Depositors in order to participate in the Rights Issue of Shares
<b>EPS</b>	:	Earnings per share
<b>Excess Rights Share</b>	:	Provisional Allotments which are not taken up or not validly taken up by our Entitled Shareholders and/ or their transferee(s) and/ or renounee(s) (if applicable) by the Closing Date, prior to the Excess Rights Share
<b>Foreign-Addressed Shareholders</b>	:	Shareholders who have not provided to our Company a registered address or an address in Malaysia for the service of documents which will be issued in connection with the Rights Issue of Shares by the Entitlement Date
<b>FPE</b>	:	Financial period ended
<b>FYE</b>	:	Financial year(s) ended / ending
<b>Government</b>	:	Government of Malaysia
<b>GP</b>	:	Gross profit
<b>HOA</b>	:	Heads of agreement

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**DEFINITIONS (CONT'D)**

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<b>IMR Report</b>	:	Independent Market Research report on the Renewable Energy Industry and Healthcare Industries dated 13 January 2022 by PROVIDENCE
<b>Jentayu Sustainables or Company</b>	:	Jentayu Sustainables Berhad (formerly known as Ipmuda Berhad) (Registration No. 197501000834 (22146-T))
<b>Jentayu Sustainables Group or Group</b>	:	Collectively, our Company and its subsidiaries
<b>Jentayu Sustainables Share(s) or Share(s)</b>	:	Ordinary shares in our Company
<b>Joint Underwriters or Underwriters</b>	:	MIDF Investment, BIMB Securities and KAF IB
<b>KAF IB</b>	:	KAF Investment Bank Berhad (Registration No. 197401003530 (20657-W))
<b>Listing Requirements</b>	:	Main Market Listing Requirements of Bursa Securities
<b>LPD</b>	:	10 January 2022, being the latest practicable date prior to the printing of this Abridged Prospectus
<b>LPS</b>	:	Loss per share
<b>Market Day(s)</b>	:	Any day(s) on which Bursa Securities is open for trading of securities
<b>MCO</b>	:	A movement control order which was imposed by the Government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967
<b>MIDF Investment or Principal Adviser, Managing Underwriter and Joint Underwriter</b>	:	MIDF Amanah Investment Bank Berhad (Registration No. 197501002077 (23878-X))
<b>MW</b>	:	Megawatt
<b>NA</b>	:	Net assets
<b>NPA</b>	:	Notice of provisional allotment of Rights Shares in relation to the Rights Issue of Shares
<b>NRP</b>	:	National Recovery Plan announced by the Government on 15 June 2021
<b>NRS</b>	:	Nominee rights subscription service offered by Bursa Depository, at the request of our Company, to the authorised nominees for electronic subscription of Rights Shares through Bursa Depository's existing network facilities with the authorised nominees
<b>Official List</b>	:	A list specifying all securities which have been admitted for listing on the Main Market of Bursa Securities and not removed

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**DEFINITIONS (CONT'D)**

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- Oriole Hydro Maligan SHA** : Shareholders' agreement dated 15 December 2021 entered into between Oriole Power Sdn Bhd, a wholly-owned subsidiary of our Company with Inno Hydropower (M) Sdn Bhd, a subsidiary company of Petrosabah Sdn Bhd which is a wholly-owned subsidiary of Innoprise Corporation Sdn Bhd, a subsidiary of Kumpulan Yayasan Sabah to regulate the relationship inter se of the shareholders of a joint venture company known as "Oriole Hydro Maligan Sdn Bhd" to jointly develop a Run-of-River Hydroelectric Cascading Scheme in Sungai Maligan, Sipitang, Sabah with an installed capacity of up to 31 MW
- Oriole Hydro Padas SHA** : Shareholders' agreement dated 15 December 2021 entered into between Oriole Power Sdn Bhd, a wholly-owned subsidiary of our Company with Elopura Power Sdn Bhd, a subsidiary of Sabah Electricity Sdn Bhd and Petrosabah Sdn Bhd which is a wholly-owned subsidiary of Innoprise Corporation Sdn Bhd, a subsidiary of Kumpulan Yayasan Sabah to regulate the relationship inter se of the shareholders of a joint venture company known as "Oriole Hydro Padas Sdn Bhd" to jointly develop a Run-of-River Hydroelectric Cascading Scheme in Ulu Padas, Sipitang, Sabah with an installed capacity of up to 129 MW
- PAT** : Profit after taxation
- PBT** : Profit before taxation
- Property Disposal** : Disposal of a piece of leasehold property held under document of title Pajakan Negeri 3664 Lot 19 Seksyen 13, Bandar Petaling Jaya, District of Petaling, Selangor Darul Ehsan measuring approximately 20,772.0684 sqm (approximately 223,596 sqft) together with an industrial premises and other supporting ancillary buildings erected thereon with a total approximate gross floor area of 15,524.75 sqm (167,107 sqft) and bearing postal address No. 1 Jalan 13/2, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, by Roset-BLG Sdn Bhd to Pixel Valley Sdn Bhd for a total consideration of RM82,000,000 to be satisfied in cash of RM80,000,000 and RM2,000,000 in kind by way of 2 properties
- Proposed Acquisition of Hydro Asset** : Proposed acquisition of a hydro energy asset from related parties of our Company and a third party vendor for a total purchase consideration of RM176,300,200 to be satisfied via a combination of cash and issuance of new Jentayu Sustainables Shares. Heads of agreements and conditional share sale agreements in relation to the Proposed Acquisition of Hydro Asset had been entered into between our Company, the related parties of our Company and the third party vendor on 18 June 2021 and 22 September 2021, respectively
- Proposed Acquisition of Solar Asset** : Proposed acquisition of a solar energy asset from a related party of our Company and a third party vendor for a total purchase consideration of RM11,107,050 to be satisfied via issuance of new Jentayu Sustainables Shares. Heads of agreements and a conditional share sale agreement in relation to the Proposed Acquisition of Solar Asset had been entered into between our Company, the related party of our Company and the third party vendor on 18 June 2021 and 22 September 2021, respectively



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**DEFINITIONS (CONT'D)**

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<b>PROVIDENCE or IMR</b>	:	Providence Strategic Partners Sdn. Bhd. (Registration No. 201701024744 (1238910-A)), being the independent market researcher
<b>Provisional Allotments</b>	:	Rights Shares provisionally allotted to our Entitled Shareholders pursuant to the Rights Issue of Shares
<b>Purchase Consideration</b>	:	A total purchase consideration of RM18,000,000 for the Acquisition of Hospital to be satisfied via a combination of Cash Consideration and issuance of the Consideration Shares
<b>Record of Depositors</b>	:	A record of depositors established by Bursa Depository under the Rules of Bursa Depository
<b>Rights Issue of Shares</b>	:	Renounceable rights issue of up to 101,457,300 Rights Shares at an issue price of RM0.30 per Rights Share on the basis of 1 Rights Share for every 1 existing Jentayu Sustainables Share held by our Entitled Shareholders on the Entitlement Date
<b>Rights Shares</b>	:	101,457,300 new Jentayu Sustainables Shares to be issued pursuant to the Rights Issue of Shares
<b>RM and sen</b>	:	Ringgit Malaysia and sen, respectively
<b>RSF</b>	:	Rights subscription form in relation to the Rights Issue of Shares
<b>Rules of Bursa Depository</b>	:	The rules of Bursa Depository as issued pursuant to the SICDA
<b>SC</b>	:	Securities Commission Malaysia
<b>SEDA</b>	:	Sustainable Energy Development Authority Malaysia
<b>Senja Optima</b>	:	Senja Optima Sdn. Bhd. (Registration No. 201401015849 (1091934-W))
<b>Shareholders</b>	:	Registered holders of Jentayu Sustainables Shares
<b>SICDA</b>	:	Securities Industry (Central Depositories) Act, 1991
<b>Special Dividend</b>	:	Special cash dividend of RM30,437,190 on the basis of RM0.30 per Jentayu Sustainables Share to our Entitled Shareholders on the Entitlement Date
<b>sqft</b>	:	Square feet
<b>sqm</b>	:	Square metres
<b>TEAP</b>	:	Theoretical ex-all price
<b>Telekosang One</b>	:	Telekosang Hydro One Sdn. Bhd. (Registration No. 201701028604 (1242773-K))
<b>Telekosang Two</b>	:	Telekosang Hydro Two Sdn. Bhd. (Registration No. 201701028605 (1242774-U))
<b>Ultimate Forte</b>	:	Ultimate Forte Sdn. Bhd. (Registration No. 201201029805 (1014292-D))

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**DEFINITIONS (CONT'D)**

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<b>Ultimate Forte Vendors</b>	:	Dato' Abdul Hamid Bin Sh Mohamed, Dr. Abdul Latif Bin Shaikh Mohamed, Murali A/L Vasu, Mohd Zaifullizan Bin Abdul Aziz, Ahmad Umar Bin Alisan, Dr. Ainy Binti Md Aris and Dr. Dahlia Binti Abd Malik
<b>Underwriting</b>	:	Underwriting arrangement for the entire portion of RM30.44 million to achieve a full subscription basis
<b>Underwriting Agreement</b>	:	Underwriting agreement dated 12 January 2022 entered into between our Company and the Underwriters pursuant to the Underwriting
<b>VWAMP</b>	:	Volume weighted average market price

In this Abridged Prospectus, all references to “our Company” are to Jentayu Sustainables and, where the context otherwise requires, the subsidiaries of our Company. References to “our Group” are to our Company and our subsidiaries, collectively. All references to “you” and “your” in this Abridged Prospectus are to our Entitled Shareholders and, where the context requires otherwise, include their renounee(s) and transferee(s) (if applicable).

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

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

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

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

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



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**ADVISERS' DIRECTORY**

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- COMPANY SECRETARIES** : **Chen Bee Ling** (MAICSA 7046517)  
(SSM PC No. 202008001623)  
*(Chartered Secretary, Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA"))*
- 12<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia  
Tel No.: (03) 7890 4818
- Nurly Salmi Binti Ruhaiza** (MAICSA 7073753)  
(SSM PC No. 202008000293)  
*(Chartered Secretary, MAICSA)*
- 12<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia  
Tel No.: (03) 7890 4809
- PRINCIPAL ADVISER,  
MANAGING UNDERWRITER  
AND JOINT UNDERWRITER** : **MIDF Amanah Investment Bank Berhad**  
(Registration No. 197501002077 (23878-X))  
Level 21, Menara MIDF  
82, Jalan Raja Chulan  
50200 Kuala Lumpur  
Malaysia  
Tel No.: (03) 2173 8888
- JOINT UNDERWRITERS** : **BIMB Securities Sdn Bhd**  
(Registration No. 199401004484 (290163-X))  
Level 32 Menara Multi-Purpose  
No. 8 Jalan Munshi Abdullah  
50100 Kuala Lumpur  
Malaysia  
Tel No.: (03) 2613 1600
- KAF Investment Bank Berhad**  
(Registration No. 197401003530 (20657-W))  
Level 14, Chulan Tower  
No. 3 Jalan Conlay  
50450 Kuala Lumpur  
Malaysia  
Tel No.: (03) 2171 0228
- SOLICITORS FOR THE  
RIGHTS ISSUE OF SHARES** : **Shearn Delamore & Co.**  
7th Floor, Wisma Hamzah-Kwong Hing,  
No 1, Leboh Ampang,  
50100 Kuala Lumpur  
Malaysia  
Tel No.: (03) 2027 2727

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**ADVISERS' DIRECTORY (CONT'D)**

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- SHARE REGISTRAR** : **Boardroom Share Registrars Sdn. Bhd.**  
11<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia  
Tel No.: (03) 7890 4700 (Helpdesk)  
Fax No.: (03) 7890 4670  
Email: brs.helpdesk@boardroomlimited.com
- REPORTING ACCOUNTANTS** : **Afrizan Tarmili Khairul Azhar**  
(AF1300)  
No.2, Jalan Rampai Niaga 2  
Rampai Business Park  
53300 Kuala Lumpur Malaysia  
Tel No.: (03) 4143 9330  
Partner-in-charge: Datuk Mohd Afrizan Dato' Husain  
Professional Qualifications: Chartered Accountant,  
Malaysian Institute of Accountants (MIA)  
  
Fellow Member of the  
Association of Chartered  
Certified Accountants  
(FCCA)  
  
Member, The Malaysian  
Institute of Certified Public  
Accountants  
  
Member, Certified Practising  
Accountant Australia
- INDEPENDENT RESEARCHER**      **MARKET** : **Providence Strategic Partners Sdn Bhd**  
67-1, Block D, Jaya One  
Jalan Prof Diraja Ungku Aziz  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia  
Tel No.: (03) 7625 1769  
Person-in-charge: Melissa Lim Li Hua  
Qualification: Bachelor of Commerce (Double major in  
Marketing and Management) from  
Murdoch University, Australia
- STOCK EXCHANGE LISTING** : Main Market of Bursa Securities

## SUMMARY OF THE RIGHTS ISSUE OF SHARES

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

Key information	Summary
(i) Number of Rights Share to be issued and basis of allotment	<p>101,457,300 Rights Shares on the basis of one (1) Rights Share for every one (1) existing Jentayu Sustainables Share held by our Entitled Shareholders on the Entitlement Date.</p> <p>Further details are set out in <b>Section 2.1</b> of this Abridged Prospectus.</p> <p>For information, the Company had also announced the Property Disposal, Special Dividend, Bonus Issue of Shares and Warrants and Acquisition of Hospital on the same date as the Rights Issue of Shares. The Special Dividend, Bonus Issue of Shares and Warrants and Rights Issue of Shares are inter-conditional upon each other. The entitlement date for the Shareholders to be entitled to the Special Dividend, Bonus Issue of Shares and Warrants and Rights Issue of Shares has been fixed on the same date, that is, the Entitlement Date. The Rights Shares, Bonus Shares and Bonus Warrants will be listed simultaneously on the Main Market of Bursa Securities.</p> <p>Further details on the effects of the Corporate Exercises are set out in <b>Section 8</b> and <b>Appendix III</b> of this Abridged Prospectus.</p>
(ii) Issue price of the Rights Share	<p>RM0.30 per Rights Share</p> <p>Further details are set out in <b>Section 2.2</b> of this Abridged Prospectus.</p>
(iii) Underwriting	<p>Our Company had on 12 January 2022 entered into the Underwriting Agreement with the Underwriters, where the Underwriters will severally underwrite all 101,457,300 Rights Shares, in the proportion of 68,157,300 Rights Shares by MIDF Investment, representing 67.18% of the Rights Shares; 16,650,000 Rights Shares by BIMB Securities, representing 16.41% of the Rights Shares; and 16,650,000 Right Shares by KAF IB, representing 16.41% of the Rights Shares.</p> <p>The total value of the underwritten Rights Shares amounts to RM30,437,190.</p> <p>In the event that the Shareholders subscribe in full for their respective entitlements under the Rights Issue of Shares, or if there are any Rights Shares which have not been taken up and such Rights Shares are applied for by way of applications for the Excess Rights Shares, our Company will achieve a full subscription basis under the Rights Issue of Shares and the Underwriting will not be applicable.</p> <p>Further details are set out in <b>Section 3</b> of this Abridged Prospectus.</p>
(iv) Rationale of the Rights Issue of Shares	<p>The Rights Issue of Shares will enable our Company to raise funds and channel them towards the utilisation of funding of its renewable energy project, repayment of bank borrowings and to defray the expenses in relation to the Corporate Exercises, Proposed Acquisition of Solar Asset and Proposed Acquisition of Hydro Asset. The Rights Issue of Shares will involve the issuance of new Shares without diluting our Entitled Shareholders' shareholdings provided that they subscribe in full for their respective entitlements under the Rights Issue of Shares, and it also provides an opportunity for our Entitled Shareholders to participate in the equity offering of our Company on a pro-rata basis, and enable our Company to raise the requisite funds without incurring additional interest expense from bank borrowings, thereby minimising any potential cash outflow in respect of interest servicing costs.</p> <p>Further details are set out in <b>Section 4</b> of this Abridged Prospectus.</p>

**SUMMARY OF THE RIGHTS ISSUE OF SHARES (CONT'D)**

(v) Use of proceeds	<p>Based on the issue price of RM0.30 per Rights Share, the Rights Issue of Shares is expected to raise gross proceeds of approximately RM30.44 million. The proceeds raised are intended to be utilised by Jentayu Sustainables in the manner set out below:-</p> <table border="1" data-bbox="448 327 1355 674"> <thead> <tr> <th>Intended utilisation of proceeds</th> <th>Amount RM'000</th> <th>Estimated timeframe for utilisation from completion of the Rights Issue of Shares</th> </tr> </thead> <tbody> <tr> <td>Funding for renewable energy project</td> <td>16,000</td> <td>Within 6 months</td> </tr> <tr> <td>Repayment of bank borrowings</td> <td>8,937</td> <td>Within 12 months</td> </tr> <tr> <td>Estimated expenses in relation to the Corporate Exercises, Proposed Acquisition of Solar Asset and Proposed Acquisition of Hydro Asset</td> <td>5,500</td> <td>Within 6 months</td> </tr> <tr> <td><b>Total</b></td> <td><b>30,437</b></td> <td></td> </tr> </tbody> </table> <p>Further details are set out in <b>Section 5</b> of this Abridged Prospectus.</p>	Intended utilisation of proceeds	Amount RM'000	Estimated timeframe for utilisation from completion of the Rights Issue of Shares	Funding for renewable energy project	16,000	Within 6 months	Repayment of bank borrowings	8,937	Within 12 months	Estimated expenses in relation to the Corporate Exercises, Proposed Acquisition of Solar Asset and Proposed Acquisition of Hydro Asset	5,500	Within 6 months	<b>Total</b>	<b>30,437</b>	
Intended utilisation of proceeds	Amount RM'000	Estimated timeframe for utilisation from completion of the Rights Issue of Shares														
Funding for renewable energy project	16,000	Within 6 months														
Repayment of bank borrowings	8,937	Within 12 months														
Estimated expenses in relation to the Corporate Exercises, Proposed Acquisition of Solar Asset and Proposed Acquisition of Hydro Asset	5,500	Within 6 months														
<b>Total</b>	<b>30,437</b>															
(vi) Risk factors	<p>You should carefully consider, amongst others, the following risk factors relating to our Group before subscribing for or investing in the Rights Issue of Shares:-</p> <ol style="list-style-type: none"> <li><u>Dependence on key senior management and qualified personnel</u> <p>Any unexpected loss of any of our Directors or member of our key senior management team without any suitable or prompt replacements may have an adverse impact or material impact on our Group's operations.</p> </li> <li><u>Impact of COVID-19 on our Group's business and operations</u> <p>The persistence or worsening of the COVID-19 outbreak, any prolonged adverse development arising from lockdown restrictions and NRP imposed by the Government and/or similar restrictions in future may have a material adverse impact on the financial performance including our Group's revenue and operations as well as the industries in which our Group operates or is diversifying into.</p> </li> <li><u>Borrowings and interest rate risk</u> <p>Our Group is reliant on trade facilities to meet its working capital requirements and arising therefrom, our Group will be susceptible to any adverse movements in borrowing costs.</p> </li> <li><u>Credit risks relating to our Group's trading business</u> <p>Our Group's trading business, which currently remains as a main revenue contributor to our Group, is dependent on our customers' ability to pay us. Any significant delay or default in payment by our customers may adversely affect our Group's financial performance.</p> </li> </ol> <p>Further details are set out in <b>Section 6</b> of this Abridged Prospectus.</p>															
(vii) Procedures for acceptance and payment	<p>Acceptance of and payment for the Provisional Allotments allotted to you and application for the Excess Rights Shares must be made by way of the RSF enclosed together with this Abridged Prospectus, e-Rights by Bursa Securities and Bursa Anywhere in accordance with the terms and conditions contained therein.</p> <p>The last day, date and time for acceptance of and payment for the Provisional Allotments is on Thursday, 17 February 2022 at 5.00 p.m. and the application and payment for the Excess Rights Shares is on Thursday, 17 February 2022 at 5.00 p.m.</p> <p>The Rights Issue is renounceable in full or in part. Accordingly, our Entitled Shareholders may subscribe for and/or renounce their respective entitlements under the Rights Issue of Shares in full or in part.</p> <p>It is the intention of our Board to allot the Excess Rights Shares, if any, in a fair and equitable manner.</p> <p>Further details are set out in <b>Section 10</b> of this Abridged Prospectus.</p>															





**JENTAYU SUSTAINABLES BERHAD**

*(formerly known as Ipemuda Berhad)*  
(Registration No. 197501000834 (22146-T))  
(Incorporated in Malaysia)

**Registered Office:**

12<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

28 January 2022

**BOARD OF DIRECTORS**

Datuk Beroz Nikmal Bin Mirdin	<i>(Executive Chairman)</i>
Jeefri Bin Muhamad Yusup	<i>(Chief Executive Officer)</i>
Teh Foo Hock	<i>(Finance Director)</i>
Dato' Amiruddin Bin Abdul Satar	<i>(Independent Non-Executive Director)</i>
Abdul Halim Bin Jantan	<i>(Independent Non-Executive Director)</i>
Baevinraj Thiagarajah	<i>(Independent Non-Executive Director)</i>
Kung Chin Woon	<i>(Independent Non-Executive Director)</i>

**To: Entitled Shareholders**

Dear Sir/Madam,

**RENOUNCEABLE RIGHTS ISSUE OF 101,457,300 RIGHTS SHARES ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) EXISTING JENTAYU SUSTAINABLES SHARE HELD BY OUR ENTITLED SHAREHOLDERS AT 5.00 P.M. ON 28 JANUARY 2022 AT AN ISSUE PRICE OF RM0.30 PER RIGHTS SHARE**

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**1. INTRODUCTION**

On 18 June 2021, MIDF Investment had, on behalf of our Board, announced the following:-

- (i) that our Company proposes to undertake the Corporate Exercises;
- (ii) that our Company had entered into the HOA in relation to the Acquisition of Hospital; and
- (iii) that our Board had fixed the issue price of the Rights Shares at RM0.30 per Rights Shares.

Pursuant to the HOA in relation to the Acquisition of Hospital, on 24 August 2021, MIDF Investment had, on behalf of our Board, announced that our Company had entered into a conditional share sale agreement with the Ultimate Forte Vendors in relation to the Acquisition of Hospital for a total purchase consideration of RM18,000,000 to be satisfied via a combination of Cash Consideration and issuance of the Consideration Shares.

On 1 September 2021, MIDF Investment had, on behalf of our Board, announced that the additional listing application in relation to the Bonus Issue of Shares and Warrants, Rights Issue of Shares and Acquisition of Hospital has been submitted to Bursa Securities on 1 September 2021.

On 11 October 2021, MIDF Investment had, on behalf of our Board, announced that Bursa Securities had vide its letter dated 11 October 2021, approved the following on the Main Market of Bursa Securities:-

- (i) admission to the Official List and the listing of and quotation for 152,185,950 Bonus Warrants to be issued pursuant to the Bonus Issue of Shares and Warrants;
- (ii) listing of and quotation for up to 152,185,950 new Jentayu Sustainables Shares to be issued pursuant to the exercise of the Bonus Warrants;
- (iii) listing of and quotation for 101,457,300 Bonus Shares to be issued pursuant to the Bonus Issue of Shares and Warrants;
- (iv) listing of and quotation for 101,457,300 Rights Shares to be issued pursuant to the Rights Issue of Shares; and
- (v) listing of and quotation for up to 18,867,700 Consideration Shares to be issued pursuant to the Acquisition of Hospital.

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

No.	Conditions	Status of compliance
1.	Jentayu Sustainables and MIDF Investment must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the respective Corporate Exercises.	Noted
2.	Jentayu Sustainables and MIDF Investment to inform Bursa Securities upon the completion of the respective Corporate Exercises.	To be complied
3.	Jentayu Sustainables and MIDF Investment to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the respective Corporate Exercises are completed.	To be complied
4.	Jentayu Sustainables and MIDF Investment are required to make the relevant announcements pursuant to Paragraph 6.35(2)(a)&(b), 6.35(3) and 6.35(5) of the Listing Requirements pertaining to the Bonus Issue of Shares and Warrants.	To be complied
5.	Jentayu Sustainables / MIDF Investment to furnish Bursa Securities with a certified true copy of the resolution passed by the shareholders in general meeting approving the Acquisition of Hospital prior to the listing and quotation of the new Jentayu Sustainables Shares to be issued pursuant to the Acquisition of Hospital.	To be complied
6.	Jentayu Sustainables to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Bonus Warrants as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied

On 12 November 2021, the Shareholders had approved the Corporate Exercises at the EGM of our Company.

On 18 June 2021, MIDF Investment had, on behalf of our Board, announced that our Board had fixed the issue price of the Rights Shares at RM0.30 per Rights Share.

Following our shareholders' approval at the Forty-Sixth Annual General Meeting held on 15 December 2021, our Company has changed its name from Ipmuda Berhad to Jentayu Sustainables Berhad effective from 10 January 2022, with the Notice of Registration of New Name issued by the Companies Commission of Malaysia on 10 January 2022.

On 13 January 2022, MIDF Investment had, on behalf of our Board, announced that the Entitlement Date for the Rights Issue of Shares has been fixed at 5.00 p.m. on 28 January 2022.

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

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

## **2. PARTICULARS OF THE RIGHTS ISSUE OF SHARES**

### **2.1 Basis and number of the Rights Shares to be issued**

The Rights Issue of Shares involves the issuance of 101,457,300 Rights Shares and is to be implemented on a renounceable basis of one (1) Rights Share for every one (1) existing Jentayu Sustainables Share held by our Entitled Shareholders on the Entitlement Date at an issue price of RM0.30 per Rights Share.

The Rights Issue of Shares will be undertaken on a full subscription basis to raise total proceeds of RM30,437,190 and is structured based on the Underwriting.

For the avoidance of doubt, the Rights Issue of Shares will be undertaken at the same time as the Bonus Issue of Shares and Warrants.

The basis of one (1) Rights Share for every one (1) existing Jentayu Sustainables Share held by our Entitled Shareholders was arrived at after taking into consideration, amongst others, the following:-

- (i) the amount of proceeds to be raised from the subscription of the Rights Shares which is to be channeled towards the purposes as set out in Section 5 of this Abridged Prospectus. Further details of the basis and justification of determining the issue price of the Rights Shares are set out in Section 2.2 of this Abridged Prospectus; and
- (ii) Paragraph 6.50 of the Listing Requirements which states that the number of new Shares which will arise from the exercise or conversion of all outstanding convertible equity securities, does not exceed 50% of the total number of issued Shares of our Company (excluding treasury shares and before the exercise of the convertible equity securities) at all times.

The Rights Shares will be provisionally allotted and issued to our Entitled Shareholders. The entitlements for the Rights Shares are renounceable in full or in part. Accordingly, our Entitled Shareholders may fully or partially renounce their entitlements under the Rights Issue of Shares.

Any Rights Shares which are not taken up or not validly taken up by the Entitled Shareholders and/or their renounee(s) or transferee(s) (if applicable) shall be made available for excess Rights Shares application in the manner as set out in Section 10.8 of this Abridged Prospectus. It is the intention of our Board to allot the excess Rights Shares, if any, in a fair and equitable manner and on a basis as set out in Section 10.8 of this Abridged Prospectus.

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

For information, the Company had also announced the Property Disposal, Special Dividend, Bonus Issue of Shares and Warrants and Acquisition of Hospital on the same date as the Rights Issue of Shares. The Special Dividend, Bonus Issue of Shares and Warrants and Rights Issue of Shares are inter-conditional upon each other. The entitlement date for the Shareholders to be entitled to the Special Dividend, Bonus Issue of Shares and Warrants and Rights Issue of Shares has been fixed on the same date, that is, the Entitlement Date. The Rights Shares, Bonus Shares and Bonus Warrants will be listed simultaneously on the Main Market of Bursa Securities.

Further details on the effects of the Corporate Exercises are set out in **Section 8** and **Appendix III** of this Abridged Prospectus.

## **2.2 Basis and justification for the issue price of the Rights Shares**

### **(i) Entitlement basis**

The Rights Issue of Shares is to be implemented on a renounceable basis of one (1) Rights Share for every one (1) existing Jentayu Sustainables Share held by our Entitled Shareholders at an issue price of RM0.30 per Rights Share.

### **(ii) Issue price of the Rights Shares**

The issue price of RM0.30 per Rights Share represents a discount of approximately 49.77% to the TEAP of Jentayu Sustainables Shares of RM0.5972, calculated based on the three (3)-month VWAMP of Jentayu Sustainables Shares up to and including 17 June 2021 of RM1.4917 and after adjusting for the effects of the Bonus Issue of Shares and Warrants. For information, the issue price of RM0.30 per Rights Share represents a discount of approximately 56.56% to the TEAP of Jentayu Sustainables Shares of RM0.6906, calculated based on the three (3)-month VWAMP of Jentayu Sustainables Shares up to and including the LPD of RM1.7718 and after adjusting for the effects of the Bonus Issue of Shares and Warrants.

The issue price of RM0.30 per Rights Share was fixed and determined by our Board after taking into consideration the following:-

- (a) the funding requirements of Jentayu Sustainables Group as set out in Section 5 of this Abridged Prospectus;
- (b) the reference share price of the Shares (after the Bonus Issue of Shares and Warrants);

- (c) the TEAP of the Shares based on the three (3)-month VWAMP of Jentayu Sustainables Shares up to and including the last trading day prior to 18 June 2021, being the price-fixing date; and
- (d) the rationale and justification for the Rights Issue of Shares, as set out in Section 4 of this Abridged Prospectus.

The issue price of RM0.30 per Rights Share throughout this Abridged Prospectus represents the following discount to the respective TEAP based on the respective VWAMP of Jentayu Sustainables Shares:-

	Discount (i.e. issue price – TEAP)			
	RM	TEAP* RM	RM	%
5-day VWAMP of Jentayu Sustainables Shares up to and including 17 June 2021	1.7330	0.6777	0.3777	55.73
1-month VWAMP of Jentayu Sustainables Shares up to and including 17 June 2021	1.6628	0.6543	0.3543	54.15
3-month VWAMP of Jentayu Sustainables Shares up to and including 17 June 2021	1.4917	0.5972	0.2972	49.77
6-month VWAMP of Jentayu Sustainables Shares up to and including 17 June 2021	1.2716	0.5239	0.2239	42.74
5-day VWAMP of Jentayu Sustainables Shares up to and including the LPD	1.8866	0.7289	0.4289	58.84
1-month VWAMP of Jentayu Sustainables Shares up to and including the LPD	1.8482	0.7161	0.4161	58.11
3-month VWAMP of Jentayu Sustainables Shares up to and including the LPD	1.7718	0.6906	0.3906	56.56
6-month VWAMP of Jentayu Sustainables Shares up to and including the LPD	1.5256	0.6085	0.3085	50.70

(Source: Bloomberg Finance Singapore L.P.)

**Note:-**

\* The TEAP is calculated based on the formula set out below:-

$$\text{TEAP} = \frac{(P \times B) + (Z \times A)}{B + A}$$

where:-

- P : 5-day VWAMP of Jentayu Sustainables Shares immediately preceding the price-fixing date
- A : Number of Rights Shares
- B : Number of existing Jentayu Sustainables Shares
- Z : Issue price per Rights Share

Based on the above, the issue price of RM0.30 per Rights Share represents a discount ranging from approximately 42.74% to approximately 55.73% over the TEAP, computed based on five (5)-day VWAMP, one (1)-month VWAMP, three (3)-month VWAMP and six (6)-month VWAMP of Jentayu Sustainables Shares up to and including 17 June 2021. For information, the issue price of RM0.30 per Rights Share represents a discount ranging from approximately 50.70% to approximately 58.84% over the TEAP, computed based on five (5)-day VWAMP, one (1)-month VWAMP, three (3)-month VWAMP and six (6)-month VWAMP of Jentayu Sustainables Shares up to and including the LPD.

### 2.3 Ranking of the Rights Shares

The Rights Shares shall, upon allotment, issuance and full payment of the issue price of the Rights Shares, rank equally in all respects with the then existing Jentayu Sustainables Shares, save and except that the holder(s) of the Rights Shares will not be entitled to any dividends, rights, allotments and/or any other distributions that may be declared, made or paid to the shareholders, whereby the entitlement date of which is prior to the date of allotment and issuance of the Rights Shares.

### 2.4 Listing of and quotation for the Rights Shares

Bursa Securities had, vide its letter dated 11 October 2021, approved the listing of and quotation for 101,457,300 Rights Shares on the Main Market of Bursa Securities, subject to conditions as set out in Section 1 of this Abridged Prospectus.

## 3. UNDERWRITING

Our Company intends to raise approximately RM30.44 million from the Rights Issue of Shares which will be channeled towards the use of proceeds as set out in Section 5 of this Abridged Prospectus.

Based on our Company's announcement dated 18 June 2021, it was announced that our Company intended to procure a few of its substantial shareholders to provide irrevocable and unconditional undertakings to subscribe in full for their entitlement under the Rights Issue of Shares in order for the Rights Issue of Shares to meet full subscription. Following subsequent discussions between our Company and its substantial shareholders, our Board has decided that no undertaking will be procured from our Company's substantial shareholders in relation to the Rights Issue of Shares. In view of the above, the Rights Issue of Shares will be undertaken on a full subscription basis and is structured based on the Underwriting Agreement. In the event that the Shareholders subscribe in full for their respective entitlements under the Rights Issue of Shares, or if there are any Rights Shares which have not been taken up and such Rights Shares are applied for by way of applications for the Excess Rights Shares, our Company will achieve a full subscription basis under the Rights Issue of Shares and the Underwriting will not be applicable.

Our Company had on 12 January 2022 entered into the Underwriting Agreement with the Managing Underwriter and Joint Underwriters, where the Managing Underwriter and Joint Underwriters will underwrite the entire portion of 101,457,300 Rights Shares for an aggregate amount of RM30.44 million to achieve a full subscription basis of the Rights Issue of Shares. Details of the Underwriting are set out below:-

Underwriters	Rights Shares to be underwritten		Shareholdings after the Underwriting <sup>(2)</sup>		Funding required <sup>(4)</sup>
	No. of Jentayu Sustainables Shares	% <sup>(1)</sup>	No. of Jentayu Sustainables Shares	% <sup>(3)</sup>	RM
Managing Underwriter and Joint Underwriter MIDF Investment	68,157,300	67.18	68,157,300	22.39	20,447,190
Joint Underwriters BIMB Securities	16,650,000	16.41	16,650,000	5.47	4,995,000
KAF IB	16,650,000	16.41	16,650,000	5.47	4,995,000
<b>Total</b>	<b>101,457,300</b>	<b>100.00</b>	<b>101,457,300</b>	<b>33.33</b>	<b>30,437,190</b>

#### Notes:-

- (1) Based on 101,457,300 Rights Shares to be issued pursuant to the Rights Issue of Shares.



- (2) Assuming that none of our Entitled Shareholders subscribe for their respective entitlements pursuant to the Rights Issue of Shares.
- (3) Based on the enlarged issued share capital of 304,371,900 Jentayu Sustainables Shares after taking into account the following:-
  - (i) 101,457,300 Jentayu Sustainables Shares as at the LPD; and
  - (ii) 101,457,300 new Jentayu Sustainables Shares to be issued pursuant to the Proposed Bonus Issue of Shares and Warrants and 101,547,300 new Jentayu Sustainables Shares to be issued pursuant to the Proposed Rights Issue of Shares, respectively.
- (4) Based on the issue price of RM0.30 per Rights Share.

The underwriting fees and commission payable by our Company is 2.0% of the total value of the final aggregate number of Rights Shares (up to the maximum number of 101,457,300 Rights Shares) underwritten by the Joint Underwriters ("**Underwritten Shares**"), comprising 1.5% of underwriting commission payable to the Managing Underwriter and Joint Underwriters for the total value of each respective party's Underwritten Shares, as well as a managing underwriter's fee to the Managing Underwriter of 0.5% of the total value of all Underwritten Shares. The underwriting commission is subject to the terms and conditions of the Underwriting Agreement. The underwriting commission and all other costs in relation to the Underwriting will be fully borne by our Company from the proceeds of the Rights Issue of Shares.

Amongst other terms and conditions of the Underwriting Agreement, the Underwriting is made on the basis of the representations, warranties, covenants and undertakings given by our Company including the following:-

- (a) our Company is a company duly incorporated in Malaysia and is validly existing with full power and authority to conduct its business in the jurisdiction where it carries on business and is not in liquidation and to best of the knowledge of our Company, no steps have been taken by any person for or with a view to the appointment of a liquidator, receiver and/or manager or judicial manager of our Company or of any of its assets or undertakings;
- (b) the issue of the Rights Shares, the execution and delivery by our Company of the Underwriting Agreement and the Rights Shares and the performance of the obligations to be assumed thereunder by our Company have been or will be duly authorised by all necessary corporate action of our Company; and
- (c) the Rights Shares will be issued free from all liens, encumbrances and other third party rights.

The Underwriting Agreement also provides for the termination thereof by any of the Managing Underwriter and Joint Underwriters in the event of, amongst others, the following:-

- (i) if the registration of this Abridged Prospectus with the SC, the approval of Bursa Securities required for the listing of and quotation for the Rights Shares on the Main Market of Bursa Securities is revoked or withdrawn or if any of the conditions for such registration or approval has not been fulfilled to the satisfaction of the SC or Bursa Securities or waived by it;

- (ii) if the obligations of the Joint Underwriters to subscribe for and/or procure subscriptions for the Underwritten Shares are or become prohibited by any statute, order, rule, directive or regulation amended, supplemented or introduced after the date of the Underwriting Agreement by any legislative, executive or regulatory body or authority in Malaysia; or
- (iii) any material statement contained in this Abridged Prospectus has become or has been discovered to be untrue, inaccurate or misleading in any material respects.

Any termination of the Underwriting Agreement by any of the Managing Underwriter or Joint Underwriters (a "**Terminating Underwriter**") shall cause the Underwriting Agreement to be of no further effect, and our Company and the Terminating Underwriter shall be under no liability to each other in respect of the Underwriting Agreement except that such termination shall amongst others be without prejudice to any accrued rights or obligations of any party to the Underwriting Agreement and any rights of any party in respect of antecedent breaches, if any, and our Company will remain liable to pay the underwriting fees and commission to the Managing Underwriter and Joint Underwriters unless such termination is due solely to the breach or default of any of the Managing Underwriter or Joint Underwriters. For the avoidance of doubt, in the event that a breach or default of any of the Managing Underwriter or Joint Underwriters does not result in amongst others, the termination of the Underwriting Agreement, the Managing Underwriter and Joint Underwriter will be entitled to the payment of the underwriting fees and commission. If the Underwriting Agreement is terminated, our Company will not proceed to complete the Rights Issue of Shares and pursuant to Section 243 of the CMSA, all monies raised in the Rights Issue of Shares which are held in a trust account for our Company will be refunded free of interest within 14 days to our Entitled Shareholders. Monies not paid within 14 days will be returned with interest at the rate of 10% per annum or at such other rates as may be prescribed by the SC.

For the avoidance of doubt, our Entitled Shareholders and/or their renounee(s) and/or transferee(s) (excluding the Managing Underwriter and Joint Underwriters), shall be given priority and shall first be allocated all their respective entitlements and Excess Rights Shares applied for, if any. Upon completion of the allocation of such respective entitlements and Excess Rights Shares to our Entitled Shareholders and/or their renounee(s) and/or transferee(s), the Managing Underwriter and Joint Underwriters shall only then apply and be allocated for the remaining number of unsubscribed Rights Shares, if any. In the event the maximum number of Rights Shares available for subscription pursuant to the Rights Issue of Shares are fully subscribed for by our Entitled Shareholders and/or their renounee(s) and/or transferee(s) (excluding the Managing Underwriter and Joint Underwriters), the Managing Underwriter and Joint Underwriters will not apply and be allocated for any Rights Shares.

The Underwriting will not give rise to any mandatory general offer obligation pursuant to the Malaysian Code on Take-Overs and Mergers 2016 and the Rules on Take-Overs, Mergers and Compulsory Acquisitions in view that more than one (1) underwriter will be appointed for the Underwriting.

Pursuant to Paragraph 8.02(1) of the Listing Requirements, a listed issuer must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders. A listed issuer which fails to maintain the said public shareholding spread requirement may request for an extension of time to rectify the situation in the manner as may be prescribed by Bursa Securities. In respect of a breach of Paragraph 8.02(1) of the Listing Requirements, Bursa Securities may take or impose any type of action or penalty pursuant to Paragraph 16.19 of the Listing Requirements, and/or may suspend the trading in the securities of Jentayu Sustainables pursuant to Paragraph 16.02 of the Listing Requirements.

As at the LPD, the public shareholding spread of Jentayu Sustainables is 58.38%. The pro forma public shareholdings of our Company would potentially be reduced to 38.92% based on the full subscription basis of the Rights Issue of Shares in the event that our Entitled Shareholders do not subscribe in full for their respective entitlements of the Rights Shares under the Rights Issue of Shares and the Joint Underwriters subscribe for all the remaining Rights Shares. However, the Joint Underwriters are expected to, amongst others, divest the Rights Shares via the open market on a progressive basis. In this regard, our Company expects to continue to comply with the minimum public shareholding spread of 25% pursuant to Paragraph 8.02(1) of the Listing Requirements upon completion of the Rights Issue of Shares.

#### 4. RATIONALE OF THE RIGHTS ISSUE OF SHARES

The Rights Issue of Shares will enable our Company to raise funds and channel them towards the utilisation as set out in Section 5 of this Abridged Prospectus. It is also an opportunity for Jentayu Sustainables Group to reorganise its business portfolios and focus on its diversification into renewable energy and healthcare businesses in addition to the trading business.

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

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

Our Company had undertaken the following fund-raising exercises in 2020 and 2021:-

##### (a) First Tranche Private Placement (as defined herein) that was completed on 17 December 2020

On 17 December 2020, our Company completed the private placement of 7,175,000 new Jentayu Sustainables Shares (representing up to 10% of the existing total number of issued Shares prior to the private placement), raising a total of RM4.02 million ("First Tranche Private Placement"). The status of utilisation of the proceeds as at the LPD is as follows:-

Utilisation of proceeds	Timeframe for utilisation of proceeds	Actual proceeds raised	Actual utilisation up to LPD
		RM'000	RM'000
Working capital <sup>(1)</sup>	Within 6 months from receipt of proceeds	3,840	3,840
Expenses in relation to the First Tranche Private Placement	Within 1 month from receipt of proceeds	178	178
<b>Total</b>		<b>4,018</b>	<b>4,018</b>

##### Note:-

- (1) To fund the Company's day-to-day operations for partial payment of trade payables and payment of staff related expenses (e.g. salaries and allowances).

**(b) Second Tranche Private Placement (as defined herein) that was completed on 22 March 2021**

On 22 March 2021, our Company completed the private placement of 7,318,900 new Jentayu Sustainables Shares (representing up to 10% of the existing total number of issued Shares prior to the private placement), raising a total of RM4.98 million ("**Second Tranche Private Placement**"). The status of utilisation of the proceeds as at the LPD is as follows:-

Utilisation of proceeds	Timeframe for utilisation of proceeds	Actual proceeds raised	Actual utilisation up to LPD
		RM'000	RM'000
Working capital <sup>(1)</sup>	Within 6 months from receipt of proceeds	4,913	4,913
Expenses in relation to the Second Tranche Private Placement	Within 1 month from receipt of proceeds	64	64
<b>Total</b>		<b>4,977</b>	<b>4,977</b>

**Note:-**

- (1) To fund the Company's day-to-day operations for partial payment of trade payables and payment of staff related expenses (e.g. salaries and allowances).

**(c) Restricted Issue (as defined herein) that was completed on 22 March 2021**

On 22 March 2021, our Company completed the restricted issue of 14,493,900 new Jentayu Sustainables Shares (representing up to 20% of the total number of issued Shares prior to the private placement), raising a total of RM9.86 million ("**Restricted Issue**"). The status of utilisation of the proceeds as at the LPD is as follows:-

Utilisation of proceeds	Timeframe for utilisation of proceeds	Actual proceeds raised	Actual utilisation up to LPD
		RM'000	RM'000
Working capital <sup>(1)</sup>	Within 6 months from receipt of proceeds	9,792	9,792
Expenses in relation to the Restricted Issue	Within 1 month from receipt of proceeds	64	64
<b>Total</b>		<b>9,856</b>	<b>9,856</b>

**Note:-**

- (1) To fund the Company's day-to-day operations for partial payment of trade payables and payment of staff related expenses (e.g. salaries and allowances).

## 5. USE OF PROCEEDS

Based on the issue price of RM0.30 per Rights Share, the Rights Issue of Shares is expected to raise gross proceeds of approximately RM30.44 million.

The proceeds raised are proposed to be utilised by Jentayu Sustainables in the manner set out below:-

Utilisation of proceeds	Notes	Amount RM'000 <sup>(1)</sup>	Estimated timeframe for utilisation from completion of the Rights Issue of Shares
Funding for renewable energy project	(1)	16,000	Within 6 months
Repayment of bank borrowings	(2)	8,937	Within 12 months
Estimated expenses in relation to the Corporate Exercises, Proposed Acquisition of Solar Asset and Proposed Acquisition of Hydro Asset	(3)	5,500	Within 6 months
<b>Total</b>		<b>30,437</b>	

### Notes:-

- (1) Our Company had, on 18 June 2021 and 22 September 2021, entered into exclusive heads of agreements and conditional share sale agreements, respectively, with the related parties of our Company and a third party vendor in relation to the Proposed Acquisition of Hydro Asset. Pursuant thereto, our Group intends to allocate RM16.00 million of the gross proceeds from the Rights Issue of Shares to part finance the cash portion of the total purchase consideration of approximately RM176.30 million in relation to the Proposed Acquisition of Hydro Asset. The remaining portion of the purchase consideration of approximately RM160.30 million will be funded via issuance of new Jentayu Sustainables Shares. For clarity, in the event that the Proposed Acquisition of Hydro Asset does not materialise, our Company will continue to source for other renewable energy assets and invest in the same using the gross proceeds of RM16.00 million from the Rights Issue of Shares which is in line with the Diversification. Therefore, the proceeds from the Rights Issue of Shares will not be refunded to our Entitled Shareholders in the event that the Proposed Acquisition of Hydro Asset does not materialise.

The details of the conditional share sale agreements dated 22 September 2021 and breakdown of the purchase consideration in relation to the Proposed Acquisition of Hydro Asset are as detailed below:-

- (i) Our Company had, on 22 September 2021, entered into one (1) conditional share sale agreement with Kasa Tuah Resources Sdn. Bhd. ("**Kasa Tuah**") and Borneo Sustainable Energy Sdn. Bhd. ("**Bornero Sustainable**") for the acquisition of 200 ordinary shares representing the entire equity interest in Senja Optima Sdn. Bhd. ("**Hydro SSA 1 Sale Shares**"), by acquiring one (1) 50% equity interest from Kasa Tuah and Borneo Sustainable respectively, for a total purchase consideration of RM44,600,200 ("**Hydro SSA 1 Purchase Consideration**") to be satisfied via cash consideration of RM5,464,000 and issuance of new Jentayu Sustainables Shares amounting to RM39,136,200 in relation to the Proposed Acquisition of Hydro Asset ("**Hydro SSA 1**"). The breakdown of Hydro SSA 1 Purchase Consideration based on the issue price of RM1.50 per consideration share are as follows:-

Vendors	No. of Hydro SSA 1 Sale Shares	%	Hydro SSA 1 Purchase Consideration		
			Cash (RM)	Consideration shares (RM)	No. of consideration shares
Kasa Tuah	100	50	2,732,000	19,568,100	13,045,400
Borneo Sustainable	100	50	2,732,000	19,568,100	13,045,400
	<b>200</b>	<b>100</b>	<b>5,464,000</b>	<b>39,136,200</b>	<b>26,090,800</b>

Pursuant to the Hydro SSA 1, our Company had on, 23 September 2021, paid to Kasa Tuah RM1,500,000 as a refundable cash deposit.

- (ii) Our Company had, on 22 September 2021, entered into one (1) conditional share sale agreement with Jentayu Capital Sdn. Bhd. (“**Jentayu Capital**”) for the acquisition of 60,000,000 redeemable preference shares representing 100% issued and paid-up preference shares in Telekosang One (“**RPS 1**”) and 40,000,000 redeemable preference shares representing 100% issued and paid-up preference shares in Telekosang Two (“**RPS 2**”) for a total purchase consideration of RM93,600,000 (“**Hydro SSA 2 Purchase Consideration**”) to be satisfied via cash consideration of RM7,488,000 and issuance of new Jentayu Sustainable Shares amounting to RM86,112,000 in relation to the Proposed Acquisition of Hydro Asset (“**Hydro SSA 2**”). The breakdown of Hydro SSA 2 Purchase Consideration based on the issue price of RM1.50 per consideration share are as follows:-

Vendor	No. of RPS held in Telekosang One and Telekosang Two	%	Hydro SSA 2 Purchase Consideration		
			Cash (RM)	Consideration shares (RM)	No. of consideration shares
Jentayu Capital	60,000,000 RPS 1 40,000,000 RPS 2	100 100	7,488,000	86,112,000	57,408,000
			<b>7,488,000</b>	<b>86,112,000</b>	<b>57,408,000</b>

- (iii) Our Company had, on 22 September 2021, entered into one (1) conditional share sale agreement with Jentayu Capital for 100% of ASEAN Green Junior Bonds (“**Junior Bonds**”) in Telekosang One for a total purchase consideration of RM38,100,000 (“**Hydro SSA 3 Purchase Consideration**”) to be satisfied via cash consideration of RM3,048,000 and issuance of new Jentayu Sustainable Shares amounting to RM35,052,000 in relation to the Proposed Acquisition of Hydro Asset (“**Hydro SSA 3**”). The breakdown of Hydro SSA 3 Purchase Consideration based on the issue price of RM1.50 per consideration share are as follows:-

Vendor	Junior Bonds	%	Hydro SSA 3 Purchase Consideration		
			Cash (RM)	Consideration shares (RM)	No. of consideration shares
Jentayu Capital	ASEAN Green Junior Bonds	100	3,048,000	35,052,000	23,368,000
		<b>100</b>	<b>3,048,000</b>	<b>35,052,000</b>	<b>23,368,000</b>



(Hydro SSA 1, Hydro SSA 2 and Hydro SSA 3 are collectively referred to as the “**Hydro SSA**”)

Save for the obligations and liabilities of Jentayu Sustainables in and arising from the conditional share sale agreements dated 22 September 2021 in relation to the Proposed Acquisition of Hydro Asset, our Company is not expected to assume any other liabilities, including contingent liabilities and/or guarantees pursuant to the Proposed Acquisition of Hydro Asset.

The Proposed Acquisition of Hydro Asset entails, amongst others, the acquisition of the entire equity interest in Senja Optima, a special purpose vehicle that was established to develop small hydroelectric power plants in the State of Sabah and is an investment holding company. Senja Optima owns 70% equity interest in each Telekosang One and Telekosang Two. Telekosang One and Telekosang Two are involved in the design, construction, ownership, operation and maintenance of a small hydropower plant each with a capacity of 24 MW and 16 MW, respectively, located in Sungai Telekosang in the District of Tenom, Sabah (“**Hydro Plants**”). Unit Perancang Ekonomi Negeri, Sabah (UPEN) had on 2 October 2017 appointed Senja Optima to carry out the “Projek Mini-hidro berkapasiti 40MW di Sungai Telekosang (Tolokoson), Tenom” (“**Hydro Project**”) in collaboration with Yayasan Sabah Group. Through their jointly owned project companies, Telekosang One and Telekosang Two will carry out the Hydro Project which involve the development, financing, design, engineering, procurement, construction, installation, testing, commissioning, ownership, operation and maintenance of hydroelectric energy generating facilities and ancillary equipment and facilities thereof along Sungai Telekosang in Tenom, Sabah.

Telekosang One and Telekosang Two have each been granted with a feed-in approval with the approved date dated 26 October 2017 by the SEDA pursuant to Section 7 of the Renewable Energy Act 2011, the terms of which are as follows:-

- (a) Telekosang One – feed-in approval for 24 MW small hydro plant in Tenom, Sabah for a period of 21 years with a scheduled feed-in tariff commencement date of 31 December 2022; and
- (b) Telekosang Two – feed-in approval for 16 MW small hydro plant in Tenom, Sabah for a period of 21 years with a scheduled feed-in tariff commencement date of 31 December 2022.

As feed-in approval holders, Telekosang One and Telekosang Two are regulated by the Renewable Energy Act 2011. SEDA which issued the feed-in approvals to Telekosang One and Telekosang Two respectively, is a statutory body whose key role is to administer and manage the implementation of the feed-in tariff mechanism which is mandated under the Renewable Energy Act 2011. In addition, Section 12(1) of the Renewable Energy Act 2011 requires a distribution licensee to enter into a renewable energy power purchase agreement with a feed-in approval holder. Pursuant thereto, Telekosang One and Telekosang Two each had entered into a renewable energy power purchase agreement on 28 March 2018 with Sabah Electricity Sdn Bhd which are valid from their respective effective dates and covers a period of 21 years from their respective commercial operation dates. The commercial operation dates of the renewable energy power purchase agreement have yet to be determined as the Hydro Plants of Telekosang One and Telekosang Two are under construction phase.

For information, it is the intention of our Company to acquire the Hydro Plants of Telekosang One and Telekosang Two as an operational entity where the Hydro Plants shall have been completed, commissioned, in operation and successfully generating power for a period of at least thirty (30) continuous days from the commercial operation date of the Hydro Plants. Pursuant to the Hydro SSA, the conditions precedent thereunder are to be fulfilled no later than 31 March 2022. As at the LPD, the parties to the Hydro SSA are still in the midst of fulfilling the conditions precedent of the Hydro SSA including, amongst others, the following:-

- (a) the Company obtaining the approvals and/or consents from Bursa Securities and/or the SC;
- (b) the respective vendors under the Hydro SSA procuring all requisite consent, approvals and/or authorisations from relevant governmental and/or regulatory authorities and all relevant stakeholders; and
- (c) the Hydro Plants shall have been completed, commissioned, in operation and successfully generating power for a period of at least thirty (30) continuous days from the commercial operation date of the Hydro Plants.

In accordance with Chapter 2.01 of the Equity Guidelines issued by the SC, the Proposed Acquisition of Hydro Asset will result in a significant change in Jentayu Sustainables' business direction or policy upon its completion. Pursuant thereto, the Company is required to obtain the relevant approvals from the SC for the Proposed Acquisition of Hydro Asset, and Bursa Securities for the listing of and quotation of the consideration shares to be issued pursuant to the Proposed Acquisition of Hydro Asset. As such, the aforesaid approvals required form part of the conditions precedent of the Hydro SSA.

Payment of the purchase consideration shall only take place upon completion of the Hydro SSA, which includes, among others, the fulfilment of all conditions precedent of the Hydro SSA. Pursuant thereto, part of the proceeds from the Rights Issue of Shares of RM16.00 million will be utilised to fund the cash consideration in respect of the Proposed Acquisition of Hydro Asset. For information, the cash consideration would be paid in the form of cash deposits pursuant to the terms of the Hydro SSA and in the event the Hydro SSA becomes unconditional and is completed, the cash deposit will form part of the Hydro SSA Purchase Consideration. For clarity, the said proceeds of RM16.00 million to be utilised for the funding for renewable energy project is not dependent on the fulfilment of conditions precedent under the Hydro SSA.

In the event that the Proposed Acquisition of Hydro Asset does not materialise, our Company will continue to source for other renewable energy assets and invest in the same using the said proceeds of RM16.00 million from the Rights Issue of Shares which is in line with the Diversification. Our Company will ensure that the necessary announcement(s), shareholders' approval and/or any other required relevant approvals will be sought to be in compliance with the Listing Requirements, relevant guidelines issued by the SC and/or any other relevant regulatory requirements.

Barring any unforeseen circumstances, our Board expects the Proposed Acquisition of Hydro Asset to complete by the 3<sup>rd</sup> quarter of 2022 i.e. early September 2022. The Proposed Acquisition of Hydro Asset is deemed as a related party transaction pursuant to Paragraph 10.08 of the Listing Requirements. Save as disclosed below, none of the directors, major shareholders, chief executive of the Company and/or persons connected with them have any interest, either direct or indirect, in the Proposed Acquisition of Hydro Asset:-

- (a) Datuk Beroz Nikmal Bin Mirdin is our Executive Chairman, the Chief Executive Officer of Telekosang One and Telekosang Two, and spouse of Datin Nurhaida Binti Abu Sahid;

- (b) Datin Nurhaida Binti Abu Sahid is our major shareholder and spouse of Datuk Beroz Nikmal Bin Mirdin. She is the major shareholder and a director of Jentayu Capital and also a director of Borneo Sustainable;
- (c) Baevinraj Thiagarajah is our Independent Non-Executive Director and a member of the Audit Committee of our Company. He is also a director in Telekosang One and Telekosang Two respectively; and
- (d) Ruthlene Binti Abu Sahid is a sister of Datin Nurhaida Binti Abu Sahid and a shareholder of Jentayu Sustainables.

In view of the above, Datuk Beroz Nikmal Bin Mirdin, Datin Nurhaida Binti Abu Sahid and Baevinraj Thiagarajah are deemed interested in the Proposed Acquisition of Hydro Asset.

Please refer to our Company's announcement dated 22 September 2021 for further details of the Proposed Acquisition of Hydro Asset.

- (2) As at the LPD, the bank borrowings of our Company stood at RM33.00 million with effective interest rates ranging from 4.17% to 7.20%. Our Company further intends to utilise RM8.94 million from the proceeds arising from the Rights Issue of Shares for the repayment of the bank borrowings, details of which are as follows:-

Type of facility	Purpose	Interest rate per annum	Maturity date	Principal amount RM'000	Balance as at the LPD RM'000	Amount to be repaid from gross proceeds RM'000
Term loan	Restructured Loan	4.17%	November 2024	14,400	13,478	8,937
<b>Total</b>						<b>8,937</b>

The repayment of a sum of RM8.94 million is expected to result in interest savings of approximately RM0.37 million per annum.

- (3) The expenses in relation to the Corporate Exercises, Proposed Acquisition of Solar Asset and Proposed Acquisition of Hydro Asset are estimated to be RM5.50 million, details of which are as follows:-

Description	RM'000
Professional fees <sup>(a)</sup>	4,200
Fees to the relevant authorities	300
Estimated underwriting fees	610
Printing and advertising	250
Contingencies <sup>(b)</sup>	140
<b>Total</b>	<b>5,500</b>

**Notes:-**

- (a) Includes professional and advisory fees for, among others, Principal Adviser, solicitors, Reporting Accountants, IMR and valuer in relation to the Corporate Exercises, Proposed Acquisition of Solar Asset and Proposed Acquisition of Hydro Asset.
- (b) Other incidental or related expenses in connection with the Corporate Exercises, Proposed Acquisition of Solar Asset and Proposed Acquisition of Hydro Asset.

Any variation in the actual amount of the expenses will be adjusted in the portion of the proceeds to be utilised for funding for the renewable energy and healthcare projects.

Pending utilisation of the proceeds from the Rights Issue of Shares for the abovementioned purposes, the proceeds will be placed in deposits with licensed financial institutions or short-term money market instruments as our Board may deem fit. The interest to be derived from the deposits placed with the licensed financial institutions or any gains arising from the short-term money market instruments will be used as working capital of Jentayu Sustainables Group, of which the breakdown for the utilisation cannot be determined at this juncture.

## **6. RISK FACTORS**

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

### **6.1 Risk relating to our Group**

#### **(i) Dependence on key senior management and qualified personnel**

Jentayu Sustainables Group believes that our continued success will depend significantly on the abilities and continued efforts of our Directors and key senior management. Any unexpected loss of any of our Directors or member of our key senior management team without any suitable or prompt replacements may have an adverse impact or material impact on our Group's operations. A prolonged vacancy in the any of the key roles may eventually affect our Group's ability to maintain and/or improve our business performance. Although our Group presently strives to retain our Directors and key senior management team by providing competitive and performance-based remuneration and adopts succession planning for key positions, there can be no assurance that our Group will be able to retain any of our Directors or key management.

#### **(ii) Impact of COVID-19 on our Group's business and operations**

Since 2020, the COVID-19 pandemic has spread across the world resulting in lockdown or similar measures imposed by governments worldwide to curb the spread of the virus. The imposition of lockdown or similar measures has had an adverse impact to the performance of the world's economies including Malaysia. Until the COVID-19 pandemic is brought under control in Malaysia and worldwide, the dampening effects of the COVID-19 pandemic on the economy as a whole is expected to remain in the foreseeable future. Malaysia implemented various stages of lockdown restrictions commencing from 18 March 2020 until now. During the MCO, our Group could not operate from March 2020 to April 2020 due to the lockdown restrictions imposed by the Government. Our customers were either operating at a reduced capacity or unable to operate during the lockdown period and this resulted in a slow-down of our customers' construction business which affected the demand for building materials from our trading business. Thus, this resulted in a lower demand for our products and decrease in our Group's revenue during the lockdown period.

On 15 June 2021, the Government announced the NRP was under way which will be divided into 4 phases. Our Group's trading business activities were impacted by the lockdowns imposed since the starts of the COVID-19 pandemic. However, with the reopening of more than 90% of the economic sectors and easing of the restrictions by the Government, our Group's trading business is on track for recovery. Operationally, we continue to comply with the Standard Operating Procedures that are in line with the National Security Council and Ministry of Health's specifications in relation to COVID-19 infection

control measures which includes, among others, daily body temperature measurements and symptom screening for employees and clients, registration with the MySejahtera application, practice of social distancing, mandatory mask policy and provision of personal protective equipment to employees according to their work needs. As at the LPD, our Group had incurred approximately RM0.2 million in order to comply with the standard operating procedures imposed by the Government and we are of the view that the cost incurred for complying with the standard operating procedures will not have a significant impact on our financial performance. As at the LPD, our Group has not been compounded for any non-compliance with such standard operating procedures in relation to MCO measures by the Government.

The vaccination programs across the globe should pave the way for gradual recovery. Nevertheless, the trajectory towards normalcy could still be punctuated by the lingering effects of the pandemic. Against the challenging operating backdrop due to the COVID-19 pandemic, our Group endeavours to strengthen our business segments and execute our growth strategies which include among others, diversification into renewable energy and healthcare businesses.

The outbreak of COVID-19 is a force majeure event beyond the control of our Group. The COVID-19 pandemic and any new movement restrictions that may be imposed by the Government may have additional material adverse impact on the market conditions and industries in which our Group operates. If the COVID-19 pandemic outbreak continues over a prolonged period, it may materially affect our Group's anticipated growth in our existing business as well as future businesses (i.e. renewable energy and healthcare businesses) due to the restrictions and challenges in carrying out business operations as a result of the COVID-19 outbreak, which in turn could adversely affect the results of our Group's operations and profitability.

Following the NRP regulations, our Company expects the Group's business to gradually recover. However, the persistence or worsening of the COVID-19 outbreak, any prolonged adverse development arising from lock-down restrictions and NRP imposed by the Government and/or similar restrictions in future may have a material adverse impact on the financial performance including our Group's revenue and operations as well as the industries in which our Group operates or is diversifying into.

**(iii) Borrowings and interest rate risk**

Jentayu Sustainables Group is reliant on trade facilities to meet its working capital requirements and arising therefrom, Jentayu Sustainables Group will be susceptible to any adverse movements in borrowing costs. For illustrative purpose, as at LPD, our Group's interest bearing borrowings stood at RM33.00 million comprising RM26.22 million of term loans and RM6.78 million of overdraft facilities and which amounts to a gearing ratio of 0.77 times based on our Group's total equity of RM42.65 million as at FPE 30 September 2021, with interest rate ranging from 4.17% to 7.20% per annum.

Since FYE 30 June 2020, our Group has been exploring to restructure and reschedule our existing borrowing facilities with the bankers. As at the LPD, the unsettled trade facilities have been restructured and converted to term loans.

In this regard, part of the proceeds to be raised under the Rights Issue of Shares amounting to RM30.44 million is intended to be utilised to partially repay our Group's interest-bearing term loan as set out in Section 5 of this Abridged Prospectus.

Upon repayment of our Group's interest-bearing term loan using part of the proceeds to be raised under the Rights Issue of Shares, the outstanding borrowings of our Group will be reduced to approximately RM24.06 million. Further, our Board is of the view that our Group will be able to continue to service our outstanding borrowings. During the FYE 30 June 2021 and the subsequent financial period up to the LPD, our Group did not default on any payments of either interest or principal sums for any of our borrowings.

The repayment of part of our Group's interest term loan will allow our Group to enjoy interest savings of approximately RM0.37 million per annum, assuming our Group does not re-draw any credit facilities after repayment. However, there is no assurance that the performance of our Group will not be materially affected in the event of any increase in interest rates and/or termination of its existing banking facilities which may affect our Group's day-to-day operations.

**(iv) Credit risks relating to our Group's trading business**

Our Group's trading business, which currently remains as a main revenue contributor to our Group, is dependent on our customers' ability to pay us. Our Group generally provide the customers with credit periods that range from 60 to 90 days. Our Group is exposed to credit risks arising from trade receivables which may arise from prevailing economic conditions and their own financial performance. In the event of a significant delay or default in payment by our customers, we will have to provide for impairment loss on trade receivables or write off trade receivables as bad debts, and this may adversely affect our Group's financial performance.

Our Group has taken steps to recover amounts owing from our debtors and customers by making demands and commencing legal action against them. As at the LPD, the total amount owing from our debtors and customers that we are claiming for in the material litigation as disclosed in Section 8 of **Appendix I** of this Abridged Prospectus is RM16.13 million. Please refer to Section 8 of **Appendix I** of this Abridged Prospectus for the material litigation that our Group is engaged in to recover amounts owing to our Group. Notwithstanding this, we have also taken steps to fully provide for impairment loss on such amounts owing in our financial statements which has been reflected in our Company's audited financial statements for the FYE 30 June 2021.

**(v) Operational risks relating to the renewable energy and healthcare businesses**

Our Group is currently diversifying into the renewable energy and healthcare industries. Thus, with the diversification into these industries, our Group may be subject to several operational risks that could disrupt their operations, including:-

- (a) breakdown or failure of our equipment, leading to unexpected maintenance needs, unplanned changes or other operational issues;
- (b) failure in power transmission systems;
- (c) force majeure and catastrophic events, including fires, explosions, landslides, tropical storms, floods and terrorist acts, any of which could cause forced outages, suspension of operations, personal injury, loss of life and severe damage and destruction of its assets; and
- (d) scheduled and unscheduled outages due to maintenance, expansion or refurbishment works.



If any of these risks were to materialise in the future, this could impair our Group's future financial performance from the proposed renewable energy and healthcare businesses.

**(vi) Political, social and economic risks**

The occurrence of adverse political, social and economic events in Malaysia could have a negative effect on our Group's business operations and financial performance. Examples of such events include, but are not limited to, changes in political leadership, declaration of war, occurrence of civil war or disorder, outbreak of communicable diseases such as COVID-19, and significant economic slowdown in Malaysia. This in turn may disrupt our existing and/or future proposed operations.

Our Group is in the midst of diversifying into the renewable energy and healthcare industries, which are subject to various laws, regulations and policies set by the government authorities. While the Government has set policies and support mechanisms for renewable energy and healthcare industries, such policies and support may be modified or changed in the future. Our Group may be affected by any adverse changes in government policies and support mechanisms relating to the renewable energy and healthcare industries. Introduction of new policies and/or reduction or elimination of support mechanisms may adversely affect the prospects of the renewable energy and healthcare industries, which may in turn affect the business operations of our Group.

**(vii) Risks relating to the licences and certifications for the operations of the healthcare business**

Our Company, had, on 24 August 2021, entered into a conditional share sale agreement with the Ultimate Forte Vendors in relation to the Acquisition of Hospital. Ultimate Forte operates a private hospital under the name of Ohana Specialist Hospital. In order to operate the Ohana Specialist Hospital, Ultimate Forte has been issued with the Private Hospital Licence pursuant to the Private Healthcare Facilities and Services Act 1998 which is valid until 17 December 2022. Pursuant to Section 22 of the Private Healthcare Facilities and Services Act 1998, the Private Hospital Licence is renewable every 2 years.

A renewal of the Private Hospital Licence is required to be sought prior to its expiry, subject to fulfilment of all the conditions of the licence (including having a qualified person-in-charge under the Private Hospital Licence, at the Ohana Specialist Hospital). In the event that Ultimate Forte fails to maintain any of the required licences or registrations for the business and operations of the Ohana Specialist Hospital, or obtain renewals thereof, in a timely manner or at all, Ultimate Forte will not be able to continue to operate the Ohana Specialist Hospital.

Nonetheless, our Board is not aware of any events or circumstances that may cause the suspension, withdrawal, non-renewal or termination of Ultimate Forte's Private Hospital Licence for the operations of the Ohana Specialist Hospital. However, there is no assurance that the relevant authorities will renew the same within the anticipated timeframe or at all, and/or without imposing any additional terms and conditions in the future, particularly when there are changes to any requirements, rules and regulations imposed by the relevant authorities. Upon completion of the conditional share sale agreement in relation to the Acquisition of Hospital, our Board will take steps to ensure that Ultimate Forte continues to comply with all the terms and conditions of the Private Hospital Licence.



## **6.2 Risk relating to the Rights Issue of Shares**

### **(i) Capital market risk**

The market price of the new securities arising from the Rights Issue of Shares, like all listed securities traded on Bursa Securities, is subject to fluctuation. The respective price of our Company's securities is influenced by, amongst others, the announcements of developments relating to our Group's business, fluctuations in our Group's operating or financial results or revenue levels and changes in regulatory requirements and market conditions.

Further, external factors such as economic, political and industry conditions and stock market sentiments/liquidity could also adversely affect the price of Jentayu Sustainables Shares. There can be no assurance that the Rights Shares will trade at or above the TEAP disclosed in Section 2.2 of this Abridged Prospectus after the completion of the Rights Issue of Shares.

### **(ii) Failure or delay in the completion of the Rights Issue of Shares**

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

In this respect, pursuant to Section 243 of the CMSA, in the event the Rights Issue of Shares is aborted, all monies raised in the Rights Issue of Shares which are held in a trust account for our Company will be refunded free of interest within 14 days to our Entitled Shareholders. Monies not paid within 14 days will be returned with interest at the rate of 10% per annum or at such other rates as may be prescribed by the SC.

There can be no assurance that the abovementioned factors or events will not cause a failure or delay in the completion of the Rights Issue of Shares. In the event the Rights Issue of Shares is aborted/terminated, and the Rights Shares have been allotted to our Entitled Shareholders, a return of monies to all holders of Rights Shares could only be achieved by way of cancellation of the share capital as provided under the CMSA and its related rules. Such cancellation requires the sanction of our Company's shareholders by special resolution in a general meeting, consent of our Company's creditors (where applicable) and either the confirmation of the High Court of Malaya or a solvency statement by our Board. There can be no assurance that such monies can be returned within a short period of time or at all in such circumstances.

**(iii) Potential dilution**

Our Entitled Shareholders who do not subscribe to their entitlements under the Rights Issue of Shares will have a reduction in their proportionate percentage of shareholdings and voting interest in our Company based on the enlarged issued share capital of our Company, as a result of the issuance of new Jentayu Sustainable Shares pursuant to the Rights Issue of Shares. Consequently, their proportionate entitlements to any future distribution, rights and/or allotment that our Company may declare, make or pay after completion of the Rights Issue will be correspondingly diluted.

**(iv) Forward-looking statements and other information**

Certain statements in this Abridged Prospectus are based on historical data, which may not be reflective of future results and others are forward-looking in nature, which are subject to uncertainties and contingencies. All statements, other than statements of historical data, included in this Abridged Prospectus, including without limitation, those regarding the financial position, risk factors, prospects and future plans of our Group are forward-looking statements.

Such forward-looking statements are based on the estimates and assumptions made by our Company, unless stated otherwise, and although our Board believes these forward-looking statements to be reasonable at this point in time given the prevailing circumstances, they are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied in such forward-looking statements.

In light of these uncertainties, the inclusion of such forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by our Company, the Principal Adviser and/or other advisers in relation to the Rights Issue of Shares that the plans and objectives of our Group will be achieved.

## **7. INDUSTRY OVERVIEW AND PROSPECTS**

### **7.1 Overview and prospects of the Malaysia economy**

The Malaysian economy experienced the full adverse impact of the COVID-19 pandemic in 2020, with real gross domestic product (“**GDP**”) contracting by 5.6%. However, signs of recovery emerged in late 2020, followed by a significant increase in GDP growth of 16.1% in the second quarter of 2021 compared to a plunge of 17.2% in the corresponding quarter last year.

The growth was attributed to the low base effect, recovery in external demand and the gradual reopening of economic sectors amid various MCOs to contain the viral infections. The implementation of eight stimulus and assistance packages totalling RM530 billion since 2020 and 2021.

Budget measures to mitigate the impact on households and businesses also contributed to the growth. The growth momentum is expected to continue in the second half of the year with the implementation of the NRP, an exit strategy from the health and economic crisis. The NRP entails opening up the economy in stages in line with the progress made in managing the pandemic. The acceleration of the National COVID-19 Immunisation Programme (PICK), an integral component of the NRP, is expected to enable the economy to fully open in the fourth quarter. With the favourable outlook for the fourth quarter, the economy is expected to grow between 3% – 4% in 2021.

The domestic demand recovery is projected to continue in 2022, anchored by private consumption, following the gradual improvement in labour market conditions amid a relaxation of containment measures, improved consumer sentiments and spending from the vaccine rollout as well as targeted policy support for vulnerable households. Rapid progress in the vaccination programme is also expected to release pent-up demand, particularly for domestic travel and leisure, further supporting the recovery. Stronger external demand, especially for electrical and electronics (E&E) products and major commodities, is expected to support the surge in exports, thus helping to maintain a surplus in the current account of the balance of payments (BOP).

Almost all economic sectors are projected to expand on the supply side, led by the services and manufacturing sectors, accounting for more than 80% of the economy. However, the mining sector is forecast to decline partly due to scheduled maintenance works. The normalisation of economic activities underpinned by mass vaccination is anticipated to boost wholesale and retail trade subsector and domestic tourism-related activities. The projected higher volume of manufactured products is also in line with the expected rising demand from export- and domestic-oriented industries. Positive consumer and business sentiments and expected improvement in earnings will support the recovery in the labour market, albeit at a more modest level than the pre-pandemic period. The continuation of various initiatives to stabilise the labour market and high vaccination rates are expected to provide some relief for employers in retaining their workers. Thus, the nation's GDP is forecast to expand in the range of 5.5% – 6.5% in 2022.

*(Source: Macroeconomic Outlook, Economic Outlook 2022, Ministry of Finance Malaysia)*

## **7.2 Overview and prospects of the construction industry in Malaysia**

The construction sector registered a strong growth of 8.3% in the first half of 2021, supported by an improvement in specialized construction activities, non-residential buildings and residential buildings subsectors. The better performance was also attributed to the low base effect following a significant drop in construction works during the corresponding period last year. However, the civil engineering subsector contracted due to the temporary suspension of infrastructure projects following stringent COVID-19 virus containment measures. In contrast, the sector is forecast to decline by 8.4% in the second half of the year, weighed down by civil engineering, non-residential buildings and residential building subsectors, despite the resumption of construction activities.

Nevertheless, the decline is being cushioned by a rebound in the specialised construction activities subsector. Overall, the sector is expected to record a marginal contraction of 0.8% during the year compared to a double-digit decline in 2020. The national property market for residential and non-residential segments was affected by the COVID-19 pandemic. As for the residential segment, the impact was reflected by the decreasing number of incoming supply units.

In addition, the house price index for Malaysia registered an unprecedented negative growth in the second quarter of 2021. Similarly, the non-residential segment recorded a decline in its occupancy rate for both retail and office spaces.

The construction sector is projected to turn around by 11.5% in 2022 on account of better performance in all its subsectors. The civil engineering subsector is anticipated to regain its positive growth, following the continuation and acceleration of major infrastructure projects, such as Light Rail Transit Line 3 (LRT3), Mass Rail Transit Line 3 (MRT3), Johor-Singapore Rapid Transit System (RTS) as well as the Pan Borneo highways in Sabah and Sarawak. Utility projects, including Baleh Hydroelectric, Sarawak Water Supply Grid Programme and Large-Scale Solar 3 plant, are also projected to spur growth.

Similarly, the residential buildings subsector is expected to expand further in line with the Government's measures to address the shortage of affordable houses. The measures, among others, are the continuation of the Rent-to-Own scheme and full stamp duty exemptions for first-time home buyers as well as Rumah Mesra Rakyat and People's Housing programmes. In addition, the non-residential buildings subsector is anticipated to improve, backed by ongoing commercial projects, namely Kwasa Damansara, Tun Razak Exchange and KLIA Aeropolis.

*(Source: Macroeconomic Outlook, Economic Outlook 2022, Ministry of Finance Malaysia)*

### 7.3 Overview and prospects of the renewable energy industry in Malaysia

Renewable energy refers to the generation of energy from renewable sources such as solar, hydro, biomass and biogas. The renewable energy industry in Malaysia, as measured by cumulative installed capacity in Malaysia, grew from 6,916.2 MW in 2015 to 7,835.0 MW in 2019, at a compound annual growth rate ("CAGR") of 3.2%. PROVIDENCE estimates that the renewable energy industry in Malaysia will grow to an estimated 7,948.7 MW in 2020 and an estimated 8,150.6 MW in 2021. In 2022, PROVIDENCE forecasts that the renewable energy industry will grow to reach to 8,643.5 MW in 2022.

In 2019, hydro contributed the highest, in terms of cumulative installed capacity, to the total renewable energy industry in Malaysia. Between 2015 and 2019, cumulative installed capacity for hydro plants grew from 5,716.1 MW to 6,190.1 MW, recording a CAGR of 2.0%. Meanwhile, the cumulative installed capacity for solar photovoltaic ("PV") in Malaysia has been growing from 226.30 MW in 2015 to 1,056.30 MW in 2019, at a CAGR of 47.0%.

The growth in the renewable energy industry in Malaysia has been, and is expected to continue to be driven by the following factors:-

#### (i) **The Government of Malaysia's initiatives to drive adoption of solar energy as a source of electricity**

The Government of Malaysia has been driving the use of renewable energy resources, including solar energy, in the country. Over the years, SEDA had launched various policies and initiatives to encourage adoption of renewable energy sources, including:-

##### **(a) Renewable Energy Act 2011**

The Renewable Energy Act 2011 provides for the establishment and implementation of the Feed-in Tariff ("FiT") programme to catalyse the generation of renewable energy. The FiT programme encourages electric utility companies to buy the electricity produced from renewable resources (including solar energy biogas, biomass and small hydro) from individuals/companies registered under the FiT programme for a specific

duration, and sets the FiT rate. The FiT programme is no longer being offered, and has been replaced by the initiatives under the National Renewable Energy Policy.

**(b) National Renewable Energy Policy**

Key initiatives under the National Renewable Energy Policy include:-

- **Net Energy Metering (“NEM”) programme**

In November 2016, the Government of Malaysia introduced the NEM programme with a quota allocation of 500 MW up to the end of year 2020. The concept of the NEM programme is that the electricity produced from the installed solar power systems will be consumed first, and any excess will be exported and sold to the electric utility companies. The solar PV systems are installed on the rooftop of buildings and car porches by individuals/companies registered under the NEM programme. In January 2019, the Government of Malaysia introduced the NEM 2.0, as an initiative to encourage more participants to join the NEM programme. Under the NEM 2.0, the true net energy metering concept was introduced, where participants of the NEM programme were allowed to export excess solar PV generated energy back to the grid on a “one-on-one” basis with utility companies. As at 31 December 2020, the full 500 MW quota has been fully subscribed and allocated.

In December 2020, the Government of Malaysia introduced the third phase of Malaysia’s largest NEM project, NEM 3.0, which is planned to provide more opportunities for electricity consumers to save on their electricity bill through installation of solar PV systems on the roofs of their premises. Under the NEM 3.0, a total quota of 500MW has been allocated over the period of 2021 to 2023. Out of the total quota, 300MW has been allocated to the NOVA programme (Net Offset Virtual Aggregation), while 100MW has been allocated to the NEM Rakyat Programme and finally 100MW allocated to the NEM GoMEn Programme (Government Ministries and Entities). Further, in October 2021, the Government had announced for an additional 300MW of solar quota to be included under the NEM NOVA programme. The addition to the NEM NOVA programme quota is expected to benefit up to 300 commercial and industrial customers as well as create new business opportunities for over 100 local solar players. As at LPD, under the NOVA Programme, the 331.41MW of the 600MW quota has been applied for, while a total of 259.36MW of the quota has been approved for development. Meanwhile, under the NEM Rakyat Programme, a total of 24.99MW of the 100MW quota has been applied for, and 23.60MW has been approved for development. As for the NEM GoMEn, a total of 20.42MW out of the 100MW quota has been applied for, while 17.06MW has been approved for development as at LPD.

- **Large Scale Solar Photovoltaic (“LSSPV”) Bidding Cycle**

The Large Scale Solar Photovoltaic Bidding Cycle is a competitive bidding programme to drive down the levelized cost of energy for the development of large scale solar PV plant. On 12 March 2021, the Energy Commission Malaysia completed the LSSPV Bidding Cycle 4 which started in 2020. The LSSPV Bidding Cycle 4 is the largest capacity offered under the LSSPV Bidding Cycle thus far, reaching a total capacity of 823.06 MW. The projects under the LSSPV Bidding Cycle 4 are expected to be commissioned by earliest 2022 or latest 2023, with a term of 21 years for each solar plant. In the past, the Energy Commission Malaysia, the agency responsible for implementing this programme, announced that it has awarded a total capacity of 490.88 MW under LSSPV Bidding Cycle 3, 561.99 MW under the LSSPV Bidding Cycle 2 and 450.90 MW under the LSSPV Bidding Cycle 1.

(c) **Twelfth Malaysia Plan 2021-2025 (“12MP”)**

In its efforts to make Malaysia a low-carbon nation, the Government of Malaysia announced initiatives under the 12MP to will shift the nation to more sustainable economic practices and lifestyles. Among the strategies which impact the renewable energy industry include:-

- **Moving towards a low-carbon nation** – Collaborative efforts will be undertaken among federal, state and local governments as well as the private sector and civil society organisations to address climate change, particularly across the main greenhouse gas emitting sectors, namely energy, transport, industrial processes and product use, waste management, agriculture, forestry and land use. In addition, there will be a focus on promoting green and resilient cities and townships, enhancing green mobility and augmenting the consumption of low-carbon energy as well as expanding the green market and government green procurement. A Nationally Determined Contribution roadmap will be developed to devise specific mitigation action, specify the amount of emissions that need to be reduced from each of the key greenhouse gas emitting sectors, formulate long-term low emission development strategies, assess the cost and implications in achieving carbon neutrality, as well as conduct a feasibility study on carbon pricing to recommend the most suitable carbon taxation system. In October 2021, the Government of Malaysia announced its pledge as part of the United Nations Framework Convention on Climate Change to reduce greenhouse gas emission intensity across the economy by 45% based on the gross domestic product (GDP) by 2030;
- **Scaling-up green financing and investments** – Relevant policies will be developed to meet the funding requirements to support the implementation of the clean, green and resilient development agenda. Emphasis will be placed on enhancing domestic green financing and investments for sustainable and climate-friendly development projects, leveraging bilateral and multilateral financing, enhancing environmental economic instruments such as carbon pricing and subsidies for environmentally sustainable initiatives; and



- **Enhancing the electricity subsector** - Various initiatives will be implemented including creating a resilient electricity supply industry through digitalisation and better transparency, strengthening the electricity supply system in Sabah, enhancing the grid system by investment in generation capacity and reinforcement of transmission and distribution networks, expanding rural electricity coverage, enhancing energy efficiency as well as increasing renewable energy installed capacity through implementation of existing mechanisms such as Green Tariff Rider and Renewable Energy Certificate.

**(ii) Increasing economic viability of solar power generation due to higher electricity tariffs paid and decreasing costs of solar power systems**

The Government of Malaysia has implemented the gradual removal of Special Industrial Tariff ("**SIT**"), which is a discounted utility tariff offered by Tenaga Nasional Berhad to industries where electricity costs contribute significantly to their operational expenses. As a result, post January 2019, businesses in these industries have to pay a higher electricity tariff rate to Tenaga Nasional Berhad. As such, these business owners will be more inclined to participate in the NEM programme as it allows them to enjoy cost savings from lower electricity used from the electricity grid and generate additional income for excess electricity sold to the electric utility companies.

Further, the cost of solar power systems has also been decreasing over the years. Gross cost per watt for solar PV panels, the key component in solar power systems, have been decreasing from USD3.79 (RM14.81) per watt in first half of 2015 to USD2.19 (RM9.07) per watt by the end of 2019, representing a 42.2% decrease in prices. This decline in costs is largely due to an improvement in technology to increase the solar panel efficiency. In Malaysia, the lowest bid for the Large Scale Solar 4 projects was approximately RM0.18 cents per kilowatt hour ("**kWh**"). Previously, the lowest bid for the Large Scale Solar 3 projects was approximately RM0.18 cents per kWh, which is lower than the gas power generation price of RM0.23 per kWh. This was an improvement from the lowest bid price of RM0.32 per kWh during the Large Scale Solar 2 project bidding stage in 2017. As technology improves, the costs of solar power systems are expected to decrease further and this will thus increase the attractiveness of utilising solar power systems.

**(iii) Rise in environmental awareness will lead to a rise in public demand for renewable energy**

Increasingly, environmental awareness campaigns, advertisements on the importance of caring for the environment, as well as the Government of Malaysia's initiatives to promote environmentally friendly practices commercially have been implemented in Malaysia. As a result, the public is more aware of environmental concerns impacting the society, including global warming. As the public becomes more aware of such environmental concerns, it is expected that they will begin to take measures to protect the environment, including utilising renewable energy. This can be seen from the take-up rate for the NEM programme implemented by the Government of Malaysia, as mentioned above.

In the case of biomass and biogas energy, a large proportion of resources are derived from the palm oil industry which is perceived as an unsustainable industry. In a proactive effort to overcome this image, the Malaysian Sustainable Palm Oil ("**MSPO**") certification scheme was implemented for the adoption of a systematic and integrated management plan covering the entire supply chain and provide essential guidelines for sustainable palm oil development. This includes (i) waste and water management plan, (ii) monitoring of electricity usage, (iii) assessment of energy efficiency, and (iv) utilisation of renewable



energy. The MSPO certification scheme is expected to encourage the utilisation of renewable energy and the management of undesirable waste generated by the palm oil industry in the form of palm stems, empty fruit bunch, palm mesocarp fibres, palm fronds, and palm kernel as biomass and biogas energy.

In general, the growth of the renewable energy industry in Malaysia has been largely supported by the initiatives and measures taken by the Government of Malaysia to drive the adoption of renewable energy in the country. Although the consumption of renewable energy in Malaysia is expected to fall in 2020 due to less business and manufacturing activities during the national lockdown periods (termed as MCO) that were imposed to curb the COVID-19 pandemic, it is expected that consumption of renewable energy will improve as the businesses resume their activities after the MCO is lifted.

Further, under Budget 2022, sustainability has been identified as one of the strategies, whereby the Government of Malaysia has allocated RM1 billion towards a matching grant for Low Carbon Transition Facility, to help SMEs embrace sustainable and low carbon practices in their business operations. This includes to increase usage of sustainable raw materials and renewable energy, and to also improve energy efficiency of buildings or machinery.

Moving forward, the solar power industry in Malaysia is expected to continue to grow in light of the Government of Malaysia's aim to achieve 31.0% of installed capacity coming from renewable sources (including solar energy) in 2025.

*(Source: IMR Report prepared by PROVIDENCE)*

#### **7.4 Overview and prospects of the healthcare industry in Malaysia**

The healthcare industry refers to the provision of consultation, diagnostic and patient care, as well as medication products and services for the prevention or treatment of diseases, ailments, injuries or other physical and psychological health conditions. The healthcare industry also includes obstetrics and gynaecology, which specialises in female health that spans across the reproductive system to pregnancy and childbirth.

Total healthcare expenditure in Malaysia, comprising public and private healthcare expenditure, steadily increased from RM51.7 billion in 2016 to an estimated RM65.6 billion in 2020, at a CAGR of 6.1%. PROVIDENCE forecasts that the total healthcare expenditure in Malaysia will grow from an estimated RM70.7 billion in 2021 to RM82.4 in 2021, growing at a CAGR of 8.0%.

Between 2016 and 2019, the number of hospital admissions in Malaysia grew by a CAGR of 2.6%, from approximately 3.7 million patients in 2016 to 4.0 million patients in 2019. Meanwhile, outpatient attendees grew from 65.0 million persons in 2016 to 73.8 million persons in 2019, at a CAGR 4.3%.

In particular, obstetrics and gynaecology admissions constitute a significant percentage of total admissions in hospitals. Pregnancy, childbirth and the puerperium (or the period after childbirth during which the reproductive organs of a mother return to their original non-pregnant condition) are one of the major causes of hospitalisation in Malaysia, constituting 15.9% of total hospitalisations in Malaysia in 2019. Meanwhile, the number of pre-natal and post-natal attendances in hospitals in Malaysia grew from 6.5 million patients in 2016 to 6.7 million patients in 2019, registering a CAGR of 1.0% over the period.

The growth in the healthcare industry in Malaysia has been, and is expected to continue to be driven by the following factors:-

**(i) Increasing income of the population signifies growth potential for healthcare services, including obstetrics and gynaecology services**

Malaysia's gross national income per capita grew from RM36,710 in 2015 to RM42,503 in 2020. The increase in national income amongst the population will lead to a growth in disposable power and consequently spending power. As spending power increases in Malaysia, its population has a higher likelihood on increasing their expenditure on obstetrics and gynaecology services in order to ensure their wellbeing and the wellbeing of their infants. Greater spending power in Malaysia also signifies greater obtainability of these services locally.

As a result, this would benefit the private hospitals and medical centres that offer obstetrics and gynaecology services in Malaysia.

**(ii) The Government of Malaysia's initiatives to promote the healthcare services industry**

The Government of Malaysia through the Ministry of Health as well as non-governmental organisations ("NGOs") (such as the National Cancer Society Malaysia) play a pivotal role in increasing the health awareness amongst females in Malaysia. These organisations have been diligently organising various health-oriented campaigns and events on cancer and sexual health amongst females, as well as free medical check-ups and health talks.

Further, under the Budget 2021 and Budget 2022, the Government of Malaysia has also allocated:-

- RM32.4 billion for the Ministry of Health's operating and development expenditure;
- RM4 billion for the continued management of COVID-19, including RM2 billion to enhance the capacity of public health service facilities including the purchase of medicine, consumables, personal protective equipment and health kits;
- RM100 million for the sponsorship of specialisation programmes for 3,000 medical and dental contract officers; and
- RM11 million subsidy for mammogram tests and cervical cancer screening tests.

The abovementioned Government initiatives are expected to support the growth of the healthcare industry in Malaysia.

*(Source: IMR Report prepared by PROVIDENCE)*

## **7.5 Prospects and future plans of Jentayu Sustainables Group**

Over the years, Jentayu Sustainables Group has established itself as a trading company focused in its intermediary role of supplying building materials to the construction industry. Other than trading business segment, our Company operates in other business segments including contracting related business, property development, property and investment holding.

For the past 4 financial years/period ended up to FYE 30 June 2021 and FPE 30 September 2021, the revenue for the trading business segment had dropped significantly and our Group had been incurring losses for its trading business mainly due to construction

and property development industry-wide glut and slow-down, operational inefficiencies and high operating costs, erosion of pricing and profit margin due to increased competition from both local and overseas manufacturers and suppliers, as well as over reliance on high volume and low margin general products such as steel bars and cement. In order to improve the financial performance of Jentayu Sustainables Group, Jentayu Sustainables has undertaken a business efficiency exercise and cost cutting measures, such as cost reduction through consolidated purchasing, bulk orders and value engineering.

Our Board foresees that the trading business segment will continue to face various challenges in the current business environment including longer credit period for customers to make payment, pricing competition and disruption in the timing for supply of products due to the impact of the COVID-19 on Jentayu Sustainables Group's product supply chain. Nevertheless, the trading business segment remains as the main contributor of revenue to our Group and the management of Jentayu Sustainables expects that it will continue to contribute to the earnings of our Group.

Our Group has been actively identifying other alternatives to improve its financial performance and thus, had undertaken the Diversification to include the renewable energy and healthcare businesses and related activities as well as to monetise the existing underutilised non-core assets.

Moving forward, our Group will undertake to expand its business to include the owning, developing, maintaining, operating, designing and constructing of power plants, involving the generation of energy and electricity using sustainable and renewable energy sources. As stated in Section 5 of this Abridged Prospectus, the proceeds of approximately RM16.00 million to be raised from the Rights Issue of Shares will be utilised to fund for renewable energy project. This will enable our Group to carry out its diversification smoothly without the risk of potential disruptions. Our Board is of the view that the Rights Issue of Shares serves as an interim measure to address the immediate cash flow requirements of our Group without incurring additional interest costs.

The Diversification, Property Disposal, Rights Issue of Shares and Acquisition of Hospital have been identified by our Board as part of its growth strategy to enhance Jentayu Sustainables Group's future prospects and expand its revenue stream, hence improving its long-term prospects particularly to investors.

Our Company had obtained the shareholders' approval to change our company name from Ipmuda Berhad to Jentayu Sustainables Berhad on 15 December 2021. The change of our company name was effective since 10 January 2022. The change of our company name is to provide a new corporate identity to our Company and to better reflect our Group's core business and future undertakings.

Additionally, Jentayu Sustainables Group has the required talents with suitable competencies and diversity in place, equipping our Group with experienced professionals with a strong background in corporate governance, renewable energy and healthcare industries.

The renewable energy business of our enlarged Group will be overseen by Datuk Beroz Nikmal bin Mirdin, the Executive Chairman of our Group. The relevant experience of Datuk Beroz and Dato' Chairil are as follows:-

- (i) Datuk Beroz Nikmal Bin Mirdin (Male), a Malaysian, age 45, is the Executive Chairman of our Group. He was appointed to our Board on 18 June 2020. He spearheads the direction and development of Renewable Energy Business of our Group and he is responsible for overall overseeing of our Company's business expansion and strategic planning in meeting our Company's corporate goals. He obtained his Bachelor of Science in Electrical Engineering from Widener University, USA in 1999 and a Master of Science in Management Information Systems from Pennsylvania State University, USA in 2003. He served as Senior Regional Portfolio Manager at the System Planning Department of PJM

Interconnection LLC, USA, which is a regional transmission organisation that coordinates the movements of wholesale electricity in some regions of the USA from 1999 to 2006. He was mainly involved in high level decision making and external communications with the independent power producer developers and regulatory bodies.

After his return to Malaysia, he served as the Manager (Operation Studies), System Operations Department of Tenaga Nasional Berhad from 2007 to 2009 where he was in charge of the Operation Studies Section in the company to perform system reliability studies on periodic basis. In 2010, he was the Vice President, Investments of Khazanah Nasional Berhad where he was seconded to lead a special task force in MyPOWER Corporation to restructure and improve efficiencies of delivery of electricity in Malaysia Electric Supply Industry (MESI) and left the company in the same year. He was the director of Perak Hydro Renewable Energy Corporation Sdn Bhd from 2010 to 2017 where he was involved in the development of the comprehensive master plan of 150 MW Small Hydropower Plant (“SHP”) in Perak as well as preserving the interests of the company’s stakeholders. He was also an Executive Director at Gunung Capital Berhad from 2013 to 2016 where he was responsible in overseeing the development of SHP projects in Perak.

He has 22 years of experience in renewable energy industry in which he was involved in developments of various small hydropower and large scale solar projects. Currently, he is also the Chief Executive Officer of Telekosang Hydro One Sdn Bhd and Telekosang Hydro Two Sdn Bhd since October 2018, the developer for a 40 MW SHP located on the Telekosang River in Tenom, Sabah. He will be responsible for overseeing long-term business expansion and strategic planning of the Renewable Energy Business of Jentayu Sustainables Group. The following is the summary of the renewable energy projects that he was involved:-

<b>Projects</b>	<b>Contribution</b>
Development of 150 MW SHP project in Perak, which includes but not limited to, development sites in Sungai Kerian, Sungai Slim, Sungai Kampar and Sungai Pelus	Developed a comprehensive master plan and involved in the initial development of the sites.
Development of 40 MW SHP project located on the Telekosang River in Tenom, Sabah	Spearheaded the development of the project in all aspects – from identifying the suitability of the site to obtaining the approvals to develop the project from the state government. He was also in charge of the Sukuk issuance process which includes key activities such as discussion with credit rating agency and fund-raising roadshow. The project is now under construction and he is responsible in ensuring the construction progress is on time and within the stipulated budget.
5.99 MW large scale solar plant at Pokok Sena, Kedah	Prepared a competitive bid to Energy Commission and involved in the financial close process and negotiating with the EPCC contractor. Whilst under construction, he ensured that construction was performed within time and budget. Now that the large scale solar plant is operating, his primary focus is to ensure that the plant operates optimally.

The healthcare business of our enlarged Group will be overseen by Jentayu Sustainable Group's Chief Executive Officer, Jeeфри Bin Muhamad Yusup. The relevant experience of Jeeфри Bin Muhamad Yusup and Khairulfahmi Matsom in healthcare business are as follows:-

- (i) Jeeфри Bin Muhamad Yusup (Male), a Malaysian, age 57, is the CEO of our Group. He was appointed to our Board on 18 June 2020. He is responsible for overall overseeing of the strategic business planning, development and operations of our Group, which includes setting our Group's directions and driving our Group's business growth.

He is a graduate of Association of Chartered Certified Accountants (ACCA), United Kingdom (UK) in 1988 and he is currently not a member.

He began his career in 1988 as a Corporate Finance Executive with Arab-Malaysian Merchant Bank Berhad (now known as AmInvestment Bank Berhad) where he was primarily responsible in advising clients seeking various corporate exercises including listing and mergers and acquisitions. His financial acumen and entrepreneurial talents were honed during his roles in treasury unit in 1990 and later in 1991, as Area Accountant for Sarawak region in Shell's group of companies in Malaysia where he was in charge of overall financial and administrative matters of the company's marketing activities. He then joined Land and General Berhad in 1993 as Senior Manager in Business Development Department, in charge of identifying new business opportunities for the company and left the company in 1994.

In 1994, he saw a growing need to reduce healthcare cost to employers and so, he founded a healthcare management company, namely HMO Pacific Sdn Bhd in 1995. He disposed this business in 2000.

He joined Intrinsic Capital Asset Management Sdn Bhd, a local asset management company from 2000 to 2002 as a Senior Consultant in charge of corporate finance and restructuring projects where he advised on corporate finance exercises.

In 2001, he played a key role in setting up and managed a private hospital, namely Pusat Perubatan Naluri of which he was the promoter and was responsible for the planning and construction of the hospital's infrastructure, organising as well as hiring the medical team and overseeing the licensing requirements. He subsequently took a career break from 2006 to 2013. He then set up another private hospital in 2013 namely, Rampai Puteri Medical Centre of which he was the CEO and was responsible for the overall operations of the hospital. Both aforementioned hospitals are located in Kuala Lumpur.

He has more than 25 years of experience in healthcare management business and will be responsible for overseeing long-term business expansion and strategic planning of our Group's healthcare business.

The near-term outlook is contingent upon the pandemic recovery efforts, and as the overall global market gradually improves via COVID-19 vaccination roll-out and as Jentayu Sustainables Group activates the new business segments, it is optimistic of the prospects moving forward. The long-term outlook is bolstered by the market confidence in renewable energy and healthcare industries that is further supported by sound Government policies and increasing environmental, social and corporate governance considerations, hence a strong prospect ahead.

*(Source: The management of Jentayu Sustainables)*

## 8. EFFECTS OF THE RIGHTS ISSUE OF SHARES

### 8.1 Share capital

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

	<b>No. of Shares</b>	<b>RM'000</b>
Issued share capital as at the LPD	101,457,300	94,777
New Jentayu Sustainables Shares to be issued pursuant to the Bonus Issue of Shares and Warrants and Rights Issue of Shares	202,914,600 <sup>(1)</sup>	30,437
	<hr/> 304,371,900	<hr/> 125,214
Consideration Shares to be issued pursuant to Acquisition of Hospital	18,867,700 <sup>(2)</sup>	11,321
	<hr/> 323,239,600	<hr/> 136,535
New Shares to be issued arising from the full exercise of Bonus Warrants	152,185,950 <sup>(3)</sup>	100,443
<b>Enlarged issued share capital</b>	<hr/> <b>475,425,550</b>	<hr/> <b>236,978</b>

#### Notes:-

- (1) Based on 101,457,300 new Jentayu Sustainables Shares to be issued pursuant to the Bonus Issue of Shares and Warrants and 101,457,300 new Jentayu Sustainables Shares to be issued pursuant to the Rights Issue of Shares, respectively, as announced by our Company on 18 June 2021.
- (2) Based on the assumption that the issuance of the Consideration Shares pursuant to the Acquisition of Hospital happens after the books closing date of the Bonus Issue of Shares and Warrants and Rights Issue of Shares, the issue price per Consideration Share is adjusted from RM1.50 to RM0.60. As such, the number of Consideration Shares to be issued to the Ultimate Forte Vendors was derived based on the issue price of RM0.60 per Consideration Share.
- (3) Assuming full exercise of Bonus Warrants at the exercise price of RM0.66 pursuant to the Bonus Issue of Shares and Warrants based on our Company's announcement dated 18 June 2021.



## 8.2 Earnings and EPS

The Corporate Exercises will not have any material effect on the consolidated earnings of our Group for the FPE 30 September 2021. The Corporate Exercises are expected to be completed in the first (1<sup>st</sup>) quarter of 2022. The Property Disposal will result in a gain of disposal of approximately RM65.73 million to be recognised in the FYE 30 June 2022 while the issuance of new Jentayu Sustainable Shares pursuant to the Bonus Issue of Shares and Warrants and Rights Issue of Shares will have dilutive effect on the EPS of our Company for the FYE 30 June 2022.

The Acquisition of Hospital is expected to contribute positively to the future earnings of our Group upon recognising the expected profit from Ultimate Forte.

For illustrative purposes, assuming the Corporate Exercises had been completed at the beginning of the FPE 30 September 2021, the pro forma consolidated earnings and EPS of Jentayu Sustainable Group for the FPE 30 September 2021 would be as follows:-

	Unaudited as at 30 September 2021 RM'000	(I) After the Property Disposal RM'000	(II) After (I) and the Special Dividend RM'000	(III) After (II) and the Bonus Issue of Shares and Warrants RM'000	(IV) After (III) and Rights Issue of Shares RM'000	(V) After (IV) and Acquisition of Hospital RM'000	(VI) After (V) and assuming full exercise of Bonus Warrants RM'000
LAT attributable to the owners of our Company	(2,641)	(2,641)	(2,641)	(2,641)	(2,641)	(2,641)	(2,641)
<b>Add:-</b> Expected gain arising from the Property Disposal <sup>(1)</sup>	-	65,727	65,727	65,727	65,727	65,727	65,727
Audited PAT of Ultimate Forte <sup>(2)</sup>	-	-	-	-	-	(1,073)	(1,073)
<b>Less:-</b> Estimated expenses relating to the Corporate Exercises	-	-	-	-	(5,500) <sup>(4)</sup>	(5,500) <sup>(4)</sup>	(5,500) <sup>(4)</sup>
Pro forma LAT attributable to the owners of our Company	(2,641)	63,086	63,086	63,086	57,586	56,513	56,513
No. of Jentayu Sustainable Shares in issue ('000)	72,469 (0.04)	72,469 0.87	72,469 0.87	173,926 <sup>(3)</sup> 0.36	275,383 <sup>(4)</sup> 0.21	294,251 <sup>(5)</sup> 0.19	446,437 <sup>(6)</sup> 0.13
EPS / (Loss per Share) (sen)							



**Notes:-**

- (1) After taking into account the following:-
  - (i) the audited carrying net book value of the Property of approximately RM9.12 million as at 30 September 2021;
  - (ii) the estimated expenses to be incurred for the Property Disposal of approximately RM1.94 million; and
  - (iii) the real property gains tax of RM5.21 million.
- (2) The audited PAT of Ultimate Forte is computed based on an annualised basis from the audited financial statements of Ultimate Forte for the 15-month FPE 31 March 2021.
- (3) Assuming 101,457,300 Bonus Shares are issued together with 152,185,950 Bonus Warrants.
- (4) Assuming 101,457,300 Rights Shares are issued at the indicative issue price of RM0.30 per Rights Share and deducting the estimated expenses in relation to the Corporate Exercises of RM5.50 million.
- (5) Assuming 18,867,700 Consideration Shares are issued at the issue price of RM0.60 per Consideration Share pursuant to the Acquisition of Hospital.
- (6) Assuming full exercise of Bonus Warrants, 152,185,950 new Shares are issued at the exercise price of RM0.66 pursuant to the Bonus Issue of Shares and Warrants based on our Company's announcement dated 18 June 2021.

**8.3 Convertible securities**

As at the LPD, there are no convertible securities issued by our Company which remain unexercised or unconverted.

#### 8.4 NA and gearing

Based on the latest unaudited consolidated statements of financial position of our Company as at 30 September 2021, the pro forma effects of the Corporate Exercises on the NA and gearing of our Company are as follows:-

	Unaudited as at 30 September 2021 RM'000	(I) After the Property Disposal RM'000	(II) After (I) and the Special Dividend RM'000	(III) After (II) and the Bonus Issue of Shares and Warrants RM'000	(IV) After (III) and Rights Issue of Shares RM'000	(V) After (IV) and Acquisition of Hospital <sup>(8)</sup> RM'000	(VI) After (V) and assuming full exercise of Bonus Warrants RM'000
Share capital	94,777	94,777	94,777	94,777	125,214 <sup>(7)</sup>	136,535 <sup>(9)</sup>	236,978 <sup>(11)</sup>
Other reserves	(38)	(38)	(38)	(38)	(38)	(38)	(38)
Retained earnings / (Accumulated losses)	(51,818)	13,909 <sup>(3)</sup>	(16,528) <sup>(5)</sup>	(16,528)	(22,028) <sup>(7)</sup>	(22,028) <sup>(10)</sup>	(22,028)
Equity attributable to owners of our Company / NA	<b>42,921</b>	<b>108,648</b>	<b>78,211</b>	<b>78,211</b>	<b>103,148</b>	<b>114,469</b>	<b>214,912</b>
Non-controlling interests	(271)	(271)	(271)	(271)	(271)	(271)	(271)
<b>Total equity</b>	<b>42,650</b>	<b>108,377</b>	<b>77,940</b>	<b>77,940</b>	<b>102,877</b>	<b>114,198</b>	<b>214,641</b>
No. of Jentayu Sustainables Shares in issue ('000) <sup>(1)</sup>	101,457	101,457	101,457	202,915 <sup>(6)</sup>	304,371 <sup>(7)</sup>	323,239 <sup>(9)</sup>	475,425 <sup>(11)</sup>
NA per Jentayu Sustainables Share (RM'000)	0.42	1.07	0.77	0.39	0.34	0.35	0.45
Total borrowings (RM)	54,821	29,821 <sup>(4)</sup>	29,821	29,821	20,884	21,068	21,068
Gearing (times) <sup>(2)</sup>	1.28	0.27	0.38	0.38	0.20	0.18	0.10

**Notes:-**

- (1) Calculated based on NA over number of Jentayu Sustainables Shares in issue.
- (2) Calculated based on total borrowings over NA.
- (3) After taking into consideration the expected gain arising from the Property Disposal of RM65.73 million and deducting the estimated expenses in relation to the Property Disposal of RM7.15 million.
- (4) Our Company intends to utilise RM25.00 million from the proceeds arising from the Property Disposal for the repayment of bank borrowings.
- (5) After taking into account the expected distribution of approximately RM30.44 million pursuant to the Special Dividend.
- (6) Assuming 101,457,300 Bonus Shares are issued together with 152,185,950 Bonus Warrants.
- (7) Assuming 101,457,300 Rights Shares are issued at the indicative issue price of RM0.30 per Rights Share and deducting the estimated expenses in relation to the Corporate Exercises, Proposed Acquisition of Solar Asset and Proposed Acquisition of Hydro Asset of RM5.50 million.
- (8) After taking into account the effects of the consolidation of the audited figures of Ultimate Forte based on the audited financial statements for the 15-month FPE 31 March 2021 pursuant to the Acquisition of Hospital.
- (9) Assuming 18,867,700 Consideration Shares are issued at the issue price of RM0.60 per Consideration Share pursuant to the Acquisition of Hospital.
- (10) After taking into consideration of the goodwill arising from the Acquisition of Hospital amounting to RM15.87 million.
- (11) Assuming full exercise of Bonus Warrants, 152,185,950 new Shares are issued at the exercise price of RM0.66 pursuant to the Bonus Issue of Shares and Warrants based on our Company's announcement dated 18 June 2021.

### 8.5 Substantial shareholders' shareholding

The pro forma effects of the Corporate Exercises on the shareholdings of the substantial shareholders of our Company are set out below:-

Substantial shareholders	As at the LPD				(I) After the Bonus Issue of Shares and Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Datin Nurhaida Binti Abu Sahid	21,176,300	20.87	-	-	42,352,600	20.87	-	-
Datuk Beroz Nikmal Bin Mirdin	6,461,900	6.37	21,176,300 <sup>(1)</sup>	20.87	12,923,800	6.37	42,352,600 <sup>(1)</sup>	20.87
Substantial shareholders	(II) After (I) and the Rights Issue of Shares				(III) After (II) and the Acquisition of Hospital			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Datin Nurhaida Binti Abu Sahid	63,528,900	20.87	-	-	63,528,900	19.65	-	-
Datuk Beroz Nikmal Bin Mirdin	19,385,700	6.37	63,528,900 <sup>(1)</sup>	20.87	19,385,700	6.00	63,528,900 <sup>(1)</sup>	19.65
Substantial shareholders	(IV) After (III) and assuming full exercise of Bonus Warrants							
	Direct		Indirect					
	No. of Shares	%	No. of Shares	%				
Datin Nurhaida Binti Abu Sahid	95,293,350	20.04	-	-				
Datuk Beroz Nikmal Bin Mirdin	29,078,550	6.12	95,293,350 <sup>(1)</sup>	20.04				

**Note:-**

(1) Deemed interested by virtue of his spouse's shareholding in our Company as disclosed pursuant to Section 219 of the Act.

For illustrative purposes, assuming that none of our Entitled Shareholders subscribe for their respective entitlements pursuant to the Rights Issue of Shares and in view that the Rights Issue of Shares will be undertaken on a full subscription basis and is structured based on the Underwriting Agreement, the pro forma effects of the Corporate Exercises on the shareholdings of the substantial shareholders of our Company are set out below:-

Substantial shareholders	As at the LPD			(I) After the Bonus Issue of Shares and Warrants		
	Direct		Indirect	Direct		Indirect
	No. of Shares	%	No. of Shares	No. of Shares	%	No. of Shares
Datin Nurhaida Binti Abu Sahid	21,176,300	20.87	-	42,352,600	20.87	-
Datuk Beroz Nikmal Bin Mirdin Joint Underwriters	6,461,900	6.37	21,176,300 <sup>(1)</sup>	12,923,800	6.37	42,352,600 <sup>(1)</sup>
	-	-	-	-	-	-

Substantial shareholders	(II) After (I) and the Rights Issue of Shares			(III) After (II) and the Acquisition of Hospital		
	Direct		Indirect	Direct		Indirect
	No. of Shares	%	No. of Shares	No. of Shares	%	No. of Shares
Datin Nurhaida Binti Abu Sahid	42,352,600	13.91	-	42,352,600	13.10	-
Datuk Beroz Nikmal Bin Mirdin	12,923,800	4.25	42,352,600 <sup>(1)</sup>	12,923,800	4.00	42,352,600 <sup>(1)</sup>
Joint Underwriters	101,457,300 <sup>(2)</sup>	33.33	-	101,457,300 <sup>(2)</sup>	31.39	-

Substantial shareholders	(IV) After (III) and assuming full exercise of Bonus Warrants		
	Direct		Indirect
	No. of Shares	%	No. of Shares
Datin Nurhaida Binti Abu Sahid	74,117,050	15.59	-
Datuk Beroz Nikmal Bin Mirdin	22,616,650	4.76	74,117,050 <sup>(1)</sup>
Joint Underwriters	101,457,300 <sup>(2)</sup>	21.34	-

**Notes:-**

- (1) Deemed interested by virtue of his spouse's shareholding in our Company as disclosed pursuant to Section 219 of the Act.
- (2) For information, the Joint Underwriters shall not hold Jentayu Sustainable Shares arising from the Underwriting for more than 12 months from the date of acquisition of Jentayu Sustainable Shares.

## 9. WORKING CAPITAL AND SOURCES OF LIQUIDITY, BORROWINGS, CONTINGENT LIABILITIES, MATERIAL COMMITMENTS AND MATERIAL TRANSACTIONS

### 9.1 Working capital and sources of liquidity

Jentayu Sustainables Group's working capital requirements is funded by a combination of internal and external sources of funds. Our Group's internal sources of funds comprise of cash generated from its operating activities as well as its cash and bank balances. As at the LPD, its cash and bank balances amounted to RM2.05 million. Its external source of funds is derived from credit facilities from licensed financial institutions.

Apart from the sources of liquidity described above, our Group does not have access to other material unused sources of liquidity as at the LPD.

Our Board confirmed that, after taking into consideration the funds generated from our Group's operations, existing cash and bank balances and the banking facilities available to our Group as well as the proceeds to be raised from the Corporate Exercises, our Group has sufficient working capital for a period of 12 months from the date of this Abridged Prospectus.

### 9.2 Borrowings

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

<b>Borrowings</b>	<b>Amount RM'million</b>
<b>Long term borrowings:-</b>	
Term loans <sup>(1)</sup>	26.22
<b>Short term borrowings:-</b>	
Overdraft	6.78
<b>Total borrowings</b>	<b>33.00</b>

#### Note:-

(1) Our term loans were taken to restructure our Group's trade bills and overdraft facilities.

During the FYE 30 June 2021 and the subsequent financial period up to the LPD, our Group did not default on payments of either interest or principal sums for any of its borrowings.

### 9.3 Contingent liabilities

As at the LPD, our Board is not aware of any contingent liabilities, incurred or known to be incurred by Jentayu Sustainables Group, which upon becoming enforceable may have a material effect on the profits or NA of our Group.

### 9.4 Material commitments

Save as disclosed below, our Board is not aware of any material commitments incurred or known to be incurred by our Group which may have a material effect on our Group's financial results or financial position as at the LPD:-

	<b>Capital commitment RM'million</b>
Acquisition of Hospital	6.68
Proposed Acquisition of Solar Asset	-
Proposed Acquisition of Hydro Asset	14.50 <sup>(1)</sup>
Oriole Hydro Maligan SHA	0.04
Oriole Hydro Padas SHA	0.04
<b>Total</b>	<b>21.26</b>

**Note:-**

- (1) Out of the total cash portion of the purchase consideration for the Proposed Acquisition of Hydro Asset of RM16.00 million, RM1.50 million has been paid to the vendor, namely Kasa Tuah, as a refundable cash deposit on 23 September 2021 pursuant to the Hydro SSA 1.

**9.5 Material transactions**

Save as disclosed below, there are no other material transactions that may have a material effect on our Group's operations, financial position and results since our Group's most recent announced unaudited consolidated financial statements for the FPE 30 September 2021:-

- (i) Corporate Exercises;
- (ii) Proposed Acquisition of Solar Asset;
- (iii) Proposed Acquisition of Hydro Asset;
- (iv) Oriole Hydro Maligan SHA;
- (v) Oriole Hydro Padas SHA; and
- (vi) the unconditional mandatory take-over offer by Jentayu Capital Sdn Bhd (being the offeror) together with its persons acting in concert to acquire the remaining Jentayu Sustainables Shares not owned by them, of our Company, in accordance with Section 218(2) of the CMSA and Paragraph 4.01(a) of the Rules on Take-Overs, Mergers and Compulsory Acquisitions.

Further, our Group will continue to make efforts to improve our financial performance and strengthen our financial position by exploring monetisation of our various non-core assets, i.e. investment properties comprising freehold and leasehold land and buildings, which are not used by our Group for our core business operations.

**10. INSTRUCTIONS FOR ACCEPTANCE, PAYMENT, SALE OR TRANSFER AND EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS ISSUE OF SHARES**

Full instructions for the acceptance of and payment for the Provisional Allotments as well as Excess Rights Shares applications and the procedures to be followed should you and/or your transferee(s) and/or your renounee(s) (if applicable) wish to sell or transfer all or any part of your/his rights entitlement are set out in this Abridged Prospectus and the RSF. You and/or your transferee(s) and/or your renounee(s) (if applicable) are advised to read this Abridged Prospectus, the RSF and the notes and instructions printed therein carefully. In accordance with Section 232(2) of the CMSA, the RSF must not be circulated unless accompanied by this Abridged Prospectus.



**Acceptance of and/or payment for the Provisional Allotments which do not conform strictly to the terms of this Abridged Prospectus, the RSF or the notes and instructions printed therein or which are illegible may be rejected at the absolute discretion of our Board.**

### **10.1 General**

As an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Allotments that you are entitled to subscribe for in full or in part under the terms and conditions of the Rights Issue of Shares. You will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such Provisional Allotments into your CDS Account and the RSF to enable you to subscribe for such Rights Shares that you have been provisionally allotted as well as to apply for Excess Rights Shares if you choose to do so.

If you are an authorised nominee who has subscribed for NRS with Bursa Depository, an electronic copy of this Abridged Prospectus and the Rights Shares Entitlement File will be transmitted to you electronically by Bursa Depository through its existing network facility with the authorised nominees. Please refer to Sections 10.5.3 and 10.8.3 of this Abridged Prospectus for the procedures for acceptance as well as to apply for Rights Shares, if you choose to do so.

This Abridged Prospectus and the RSF are also available at the registered office of our Company, our Share Registrar or on Bursa Securities' website (<https://www.bursamalaysia.com>).

### **10.2 NPA**

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

### **10.3 Last date and time for acceptance and payment**

The last date and time for acceptance and payment for the Rights Shares and the Excess Rights Shares application is **Thursday, 17 February 2022 at 5.00 p.m.**

### **10.4 Methods of acceptance and application**

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

<b>Method</b>	<b>Category of Entitled Shareholders</b>
RSF	All Entitled Shareholders
Electronic Application	All Entitled Shareholders
Bursa Anywhere	All Entitled Shareholders who have registered for Bursa Anywhere
NRS	Authorised nominee who has subscribed for NRS

#### **Notes:-**

- (1) The following surcharge per Electronic Application via ATM will be charged by the Participating Financial Institution:-

- Public Bank Berhad – RM4.00; and
- Affin Bank Berhad – RM4.00

The following processing fee per Electronic Application via internet financial services website will be charged by the respective Participating Financial Institution:-

- Public Bank Berhad (<http://www.pbebank.com>) – RM4.00; and
  - Affin Bank Berhad (<https://www.affinbank.com.my>) – RM4.00.
- (2) A processing fee of RM2.00 per Electronic Application via Bursa Anywhere will be charged.

## 10.5 Procedures for full acceptance and payment

### 10.5.1 By way of RSF

Acceptance and payment for the Provisional Allotment to you as an Entitled Shareholder and/or your transferees and/or your renounees / transferees (if applicable) must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF. Acceptances which do not conform to the terms of this Abridged Prospectus, NPA or RSF or the notes and instructions contained in these documents or which are illegible may not be accepted at the absolute discretion of our Board.

**FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL ALLOTMENTS, EXCESS RIGHTS SHARES APPLICATIONS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU AND/OR YOUR RENOUNCEES / TRANSFEREES (IF APPLICABLE) WISH TO SELL / TRANSFER ALL OR ANY PART OF YOUR / THEIR ENTITLEMENTS, ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF.**

**YOU AND/OR YOUR RENOUNCEES AND/OR TRANSFEREES (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS THEREIN CAREFULLY.**

If you and/or your renounees and/or transferees (if applicable) wish to accept all or part of your entitlement to the Provisional Allotments, please complete Part I(A) and Part II of the RSF in accordance with the notes and instructions provided therein. Each completed and signed RSF together with the relevant payment must be despatched by **ORDINARY POST, COURIER** or **DELIVERED BY HAND** using the envelope provided (at your own risk) to our Share Registrar at the following address:-

**Boardroom Share Registrars Sdn Bhd**

11<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel No. : (03) 7890 4700 (Helpdesk)  
Fax No.: (03) 7890 4670

so as to arrive not later than **Thursday, 17 February 2022 at 5.00 p.m.**, being the last time and date for acceptance and payment, or such extended time and date as may be determined and announced by our Board.

1 RSF can only be used for acceptance of Provisional Allotments standing to the credit of 1 CDS Account. Separate RSFs must be used for the acceptance of Provisional Allotments standing to the credit of more than 1 CDS Account. If successful, the Rights Shares subscribed by you and/or your renounees and/or transferees (if applicable) will be credited into the respective CDS Accounts where the Provisional Allotments are standing to the credit.

A reply envelope is enclosed with this Abridged Prospectus. To facilitate the processing of the RSF by our Share Registrar, you are advised to use 1 reply envelope for each completed RSF.

You and/or your renounees / transferees (if applicable) should take note that a trading board lot for the Rights Shares will comprise 100 Rights Shares. The minimum number of securities that can be subscribed for or accepted is 1 Rights Share. Fractional entitlements arising from the Rights Issue of Shares will be disregarded and the aggregate of such fractions shall be dealt with as our Board may at its absolute discretion deem fit and expedient and in the best interest of our Company. Proof of time of postage shall not constitute proof of time of receipt by our Share Registrar.

If acceptance and payment for the Rights Shares provisionally allotted to you and/or your renounees and/or transferees (if applicable) is not received by our Share Registrar by **Thursday, 17 February 2022 at 5.00 p.m.**, being the last date and time for acceptance and payment, or such extended date and time as may be determined and announced by our Board at their discretion, you and/or your renounees and/or transferees (if applicable) will be deemed to have declined the Provisional Allotments made to you and/or your renounees and/or transferees (if applicable) and it will be cancelled. Such Rights Shares not taken up will be allotted to the applicants applying for Excess Rights Shares.

Our Board reserves the right not to accept or to accept in part only any application without providing any reasons. You and/or your renounees and/or transferees (if applicable) who lose, misplace or for any other reasons require another copy of the RSF may obtain additional copies from your stockbrokers, Bursa Securities' website (<https://www.bursamalaysia.com>), our Share Registrar at the address stated above or at our Company's registered office.

**EACH COMPLETED RSF MUST BE ACCOMPANIED BY REMITTANCE IN RM FOR THE FULL AMOUNT IN THE FORM OF BANKER'S DRAFT(S), CASHIER'S ORDER(S), MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY" AND MADE PAYABLE TO "JENTAYU SUSTAINABLES RIGHTS ACC" AND ENDORSED ON THE REVERSE SIDE WITH THE NAME, ADDRESS AND CDS ACCOUNT NUMBER OF THE APPLICANT IN BLOCK LETTERS TO BE RECEIVED BY OUR SHARE REGISTRAR BY THURSDAY, 17 FEBRUARY 2022 AT 5.00 P.M..**

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

**NO ACKNOWLEDGEMENT WILL BE ISSUED FOR THE RECEIPT OF THE RSF OR APPLICATION MONIES IN RESPECT OF THE RIGHTS ISSUE OF SHARES. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE ISSUED AND DESPATCHED BY ORDINARY POST TO YOU AND/OR YOUR RENOUNEES AND/OR TRANSFEREES (IF APPLICABLE) AT YOUR OWN RISK TO THE**

**ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN 8 MARKET DAYS FROM THE CLOSING DATE.**

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

**WHERE AN APPLICATION IS NOT ACCEPTED OR ACCEPTED ONLY IN PART, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE DESPATCHED TO YOU WITHIN 15 MARKET DAYS FROM THE CLOSING DATE BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK.**

**ALL RIGHTS SHARES TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE OF SHARES WILL BE ALLOTTED BY WAY OF CREDITING THE RIGHTS SHARES INTO THE CDS ACCOUNTS OF THE ENTITLED SHAREHOLDERS AND/OR THEIR RENOUNCEES AND/OR TRANSFEREES (IF APPLICABLE). NO PHYSICAL SHARE CERTIFICATE WILL BE ISSUED.**

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

#### **10.5.2 By way of Electronic Application**

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

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

The procedures for Electronic Applications at the ATMs and internet financial services website of the Participating Financial Institutions are set out on the ATM screens and internet financial services website of the relevant Participating Financial Institutions. For illustration purposes, the procedures for Electronic Applications are set out below. Please read carefully the terms of this Abridged Prospectus, the steps and the terms and conditions of the Electronic Application set out in Section 10.5.2(ii) of this Abridged Prospectus before making an Electronic Application.

You must have an account with a Participating Financial Institution and an ATM card issued by a Participating Financial Institution or with access to internet financial services with Public Bank Berhad at <http://www.pbefbank.com> or Affin Bank Berhad at <https://www.affinbank.com.my>.

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

You shall apply for the Rights Issue of Shares via the ATM or internet financial services website of the Participating Financial Institutions by choosing the Electronic Application option. Mandatory statements required in the application are as set out in Section 10.5.2(ii) of this Abridged Prospectus "**Terms and conditions of Electronic Applications**".

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

For application via internet financial services website, a message from the Participating Financial Institution pertaining to the payment status will appear on the screen of the website through which the online payment for the Rights Shares is being made. Subsequently, the Participating Financial Institutions shall confirm that the said application has been completed, via the confirmation screen in respect of your application ("**Confirmation Screen**") on their website. You are advised to print out the Confirmation Screen for your reference and record.

**YOU MUST ENSURE THAT YOU USE THE NUMBER OF THE CDS ACCOUNT HELD IN YOUR NAME WHEN MAKING AN ELECTRONIC APPLICATION. IF YOU OPERATE A JOINT BANK ACCOUNT WITH ANY OF THE PARTICIPATING FINANCIAL INSTITUTIONS, YOU MUST ENSURE THAT YOU ENTER THE NUMBER OF THE CDS ACCOUNT HELD IN YOUR NAME WHEN USING AN ATM CARD ISSUED TO YOU IN YOUR NAME. YOUR APPLICATION WILL BE REJECTED IF YOU FAIL TO COMPLY WITH THE FOREGOING.**

**i. Participating Financial Institutions**

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

- Public Bank Berhad
- Affin Bank Berhad

**ii. Terms and conditions of Electronic Applications**

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

- (a) You are required to confirm the following statements and undertake that the following information given are true and correct:-
- (aa) You have attained 18 years of age as at the Closing Date;
  - (bb) You have read the Abridged Prospectus and understood and agreed with the terms and conditions of the application; and

- (cc) You give consent to our Company, Bursa Depository, our Share Registrar, the relevant Participating Financial Institutions, their respective agents and any third party involved in facilitating the application / refund, to disclose information pertaining to yourself and your account with the Participating Financial Institutions and Bursa Depository to the relevant authorities and any person as may be necessary or expedient to facilitate the making of the application / refund.

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

- (b) You confirm that you are not applying for the Provisional Allotments as a nominee of any other person and that any Electronic Application that you make is made by you as the beneficial owner.
- (c) You must have sufficient funds in your account with the relevant Participating Financial Institutions at the time you make your Electronic Application, failing which your Electronic Application will not be completed. Any Electronic Application, which does not strictly conform to the instructions set out on the ATM or screen of financial services websites of the Participating Financial Institutions through which the Electronic Application is being made, will be rejected.
- (d) You agree and undertake to subscribe for or purchase and to accept the number of Rights Shares applied for as stated on the Transaction Record in respect of your Electronic Application. Your confirmation (by your action of pressing the pre-designated keys (or buttons)) of the number of Rights Shares applied for shall signify, and shall be treated as, your acceptance of the number of Rights Shares that may be allotted to you.

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

- (e) By making and completing your Electronic Application, you, if successful, request and authorise our Company to credit the Rights Shares allotted to you into your CDS Account.

(f) You acknowledge that your Electronic Application is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of our Company, our Share Registrar, the Participating Financial Institutions or Bursa Depository and you irrevocably agree that if:-

(aa) Our Company, our Share Registrar or Bursa Depository does not receive your Electronic Application; or

(bb) Data relating to your Electronic Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company, our Share Registrar or Bursa Depository,

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

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

(h) You shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institutions are correct and identical. Otherwise, your Electronic Application will be rejected. You must inform Bursa Depository promptly of any change in address failing which the notification letter of successful allocation will be sent to your correspondence address last maintained with Bursa Depository.

(i) By making and completing an Electronic Application, you agree that:-

(aa) In consideration of our Company agreeing to allow and accept your application for the Rights Shares via the Electronic Application facility established by the Participating Financial Institutions at their respective ATMs and financial services websites, your Electronic Application is irrevocable and cannot be subsequently withdrawn;

(bb) Our Company, the Participating Financial Institutions, Bursa Depository and our Share Registrar shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Application due to a breakdown or failure of transmission or communication facilities or any cause beyond our Company's control;



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

The refund will be credited directly into your bank account from which your Electronic Application was made. Kindly take note of the terms and conditions as stated in Section 10.5.2(ii) of this Abridged Prospectus and the required consent in making your Electronic Application.

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

### **10.5.3 By way of Bursa Anywhere**

Only Entitled Shareholders who had registered for Bursa Anywhere and subscribed for eDividend service could apply for the Rights Shares by way of Bursa Anywhere mobile application.

Please read carefully and follow the terms of this Abridged Prospectus, the procedures, notices, terms and conditions for Bursa Anywhere application before making an application.

The procedures for submitting an application at Bursa Anywhere are set out on the Bursa Anywhere mobile application screens. Please read carefully the terms of this Abridged Prospectus, the steps and the terms and conditions as set out in Section 10.5.3(ii) of this Abridged Prospectus before making an application:-

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

Upon the completion of your application transaction via Bursa Anywhere, you will receive a receive a push notification from Bursa Anywhere and a message in your Bursa Anywhere account inbox on the request of your Rights Shares subscription. The notification message is only a record of the completed transaction at the Bursa Anywhere.

**(i) Procedures for submitting an application through Bursa Anywhere**

- (a) Launch the Bursa Anywhere application on your handphone and login using your username and password.
- (b) Upon a successful login, choose the “My Services” at the bottom of the screen and then select “eRights”.
- (c) Next, select “Submit Application”, and you will see a screen that informs you to agree with the “Terms & Conditions and Notices” that governs your Rights Shares application via Bursa Anywhere.
- (d) Click on the hyperlink of “Terms & Conditions and Notices”. You must read and understand the “Terms & Conditions and Notices” before you click “Agree” to proceed to the next page.
- (e) Click “Agree” to proceed to a landing page for you to select the Rights Shares that you would like to subscribe to.
- (f) Select the Rights Shares that you want to apply.
- (g) You may click on the hyperlink of the “Prospectus” to view the content of the related abridged prospectus.
- (h) You are also required to click on the hyperlink to the “Declaration”. Read and understand the clauses of the “Declarations”.
- (i) Upon the completion of the above, at the bottom of the Rights Issue of Shares detail page you are required to swipe the toggle to the right to indicate that you have read and understood the Abridged Prospectus as well as accepted and made the declarations stated in the “Declaration”.
- (j) Next, select the CDS account for your Rights Shares subscription and click “NEXT”.

- (k) You will come to a page for you to fill up for entitled and excess Rights Shares subscription. You have the options to select either "Entitled only", "Excess only" and "Entitled & Excess" for your Rights Shares subscription.
- (l) Select the subscription type, enter the number of units that you would like to subscribe. Click "NEXT" once you complete the required information.
- (m) You will come to a "Preview" page, where it displays the following information of your subscription:-
- units and Ringgit amount of your Rights Shares subscriptions
  - subscription fee (charged by Bursa Securities)
  - Tax, if applicable
  - Stamp duty, if applicable
- (n) Check the summary information on the "Preview" page. Click "CONFIRM" at the bottom of the same page, if the information is correct.
- (o) Next, you will receive a six-digit "SMS" transaction verification code (TAC) via your mobile phone (the mobile number that you registered with Bursa Anywhere).
- (p) You are required to key-in and submit the verification code.
- (q) Upon successful validation of the verification code, you will be led to the payment gateway for payment.
- (r) You are required to select the bank for your Rights Shares subscription payment. **(IMPORTANT NOTE: You are required to use the bank account that you have registered for Bursa Depository's eDividend service. Your subscription will be rejected if another bank account is used for payment. You will be notified if your subscription is rejected. Your subscription monies will be refunded within 3 Market Days, to the subscription bank account that you have just subscribed.)**
- (s) You will be brought to your selected bank login page for payment.
- (t) Once payment is made successfully via your selected bank, you will be brought to the "Thank You" page, which displays your bank transaction details.
- (u) Click "DONE" at the bottom, you will be led back to the "My Service" landing page.
- (v) You will receive a push notification message in your Bursa Anywhere account inbox.
- (w) You can made multiple applications during the subscription period subject to the maximum quantity that you are entitled.

**(ii) Terms and conditions of applications via Bursa Anywhere**

- (a) The electronic copy of the Abridged Prospectus is available at the “Prospectus” landing page of “Corporate Announcement” at Bursa Securities’ website and can be accessed via the hyperlink in the Bursa Anywhere. You have read the Abridged Prospectus prior to making an investment decision and should make the investment decision based on the Abridged Prospectus rather than on advertising or promotional materials. The securities offered are offered by the issuer solely on the basis of the information contained in the Abridged Prospectus.
- (b) Our Company has appointed Bursa Depository to provide eRights services via the Bursa Anywhere. Bursa Depository is not responsible for, has not authorised and shall not be deemed to have authorised the contents of the electronic copy of the Abridged Prospectus and therefore, shall not have any liability in respect of the electronic copy of the Abridged Prospectus or the application submitted by way of Bursa Anywhere.
- (c) The physical printed copy of the Abridged Prospectus is available upon request from our Company at the location specified in the Abridged Prospectus during the offer period.
- (d) You may also obtain a physical printed copy of the Abridged Prospectus from the participating organisation(s) set out in this Abridged Prospectus.
- (e) Payment of subscription to the Rights Shares via Bursa Anywhere is required to be made from your eDividend bank account. Failing which, the request of the eRights application will be rejected.
- (f) By submitting an eRights application from Bursa Anywhere, the you confirm that:-
- You have read and understood the contents of the Abridged Prospectus;
  - You have read and agreed to be bound by these terms and conditions and notices for application of Rights Shares and the terms and conditions of the Bursa Anywhere;
  - You are eligible to apply for the Rights Shares in Malaysia or in jurisdictions where the Rights Shares are intended to be available;
  - You irrevocably consent to the receipt of any cash payment or refund in relation to the eRights application to be made via direct credit into the eDividend bank account; and
  - You agree to give irrevocable consent to Bursa Depository to disclose your information, including bank account information, which are necessary or expedient to the relevant entities involved in the application process and to the relevant entities involved in facilitating the payment of any cash payments or refunds via direct credit into e-Dividend bank account in relation to the application.
- (g) Applications shall close at the Closing Date or such extended time and date as may be determined and announced by our Board.

- (h) An application is deemed to be received by Bursa Anywhere only upon its completion, that is, when you have:-
- successfully made full subscription payment via the payment gateway; and
  - received an email indicating that the application has been submitted to our Company and/or our Share Registrar.
- (i) You are advised to print out and retain a copy of the Transaction Records for record purposes. The Transaction Records are only a record of the completed transactions received at the Bursa Anywhere and not a record of the receipt of the application or any data relating to such an application by our Company or our Share Registrar. No application or monies can be accepted electronically in respect of the securities offered once the offer closes on the Closing Date.
- (j) Upon your receipt of the Transaction Record, cancellation of the application will not be allowed.
- (k) Bursa Depository shall not be liable for any applications made through any alternative methods of application.
- (l) If Bursa Depository has any reason to believe that the electronic copy of the Abridged Prospectus or processes for collection and handling of applications via the Bursa Anywhere have been tampered with, Bursa Depository may reject the application and Bursa Depository shall not be liable for such rejection.
- (m) No securities will be allotted or issued on the basis of the Abridged Prospectus after the Closing Date. Bursa Depository, Bursa Securities and Bursa Malaysia Berhad do not guarantee any allotment of securities as a result of the application via the Bursa Anywhere and are not responsible for any non- allotment of the Rights Shares or part thereof by our Company pursuant to the application via the Bursa Anywhere.
- (n) Any request for any refunds related to the allotment of the Rights Shares must be referred to our Company.
- (o) No refund of any subscription fee charged by Bursa Depository and applicable tax (if any), will be made to you if your subscription is rejected by our Share Registrar.
- (p) The electronic copy of the Abridged Prospectus made available on the Bursa Securities' website after the Closing Date as described in the terms and conditions is made available solely for informational and archiving purposes.

(q) Risk of submitting the applications from Bursa Anywhere:-

- (aa) By submitting an application via Bursa Anywhere, you agree to assume the risks associated with conducting transactions online, including risks of electrical, electronic, technical and mobile-related faults and breakdowns, faults with mobile applications, problems occurring during data transmission, mobile security threats such as viruses, hackers and crackers, fires, acts of god and other events beyond the control of Bursa Depository, and/or our Company. You acknowledge that the aforementioned events may result in (i) interruption, transmission blackout or delayed transmission; and/or (ii) incorrect data transmission due to the public nature of the Internet and agrees to bear such risks.

The applicant agrees that neither Bursa Depository, Bursa Securities, Bursa Malaysia Berhad, the issuer nor our Share Registrar shall be liable for any delay, failure or inaccuracy in the recording, storage or transmission or delivery of data, breakdown or failure in communication facilities or due to any cause beyond their control.

- (bb) If, Bursa Depository, the issuer and/or our Share Registrar does not receive your application and/or the relevant payment, or in the event that any data relating to the application is lost, corrupted, destroyed or otherwise not accessible, whether wholly or partially and for any reason whatsoever, you shall be deemed not to have made an application. In such an event, you shall have no claim whatsoever against Bursa Depository and/or Bursa Securities and/or Bursa Malaysia Berhad and/or our Company and/or our Share Registrar, in relation to the purported application.
- (r) Instead of submitting an application via Bursa Anywhere, you may alternatively submit applications through the existing manual paper-based application method as well as other means of application specified in this Abridged Prospectus, such as via ATM or internet facilities of financial institutions offering such services within Malaysia and such other methods as may from time to time be permitted by the SC.
- (s) In the event a supplementary Abridged Prospectus is issued, you are entitled to revise or withdraw your application by contacting our Share Registrar directly. Bursa Depository or Bursa Anywhere will not be able to facilitate any revision or withdrawal of the application in such circumstances.
- (t) Bursa Depository is committed to protecting the security of the applicant's personal information. It uses a variety of security technologies and procedures, to help protect the confidentiality and security of an applicant's personal information provided through the Bursa Anywhere, from unauthorised access, use, or disclosure. In addition, Bursa Depository has put in place appropriate measures to minimise the risks of unauthorised access and to maintain the security of the information it collects through Bursa Anywhere.

#### 10.5.4 By way of NRS

Our Company has appointed Bursa Depository to provide NRS to the shareholders who are authorised nominees. Only the Entitled Shareholders who are authorised nominees and who have subscribed for NRS with Bursa Depository may apply via NRS.

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

##### Steps for applications via NRS

- (a) If you are an Entitled Shareholder, and who is an authorised nominee who has subscribed for NRS with Bursa Depository, you will not be receiving this Abridged Prospectus, the RSF nor the NPA by post.
- (b) Instead, this Abridged Prospectus and the Rights Shares Entitlement File will be transmitted electronically to you by Bursa Depository through Bursa Depository's existing network facility with the authorised nominees in the manner as set out in Bursa Depository's user guide for NRS, on the next business day after the Entitlement Date.
- (c) A notification of the delivery of the Abridged Prospectus and the Rights Shares Entitlement File will also be sent to you via email using the details you have provided to Bursa Depository when you subscribed for NRS with Bursa Depository.
- (d) You are advised to read carefully, understand and follow the terms of this Abridged Prospectus, **BEFORE** making the application.
- (e) You may accept, on behalf of your client, partially or fully, their respective allocation under the Rights Issue of Shares.
- (f) To apply for the Rights Shares, you will be required to submit your subscription information via Rights Shares Subscription File which is to be prepared based on the format as set out in Bursa Depository's user guide for NRS.
- (g) Once completed, you will need to submit the Rights Shares Subscription File to Bursa Depository at any time daily before 5.00 p.m., but in any event no later than the Closing Date.
- (h) Together with the Rights Shares Subscription File, you will also need to submit a confirmation to Bursa Depository of the following information:-
  - (aa) Confirmation that you have, prior to making the application via NRS, received and/or had access to the electronic copy of this Abridged Prospectus, the contents of which you have read, understood and agreed; and



(bb) Consent to the disclosure of your information to facilitate electronic refunds where applicable.

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

Bank : **Malayan Banking Berhad**  
Account name : **JENTAYU SUSTAINABLES RIGHTS ACC**  
Bank account no. : **514012449934**

(j) Upon completion of the transfer / payment, you may receive a transaction slip from the transacting financial institution confirming the details of your transfer / payment. The transaction slip is only a record of the completed transaction and not a record of the receipt of the application via NRS or any data relating to such an application by our Company or Bursa Depository. The transaction slip is for your record and is not required to be submitted with your application via NRS.

(k) You will be notified on the outcome of your application for the Rights Shares electronically within the timelines as stated below. No physical notice of allotment will be mailed to you.

(aa) successful application – an electronic notification will be sent to you within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities; or

(bb) unsuccessful / partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the Closing Date.

The refund will be credited directly into your bank account(s) from which payment of your subscription monies were made.

Kindly take note of the terms and conditions as stated in this Abridged Prospectus and the required consent in making the application via NRS.

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

(l) Upon crediting of the Rights Shares allotted to you into your CDS account(s), you will also receive an electronic confirmation of the crediting from Bursa Depository.

- (m) You should note that all applications made for the Rights Shares submitted under NRS will be irrevocable upon submission of the Rights Shares Subscription File to Bursa Depository and cannot be subsequently withdrawn.

**(i) Terms and conditions for applications via NRS**

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

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

- (bb) the data relating to your application via NRS is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company, our Share Registrar or Bursa Depository,

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

- (e) By completing and submitting the Rights Shares Subscription File to Bursa Depository, you agree that:-

- (aa) In consideration of our Company agreeing to allow and accept your application for Rights Shares via the NRS facility established by Bursa Depository, your application via NRS is irrevocable and cannot be subsequently withdrawn;
- (bb) Our Company, the relevant financial institutions, Bursa Depository and our Share Registrar shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your application via NRS due to a breakdown or failure of transmission or communication facilities or to any cause beyond our Company's control;
- (cc) Notwithstanding the receipt of any payment by or on behalf of our Company, the electronic notification of allotment in respect of the Rights Shares issued is the only confirmation for the acceptance of this offer to subscribe for and purchase the said Rights Shares; and
- (dd) You agree that in relation to any legal action, proceedings or dispute arising out of or in relation to with the contract between the parties and/or the application via NRS and/or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.

Our Share Registrar and Bursa Depository, on the authority of our Company, reserves the right to reject applications which do not conform to these instructions.

## **10.6 Procedures for part acceptance**

If you do not wish to accept the Rights Shares provisionally allotted to you in full, you are entitled to accept part of your entitlements that can be subscribed / applied for. The minimum number of Rights Shares that may be subscribed or accepted is 1 Rights Share. Fractions of a Rights Shares arising from the Rights Issue of Shares will be disregarded and the aggregate of such fractions shall be dealt with as our Board may at its absolute discretion deem fit and expedient and in the best interests of our Company. Applicants should take note that a trading board lot comprises 100 Rights Shares.

You must complete both Part I(A) of the RSF by specifying the number of Rights Shares which you are accepting and Part II of the RSF and deliver the completed and signed RSF together with the relevant payment to our Share Registrar in the same manner as set out in Section 10.5 of this Abridged Prospectus.

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

## **10.7 Procedures for sale or transfer of Provisional Allotments**

As the Provisional Allotments are prescribed securities, should you wish to sell or transfer all or part of your entitlement to the Provisional Allotments to 1 or more persons, you may do so through your stockbroker during the period up to the last date and time for sale or transfer of the Provisional Allotments (in accordance with the Rules of Bursa Depository) without first having to request for a split of the Provisional Allotments standing to the credit of your CDS Account. To sell or transfer all or part of your entitlement to the Provisional Allotments, you may sell such entitlement on the open market during the period up to the last date and time for sale or transfer of the Provisional Allotments (in accordance with the Rules of Bursa Depository) or transfer such entitlement to such persons as may be allowed under the Rules of Bursa Depository during period up to the last date and time for transfer of the Provisional Allotments (in accordance with the Rules of Bursa Depository).

**YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF. IN SELLING OR TRANSFERRING ALL OR PART OF YOUR PROVISIONAL ALLOTMENTS, YOU ARE NOT REQUIRED TO DELIVER ANY DOCUMENT TO YOUR STOCKBROKER. YOU ARE HOWEVER ADVISED TO ENSURE THAT YOU HAVE SUFFICIENT NUMBER OF PROVISIONAL ALLOTMENTS STANDING TO THE CREDIT OF YOUR CDS ACCOUNT BEFORE SELLING OR TRANSFERRING.**

If you have sold or transferred only part of the Provisional Allotments, you may still accept the balance of the Provisional Allotments by completing Parts I(A) and II of the RSF and delivering the RSF together with the full amount payable on the balance of the Rights Shares applied for to our Share Registrar. Please refer to Section 10.5 of this Abridged Prospectus for the procedures for acceptance and payment.

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

**10.8 Procedures for the Excess Rights Shares application**

**10.8.1 By way of RSF**

You and/or your renounee(s) and/ or transferee(s) (if applicable) may apply for the Excess Rights Shares in excess of your entitlement by completing Part I(B) of the RSF (in addition to Parts I(A) and II) and forward it (together with a **separate remittance made in RM** for the full amount payable in respect of the Excess Rights Shares applied for) to our Share Registrar **not later than Thursday, 17 February 2022 at 5.00 p.m.**, being the last date and time for application and payment for the Excess Rights Shares.

**PAYMENT FOR THE EXCESS RIGHTS SHARES APPLIED FOR SHOULD BE MADE IN THE SAME MANNER AS DESCRIBED IN SECTION 10.5 OF THIS ABRIDGED PROSPECTUS, AND IN THE FORM OF BANKER'S DRAFT(S) / CASHIER'S ORDER(S) / MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY" AND MADE PAYABLE TO "JENTAYU SUSTAINABLES EXCESS RIGHTS ACC" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME, ADDRESS AND CDS ACCOUNT NUMBER IN BLOCK LETTERS SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR NOT LATER THAN THE LAST DATE AND TIME FOR EXCESS RIGHTS SHARES APPLICATION AND PAYMENT AS SET OUT IN THE COVER PAGE OF THIS ABRIDGED PROSPECTUS. THE PAYMENT MUST BE MADE FOR THE FULL AND EXACT AMOUNT PAYABLE FOR THE EXCESS RIGHTS SHARES APPLIED FOR ANY EXCESS OR INSUFFICIENT REMITTANCES MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD.**

**APART FROM THE ABOVE, EACH COMPLETED RSF MAY ALSO BE ACCOMPANIED BY THE APPROPRIATE REMITTANCE IN RM FOR THE FULL AMOUNT PAYABLE FOR THE EXCESS RIGHTS SHARES APPLIED IN THE FORM OF INTERNAL BANK TRANSFER TO THE FOLLOWING BANK ACCOUNT AND INDICATE THE DETAIL / REFERENCE OF INTERNAL BANK TRANSFER WITH THE LAST 9 DIGITS OF CDS ACCOUNT AND SHAREHOLDER NAME:-**

<b>NAME OF ACCOUNT</b>	<b>JENTAYU SUSTAINABLES EXCESS RIGHTS ACC</b>
<b>NAME OF BANK</b>	Malayan Banking Berhad
<b>BANK ACCOUNT NO.</b>	514012449940

**IF PAYMENT IS TO BE MADE BY WAY OF INTERNAL BANK TRANSFER, EACH COMPLETED RSF MUST BE ACCOMPANIED BY THE RELEVANT BANK-IN SLIP AS A PROOF OF PAYMENT AND MUST BE RECEIVED BY OUR SHARE REGISTRAR BY 5.00 P.M. ON THURSDAY, 17 FEBRUARY 2022.**

**NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR EXCESS RIGHTS SHARES APPLICATION MONIES WILL BE ISSUED BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE EXCESS RIGHTS SHARES. HOWEVER, IF YOUR EXCESS RIGHTS SHARES APPLICATION IS SUCCESSFUL, THE RIGHTS SHARES WILL BE CREDITED INTO YOUR CDS ACCOUNT AND A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED OR ALLOWED BY BURSA SECURITIES.**

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

**WHERE AN APPLICATION FOR THE EXCESS RIGHTS SHARES IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST AND SHALL BE DESPATCHED TO THE APPLICANT BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.**

**10.8.2 By way of Electronic Application**

You and/or your renounee(s) and/or transferee(s) (if applicable) may apply for the Excess Rights Shares in excess of your entitlement via Electronic Application in addition to your Provisional Allotments. If you wish to do so, you may apply for the Excess Rights Shares by following the same steps as set out in Section 10.5.2 of this Abridged Prospectus.

The Electronic Application for Excess Rights Shares will be made on, subject to, the same terms and conditions as set out in Section 10.5.2 of this Abridged Prospectus.

**10.8.3 By way of Bursa Anywhere**

You and/or your renounee(s) and/or transferee(s) (if applicable) may apply for the Excess Rights Shares via Bursa Anywhere in addition to your Provisional Allotments. If you wish to do so, you may apply for the Excess Rights Shares by following the same steps as set out in Section 10.5.3 of this Abridged Prospectus.

The application for Excess Rights Shares via Bursa Anywhere will be made on, subject to, the same terms and conditions as set out in Section 10.5.3 of this Abridged Prospectus.

#### 10.8.4 By way of NRS

You and/or your renounee(s) and/or transferee(s) (if applicable) may apply for the Excess Rights Shares via NRS in addition to your Provisional Allotments. If you wish to do so, you may apply for the Excess Rights Shares by following the same steps as set out in Section 10.5.4 of this Abridged Prospectus save and except for the amount payable to be directed to "**JENTAYU SUSTAINABLES EXCESS RIGHTS ACC**" (**BANK ACCOUNT NO. 514012449940 with Malayan Banking Berhad**) for the Excess Rights Shares applied and also that you should complete the details for the Excess Rights Shares application at the designated fields for excess applications in the Rights Shares Subscription File.

The application for Excess Rights Shares via NRS will be made on, subject to, the same terms and conditions as set out in Section 10.5.4 of this Abridged Prospectus.

Any Rights Shares which are not taken up or not validly taken up by you and/or your renounee(s) and/or transferee(s) (if applicable) shall be made available for Excess Rights Shares. It is the intention of our Board to allot the Excess Rights Shares, if any, in a fair and equitable manner in the following priority:-

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

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

Notwithstanding the foregoing, our Board reserves the right to allot any Excess Rights Shares applied for under Part I(B) of the RSF in such manner as it deems fit and expedient and in the best interests of our Company subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in items (i), (ii), (iii) and (iv) above is achieved. Our Board also reserves the right at its absolute discretion not to accept any application for Excess Rights Shares, in full or in part, without assigning any reason thereof.

**APPLICATIONS ACCOMPANIED BY PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY OR MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD.**



**NO ACKNOWLEDGEMENT WILL BE ISSUED FOR THE RECEIPT OF THE EXCESS RIGHTS SHARES APPLICATION OR APPLICATION MONIES IN RESPECT THEREOF. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN THE RECORD OF DEPOSITORS AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.**

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

**IN RESPECT OF UNSUCCESSFUL OR PARTIALLY SUCCESSFUL EXCESS RIGHTS SHARES APPLICATIONS, THE FULL AMOUNT OR THE SURPLUS APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE MADE BY ISSUANCE OF CHEQUE AND SHALL BE DESPATCHED BY ORDINARY POST TO THE ADDRESS AS SHOWN ON THE RECORD OF DEPOSITORS AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.**

#### **10.9 Procedures to be followed by transferee(s) and/or renounee(s)**

As a transferee and/or renounee, the procedures for acceptance, selling or transferring of Provisional Allotments, applying for the Excess Rights Shares and/or payment are the same as that which are applicable to our Entitled Shareholders as described in Sections 10.3 to 10.8 of this Abridged Prospectus. Please refer to the relevant sections for the procedures to be followed.

If you wish to obtain a copy of this Abridged Prospectus and/or accompanying RSF, you can request the same from the registered office of our Company or Bursa Securities' website (<https://www.bursamalaysia.com>).

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

#### **10.10 CDS Account**

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

Your subscription for the Rights Shares shall signify your consent to receiving such Rights Shares as deposited securities that will be credited directly into your CDS Account. No physical certificates will be issued.

All Excess Rights Shares allotted shall be credited directly into the CDS Accounts of successful applicants. If you have multiple CDS Accounts into which the Provisional Allotments have been credited, you cannot use a single RSF to accept all these Provisional Allotments. Separate RSFs must be used for acceptance of Provisional Allotments credited into separate CDS Accounts. If successful, the Rights Shares that you subscribed for will be credited into the CDS Accounts where the Provisional Allotments are standing to the credit.

#### **10.11 Notice of allotment**

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

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

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

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

#### **10.12 Foreign-Addressed Shareholders**

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

The distribution of this Abridged Prospectus, the NPA and the RSF, as well as the acceptance of the Provisional Allotments and the subscription for or the acquisition of the Rights Shares may be restricted or prohibited (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain countries or jurisdiction under the relevant laws of those countries or jurisdictions.

This Abridged Prospectus, the NPA and the RSF are not intended to be (and will not be) issued, circulated or distributed and the Rights Issue of Shares will not be made or offered or deemed made or offered for acquisition or subscription of any Rights Shares, in any country or jurisdiction other than Malaysia or to persons who are or may be subject to the laws of any country or jurisdiction other than the laws of Malaysia. The Rights Issue of Shares to which this Abridged Prospectus relates is only available to Entitled Shareholders receiving this Abridged Prospectus, the NPA and the RSF electronically or otherwise within Malaysia.

As a result, this Abridged Prospectus, the NPA and the RSF have not been (and will not be) sent to Foreign-Addressed Shareholders. However, Foreign-Addressed Shareholders may collect this Abridged Prospectus, the NPA and the RSF from our Share Registrar, Boardroom Share Registrars Sdn Bhd at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia. Our Share Registrar will be entitled to request evidence from the Foreign-Addressed Shareholders as it deems necessary to satisfy itself as to the identity and authority of the person collecting this Abridged Prospectus, the NPA and the RSF.

Our Company will not make or be bound to make any enquiry as to whether you have a registered address in Malaysia or an address for service in Malaysia if not otherwise stated on the Record of Depositors as at the Entitlement Date and will not accept or be deemed to accept any liability whether or not any enquiry or investigation is made in connection therewith. Our Company will assume that the Rights Issue of Shares and the acceptance thereof by you would be in compliance with the terms and conditions of the Rights Issue of Shares and would not be in breach of the laws of any jurisdiction. Our Company will further assume that you had accepted the Rights Issue of Shares in Malaysia and will at all applicable times be subject to the laws of Malaysia.

A Foreign-Addressed Shareholder and/or his transferee(s) and/or his renounee(s) (if applicable) may only accept or renounce all or any part of his/their entitlements and exercise any other rights in respect of the Rights Issue of Shares only to the extent that it would be lawful to do so, and our Company, our Board and officers, MIDF Investment and/or the advisers named herein ("**Parties**") would not, in connection with the Rights Issue of Shares, be in breach of the laws of any country or jurisdiction to which the Foreign-Addressed Shareholder and/or his transferee(s) and/or his renounee(s) (if applicable) is or might be subject to.

The Foreign-Addressed Shareholder and/or his transferee(s) and/or his renounee(s) (if applicable) shall be solely responsible to seek advice from his/their legal and/or professional advisers as to whether the acceptance or renunciation in any manner whatsoever of his entitlement under the Rights Issue of Shares would result in the contravention of the laws of the countries or jurisdictions to which he/they is/are or might be subject to. The Parties shall not accept any responsibility or liability in the event any acceptance or renunciation made by any Foreign-Addressed Shareholder and/or his transferee(s) and/or his renounee(s) (if applicable) is or shall become unlawful, unenforceable, voidable or void in any such country or jurisdiction. The Foreign-Addressed Shareholder and/or his transferee(s) and/or his renounee(s) (if applicable) will also have no claims whatsoever against the Parties in respect of his/their entitlements or to any net proceeds thereof.

Our Company reserves the right, in its absolute discretion, to treat any acceptances as invalid, if we believe that such acceptance may violate applicable legal or regulatory requirements. The Provisional Allotments relating to any acceptance which is treated as invalid will be included in the pool of Rights Shares available for excess application by other Entitled Shareholders and/or their transferee(s) and/or their renounee(s).

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

- (i) the Parties would not, by acting on the acceptance or renunciation in connection with the Rights Issue of Shares, be in breach of the laws of any jurisdiction to which our Entitled Shareholder and/or his transferee(s) and/or his renounee(s) is or might be subject to;

- (ii) the Foreign-Addressed Shareholder and/or his transferee(s) and/or his renounee(s) has complied with the laws to which the Foreign-Addressed Shareholder and/or his transferee(s) and/or his renounee(s) is or might be subject to in connection with the acceptance or renunciation;
- (iii) the Foreign-Addressed Shareholder and/or his transferee(s) and/or his renounee(s) is not a nominee or agent of a person in respect of whom the Parties would, by acting on the acceptance or renunciation of the Provisional Allotments, be in breach of the laws of any jurisdiction to which that person is or might be subject to;
- (iv) the Foreign-Addressed Shareholder and/or his transferee(s) and/or his renounee(s) is/are aware that the Rights Shares can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged or dealt with in any other way in accordance with all applicable laws in Malaysia;
- (v) the Foreign-Addressed Shareholder and/or his transferee(s) and/or his renounee(s) has/have obtained a copy of this Abridged Prospectus and has/have read and understood the contents of this Abridged Prospectus, has/have had access to such financial and other information and has/have been provided the opportunity to ask such questions to the representatives of the Parties and receive answers thereto as the Foreign-Addressed Shareholder and/or his transferee(s) and/or his renounee(s) deem(s) necessary in connection with the Foreign-Addressed Shareholder and/or his transferee and/or his renounee's decision to subscribe for or purchase the Rights Shares; and
- (vi) the Foreign-Addressed Shareholder and/or his transferee(s) and/or his renounee(s) has/have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights Shares, and is/are and will be able, and is/are prepared to bear the economic and financial risks of investing in and holding the Rights Shares.

**NOTWITHSTANDING ANYTHING HEREIN, THE FOREIGN-ADDRESSED SHAREHOLDERS AND ANY OTHER PERSON HAVING POSSESSION OF THIS ABRIDGED PROSPECTUS AND/OR ITS ACCOMPANYING DOCUMENTS ARE ADVISED TO INFORM THEMSELVES OF AND TO OBSERVE ANY LEGAL REQUIREMENTS APPLICABLE TO THEM. NO PERSON IN ANY TERRITORY OUTSIDE OF MALAYSIA RECEIVING THIS ABRIDGED PROSPECTUS AND/OR ITS ACCOMPANYING DOCUMENTS MAY TREAT THE SAME AS AN OFFER, INVITATION OR SOLICITATION TO SUBSCRIBE FOR OR ACQUIRE ANY RIGHTS SHARES UNLESS SUCH OFFER, INVITATION OR SOLICITATION COULD LAWFULLY BE MADE WITHOUT COMPLIANCE WITH ANY REGISTRATION OR OTHER REGULATORY OR LEGAL REQUIREMENTS ON SUCH TERRITORY.**

**11. TERMS AND CONDITIONS**

The issuance of the Rights Shares pursuant to the Rights Issue of Shares is governed by the terms and conditions set out in the Documents.

**12. FURTHER INFORMATION**

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

Yours faithfully,  
For and on behalf of the Board of  
**JENTAYU SUSTAINABLES BERHAD**  
**(FORMERLY KNOWN AS IPMUDA BERHAD)**



**Jeefri Bin Muhammad Yusup**  
Chief Executive Officer

**APPENDIX I – INFORMATION ON OUR GROUP****1. SHARE CAPITAL**

As at the LPD, the issued share capital of Jentayu Sustainables is RM94,776,704 comprising 101,457,300 Jentayu Sustainables Shares.

**2. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS**

Please refer to Section 8.5 of this Abridged Prospectus for information on the substantial shareholders' shareholding of our Company before and after the Corporate Exercises.

**3. BOARD OF DIRECTORS**

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

<b>Name (Designation)</b>	<b>Age</b>	<b>Nationality</b>	<b>Address</b>
Datuk Beroz Nikmal Bin Mirdin (Executive Chairman)	45	Malaysian	D-7-3A, Tijani 2 North Off Jalan Langgak Tunku Bukit Tunku 50480 Kuala Lumpur
Jeeфри Bin Muhamad Yusup (Chief Executive Officer)	57	Malaysian	98 Jalan K1 Taman Melawati 53100 Kuala Lumpur
Teh Foo Hock (Finance Director)	57	Malaysian	40 Lorong Air Putih 64 Taman Megah Ria Jalan Beserah 25300 Kuantan, Pahang
Dato' Amiruddin Bin Abdul Satar (Independent Non-Executive Director)	58	Malaysian	SD/2 Jalan Amzil Taman Rowther 68100 Kuala Lumpur
Abdul Halim bin Jantan (Independent Non-Executive Director)	65	Malaysian	No. 22, Jalan Kelab Golf 13/5 Green Meadow KGSAAS Section 13 40100 Shah Alam Selangor Darul Ehsan
Baevinraj Thiagarajah (Independent Non-Executive Director)	47	Malaysian	No. 1, Lorong Setiabistari 7 Damansara Heights 50490 Kuala Lumpur
Kung Chin Woon (Independent Non-Executive Director)	54	Malaysian	93 Jalan PJU 8/12B Damansara Perdana 47820 Petaling Jaya Selangor Darul Ehsan

**APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)**

- (b) The pro forma effects of the Rights Issue of Shares on the direct and indirect shareholdings of our Directors as at the LPD are as follows:-

Name (Designation)	As at the LPD				After the Rights Issue of Shares			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares <sup>(2)</sup>	%	No. of Shares <sup>(2)</sup>	%
Datuk Beroz Nikmal Bin Mirdin (Executive Chairman)	6,461,900	6.37	21,176,300 <sup>(1)</sup>	20.87	12,923,800	6.37	42,352,600	20.87
Jeefri Bin Muhamad Yusup (Chief Executive Officer)	4,004,000	3.95	-	-	8,008,000	3.95	-	-
Teh Foo Hock (Finance Director)	532,000	0.52	-	-	1,064,000	0.52	-	-
Dato' Amiruddin Bin Abdul Satar (Independent Non- Executive Director)	500,000	0.49	-	-	1,000,000	0.49	-	-
Abdul Halim bin Jantan (Independent Non- Executive Director)	750,000	0.74	-	-	1,500,000	0.74	-	-
Baevinraj Thiagarajah (Independent Non- Executive Director)	3,000,000	2.96	-	-	6,000,000	2.96	-	-
Kung Chin Woon (Independent Non- Executive Director)	-	-	-	-	-	-	-	-

**Notes:-**

- (1) Deemed interested by virtue of his spouse's shareholding in our Company as disclosed pursuant to Section 219 of the Act.
- (2) Based on the existing number of Jentayu Sustainable Shares in issue as well as 101,457,300 new Jentayu Sustainable Shares to be issued pursuant to the Bonus Issue of Shares and Warrants and 101,457,300 new Jentayu Sustainable Shares to be issued pursuant to the Rights Issue of Shares, respectively.



**APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)****4. HISTORICAL FINANCIAL INFORMATION**

The summary of the key financial information of Jentayu Sustainables based on the audited consolidated financial statements of our Company for the FYE 30 June 2019, FYE 30 June 2020 and FYE 30 June 2021 as well as the unaudited consolidated financial statements of our Company for the FPE 30 September 2021 are summarised below:-

**(i) Historical financial performance**

	<-----Audited----->			<-----Unaudited ----->	
	FYE 30 June 2019 RM'000	FYE 30 June 2020 RM'000	FYE 30 June 2021 RM'000	FPE 30 September 2020 RM'000	FPE 30 September 2021 RM'000
Revenue	113,138	81,437	30,217	6,149	6,117
Cost of sales	(108,527)	(75,945)	(25,588)	(5,286)	(5,482)
<b>GP</b>	<b>4,611</b>	<b>5,492</b>	<b>4,629</b>	863	<b>635</b>
Other income	19,851	2,813	5,701	231	284
Administrative expenses	(26,471)	(24,432)	(16,244)	(3,878)	(3,641)
Selling and marketing expenses	(9,092)	(8,035)	(5,272)	(1,528)	(826)
Net gain/(loss) on impairment of financial assets	(14,487)	(9,631)	6,080	1,068	1,374
Other expenses	(9,180)	(2,510)	(1,761)	(361)	(262)
Finance income	3,161	1,346	1,105	295	283
Finance costs	(3,973)	(3,618)	(3,391)	(760)	(490)
<b>Loss before tax ("LBT")</b>	<b>(35,580)</b>	<b>(38,575)</b>	<b>(9,153)</b>	<b>(4,070)</b>	<b>(2,643)</b>
Tax income/(expense)	(1,981)	215	131	(12)	1
Loss from continuing operations	(37,561)	(38,360)	(9,022)	(4,082)	(2,642)
Profit from discontinued operations, net of tax	665	404	-	-	-
<b>Loss after tax ("LAT")</b>	<b>(36,896)</b>	<b>(37,956)</b>	<b>(9,022)</b>	<b>(4,082)</b>	<b>(2,642)</b>
GP margin (%)	4.08	6.74	15.32	14.03	10.38
LAT margin (%)	(32.61)	(46.61)	(29.86)	(66.38)	(43.19)
No. of shares in issue ('000)	72,469	72,469	101,457	72,469	101,457
Loss per share (RM)	(0.51)	(0.52)	(0.09)	(0.06)	(0.03)

**APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)****(ii) Historical financial position**

	<-----Audited----->			<-----Unaudited ----->	
	FYE 30 June 2019 RM'000	FYE 30 June 2020 RM'000	FYE 30 June 2021 RM'000	FPE 30 September 2020 RM'000	FPE 30 September 2021 RM'000
Non-current assets	77,391	77,434	62,740	77,102	63,524
Current assets	80,799	43,048	31,434	35,073	32,637
Assets classified as held for sale	48,542	1,912	13,865	1,903	13,839
<b>Total assets</b>	<b>206,732</b>	<b>122,394</b>	<b>108,039</b>	<b>114,078</b>	<b>110,000</b>
Share capital	75,926	75,926	94,777	75,926	94,777
Other reserves	38	13	(38)	15	(38)
Accumulated losses	(2,172)	(40,235)	(49,177)	(44,316)	(51,818)
<b>Equity attributable to owners of our Company/NA</b>	<b>73,792</b>	<b>35,704</b>	<b>45,562</b>	<b>31,625</b>	<b>42,921</b>
Non-controlling interests	8,196	(265)	(270)	(266)	(271)
<b>Total equity</b>	<b>81,988</b>	<b>35,439</b>	<b>45,292</b>	<b>31,359</b>	<b>42,650</b>
Non-current liabilities	11,751	8,265	35,448	9,120	35,295
Current liabilities	83,859	78,690	27,299	73,599	32,055
Liabilities classified as held for sale	29,134	-	-	-	-
<b>Total liabilities</b>	<b>112,993</b>	<b>86,955</b>	<b>62,747</b>	<b>82,719</b>	<b>67,350</b>
<b>Total equity and liabilities</b>	<b>206,732</b>	<b>122,394</b>	<b>108,039</b>	<b>114,078</b>	<b>110,000</b>

**(iii) Historical cash flow**

	<-----Audited----->			<-----Unaudited ----->	
	FYE 30 June 2019 RM'000	FYE 30 June 2020 RM'000	FYE 30 June 2021 RM'000	FPE 30 September 2020 RM'000	FPE 30 September 2021 RM'000
<b>Net cash from / (used in)</b>					
Operating activities	(3,602)	(8,075)	(32,660)	845	(5,445)
Investing activities	23,200	5,286	2,108	373	(662)
Financing activities	(8,160)	(5,776)	43,897	799	5,068
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>11,438</b>	<b>(8,565)</b>	<b>13,345</b>	<b>2,017</b>	<b>(1,039)</b>
Cash and cash equivalents at beginning of the year	(12,852)	(1,414)	(9,979)	(9,979)	3,366
<b>Cash and cash equivalents at end of the year</b>	<b>(1,414)</b>	<b>(9,979)</b>	<b>3,366</b>	<b>(7,962)</b>	<b>2,327</b>

**APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)****Commentaries:-**FYE 30 June 2020 compared with FYE 30 June 2019

Our Group recorded a decrease in revenue of 28.02% from RM113.14 million in the FYE 30 June 2019 to RM81.44 million in the FYE 30 June 2020, mainly due to a significant drop in revenue in the fourth quarter of FYE 30 June 2020. This was mainly attributed to the temporarily suspension of our Group's operations and trading activities from 18 March 2020 to 3 May 2020 due to the MCO.

Our Group recorded an increase in GP of 19.09% from RM4.61 million to RM5.49 million in the FYE 30 June 2020 and the GP margin increased from 4.08% to 6.74% in the FYE 30 June 2020 as our Group's trading business segment focus on offering high margin products instead of high volume and low margin products.

The MCO was superseded by a conditional MCO from 4 May 2020 to 9 June 2020, where under the said conditional MCO, certain restrictions previously gazetted under the MCO were gradually eased and some of the economic sectors were allowed to resume operations. For the construction sector, the recovery of business activities was slow as all foreign construction workers were required to undergo a COVID-19 screening test before returning to work, which took months to complete. This has halted the trading of building materials of our Group and impacted its revenue particularly in the fourth quarter of the FYE 30 June 2020.

Our Group recorded an increase in LBT of 8.43% from RM35.58 million in the FYE 30 June 2019 to RM38.58 million in the FYE 30 June 2020, mainly due to lower revenue generated by our Group but continued to incur certain fixed costs such as staff and overhead costs including rental cost which impacted its loss before tax. Due to impact of MCO, the revenue of our Group has declined by RM13.30 million or 41.05% from RM32.40 million in the second quarter FPE 31 December 2019 to RM19.10 million in the third quarter FPE 31 March 2020. Our Group's revenue further declined by RM14.14 million or 74.03% to RM4.96 million in the fourth quarter FPE 30 June 2020 as compared to the third quarter FPE 31 March 2020.

Our Group recorded a net decrease in cash and cash equivalents of RM8.57 million in the FYE 30 June 2020 (FYE 30 June 2019: net increase of RM11.44 million) mainly due to net cash used in operating activities of RM8.08 million and repayment of term financing/loan of RM4.88 million.

FYE 30 June 2021 compared with FYE 30 June 2020

Our Group recorded a decrease in revenue of 62.89% from RM81.44 million in the FYE 30 June 2020 to RM30.22 million in the FYE 30 June 2021, mainly due to the unprecedented challenges brought upon by the global pandemic and our Group's trading business suffers from the ensuing imposed lockdowns.

Our Group recorded a decrease in GP of 15.66% from RM5.49 million to RM4.63 million in the FYE 30 June 2021. However, our Group's GP margin increased from 6.74% to 15.32% in the FYE 30 June 2021 as our Group has undertaken a business efficiency exercise and cost cutting measures, such as reducing the cost for its customers through consolidated purchasing, bulk orders and value engineering; and focusing on the trading business segment that offers high margin products instead of high volume and low margin products.

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**APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)**

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Our Group recorded a decrease in LBT of 76.28% from RM38.58 million in the FYE 30 June 2020 to RM9.15 million in the FYE 30 June 2021, mainly due the rationalisation of our Group's trading operations. Our Group's trading business has also moved to focus on high-margin products. Our Group has also undertaken a significant streamlining exercise to reduce its cost base, with indirect costs such as administrative, selling and marketing expenses having decreased by 33.73% in the FYE 30 June 2021.

Our Group recorded a net increase in cash and cash equivalents of RM13.35 million in the FYE 30 June 2021 (FYE 30 June 2020: net decrease of RM8.57 million) mainly due to the following:

- (i) net proceeds amounting to RM4.02 million from the Private Placement which was completed on 17 December 2020;
- (ii) net proceeds amounting to RM4.98 million from the Private Placement which was completed on 22 March 2021;
- (iii) net proceeds amounting to RM9.86 million raised from the restricted issue which was completed on 22 March 2021; and
- (iv) drawdown of term financing/loan of RM25.83 million.

FPE 30 September 2021 compared with FPE 30 September 2020

Our Group recorded a marginal decrease in revenue of 0.49% from RM6.15 million in the FPE 30 September 2020 to RM6.12 million in the FPE 30 September 2021, mainly due to lower revenue generated from our Group's trading segment.

Our Group recorded a decrease in GP of 25.58% from RM0.86 million to RM0.64 million in the FPE 30 September 2021 and a decrease of GP margin of 3.66% from 14.04% to 10.38% in the FPE 30 September 2021.

Our Group recorded a decrease in LBT of 35.14% from RM4.07 million in the FPE 30 September 2020 to RM2.64 million in the FPE 30 September 2021, mainly due to lower staff costs and higher net gain on impairment of trade receivables.

Our Group recorded a net decrease in cash and cash equivalents of RM1.04 million in the FPE 30 September 2021 (FPE 30 September 2020: net increase of RM2.02 million) mainly due to net cash used in operating activities of RM5.45 million and net cash used for other investments of RM0.66 million such as property and project development costs.

**APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)****5. HISTORICAL SHARE PRICES**

The historical share prices including the monthly highest and lowest prices of Jentayu Sustainables Shares as traded on Bursa Securities for the past 12 months preceding the date of this Abridged Prospectus are as follows:-

	<b>High (RM)</b>	<b>Low (RM)</b>
<b>2021</b>		
January	1.26	0.76
February	1.10	0.79
March	1.45	0.72
April	1.75	1.10
May	1.75	1.32
June	2.20	1.05
July	1.31	1.07
August	1.41	1.13
September	1.55	1.25
October	1.93	1.31
November	2.14	1.55
December	1.90	1.62

Last transacted market price of Jentayu Sustainables Shares on 17 June 2021, being the day immediately prior to the date of the announcement of the Property Disposal, Special Dividend, Bonus Issue of Shares and Warrants, Rights Issue of Shares and HOA in relation to the Acquisition of Hospital RM1.87

Last transacted market price of Jentayu Sustainables Shares on 26 January 2022, being the day immediately prior to the ex-date for the Rights Issue of Shares RM1.78

Last transacted market price of Jentayu Sustainables Shares as at the LPD RM1.87

*(Source: Bloomberg Finance Singapore L.P.)*

**6. OPTION TO SUBSCRIBE FOR JENTAYU SUSTAINABLES SHARES**

As at the date of this Abridged Prospectus, save for our Entitled Shareholders who will be provisionally allotted the Rights Shares together with the Bonus Shares and Bonus Warrants issued under the Corporate Exercises that may be granted, no person has been or is entitled to be given an option to subscribe for any shares, stocks or debentures of our Company or its subsidiaries as of the date of this Abridged Prospectus.

**APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)****7. MATERIAL CONTRACTS**

Save for the material contracts disclosed below, Jentayu Sustainables Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within 2 years immediately preceding the date of this Abridged Prospectus:-

- (a) Ipmuda Architectural Products Sdn Bhd (“**IAP**”), a subsidiary of our Company, had on 25 August 2020 entered into a sale and purchase agreement with SLL Machinery Hardware Sdn Bhd (Registration No. 199001007132 (198702-K)) (“**SLL Machinery**”) for IAP’s disposal of all that piece of land held under Individual Title PN 378906, Lot 49802, Mukim Hulu Kinta, District of Kinta, State of Perak bearing address of No. 21, Jalan Kuala Kangsar Tasek Industrial Estate, 31400 Ipoh, Perak Darul Ridzuan in an area measuring approximately of 13187.8982 square meter together with the industrial premises comprising a single storey detached factory with an annexed two storey office building and a single storey office building erected thereon for a total consideration of RM5,500,000 only. The approval for the consent to transfer by the Menteri Besar of Perak in favour of SLL Machinery was received on 11 November 2020 and all monies towards the purchase price have been settled on 23 December 2020.
- (b) Ipmuda Construction & Engineering Sdn Bhd (formerly known as Ipmuda Rensol Sdn Bhd), a wholly-owned subsidiary of our Company, had on 28 August 2020 executed an engineering, procurement, construction and commissioning contract with Coara Marang Sdn Bhd (Registration No. 202001002085(1358404-M)) for Ipmuda Construction & Engineering Sdn Bhd to undertake the onshore contract on the design, procurement, erection, connection, commissioning and testing as well as the supply of equipment for the construction of a ground mounted photovoltaic solar generation facility with an installed capacity of 100 MWac Solar Park in Marang, Terengganu, Malaysia at the total contract price of RM78,003,866.
- (c) Our Company had on 11 March 2021, entered into five (5) sale and purchase agreements with PB Trustee Services Berhad (Registration No. 196801000374 (7968-T)) as trustee for Public Bank Group Officers’ Retirement Benefits Fund having its registered office at 17th Floor Menara Public Bank, No. 146 Jalan Ampang, 50450 Kuala Lumpur for the disposal of the five (5) units of shop lots bearing postal address No. 2-1-23, No. 2-1-24, No. 2-1-26, No. 2-1-27 and No-1-28, Harbour Trade Centre, Gat Lebu Macallum, 10300 Georgetown, Pulau Pinang for an aggregate cash consideration of RM2,900,000. The transactions were completed on 12 October 2021.
- (d) Our Company had, on 18 Jan 2021, entered into three (3) sale and purchase agreements with Swift Bridge Technologies (M) Sdn Bhd (Registration No. 201201032735 (1017223-U)) to dispose three (3) units of shop office bearing postal address of No. 2-7-16, No. 2-7-17 and No. 2-7-31, Harbour Trade Centre, Gat Lebu Macallum, 10300 Georgetown, Pulau Pinang respectively for an aggregate cash consideration of RM1,100,000. The transactions were completed on 13 August 2021, 25 August 2021 and 18 August 2021, respectively.
- (e) Our Company had on 18 December 2020, entered into two (2) sale and purchase agreements with Pakatan Muhibbah (M) Sdn Bhd (Registration No. 199201003147 (234651-V)) for the disposal of 1 ½ unit of semi-detached factory bearing postal address of No. 1 Jalan IMJ 3, Taman Industri Malim Jaya 75250 Melaka and 1 ½ unit of semi-detached factory bearing postal address of No. 3 Jalan IMJ 3, Taman Industri Malim Jaya 75250 Melaka for a cash consideration of RM425,000 and RM375,000 respectively. The transactions were completed on 25 August 2021.
- (f) Our Company had entered into a HOA dated 18 June 2021 with the Ultimate Forte Vendors for the entire equity interest in Ultimate Forte for the Purchase Consideration. Subsequently, our Company had on 24 August 2021 entered into a conditional share

**APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)**

- sale agreement with the Ultimate Forte Vendors for the entire equity interest in Ultimate Forte for the Purchase Consideration.
- (g) The HOA dated 18 June 2021 between our Company and Jentayu Capital for 51% equity interest in Jentayu Solar Sdn. Bhd. ("**Jentayu Solar**") for a total purchase consideration of RM5,664,570 to be satisfied via issuance of new Jentayu Sustainable Shares in relation to the Proposed Acquisition of Solar Asset.
  - (h) The HOA dated 18 June 2021 between our Company and Seri Panglima Holdings Sdn. Bhd. ("**Seri Panglima**") for 49% equity interest in Jentayu Solar for a total purchase consideration of RM5,442,430 to be satisfied via issuance of new Jentayu Sustainable Shares in relation to the Proposed Acquisition of Solar Asset.
  - (i) The HOA dated 18 June 2021 between our Company, Kasa Tuah and Borneo Sustainable for the entire equity interest in Senja Optima, by acquiring one (1) 50% equity interest from each Kasa Tuah and Borneo Sustainable, for a total purchase consideration of RM23,760,152 to be satisfied via issuance of new Jentayu Sustainable Shares in relation to the Proposed Acquisition of Hydro Asset.
  - (j) The HOA dated 18 June 2021 between our Company and Jentayu Capital for 100% issued and paid-up preference shares in each Telekosang One and Telekosang Two as well as 100% of Junior Bonds in Telekosang One for a total purchase consideration of RM139,530,000 to be satisfied via issuance of new Jentayu Sustainable Shares in relation to the Proposed Acquisition of Hydro Asset.
  - (k) Roset-BLG Sdn Bhd, a wholly-owned subsidiary of Better Living Grand Sdn Bhd, which in turn is a wholly-owned subsidiary of our Company, had entered into a conditional sale and purchase agreement dated 18 June 2021 with Pixel Valley Sdn Bhd (Registration No. 202101006099 (1406398-P)) in relation to the disposal by Roset-BLG Sdn Bhd of a piece of leasehold property held under document of title Pajakan Negeri 3664 Lot 19 Seksyen 13, Bandar Petaling Jaya, District of Petaling, Selangor Darul Ehsan measuring approximately 20,772.0684 square metres (approximately 223,596 square feet) together with an industrial premise and other supporting ancillary buildings erected thereon with a total approximate gross floor area of 15,524.75 square metres (167,107 square feet) and bearing postal address No. 1 Jalan 13/2, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan for a total consideration of RM82,000,000 to be satisfied by way of cash of RM80,000,000 and RM2,000,000 in kind by way of properties. The transaction was completed on 11 January 2022.
  - (l) The conditional share sale agreement dated 22 September 2021 entered into between Jentayu Capital, Seri Panglima and our Company in relation to the Proposed Acquisition of Solar Asset.
  - (m) The Hydro SSA 1.
  - (n) The Hydro SSA 2.
  - (o) The Hydro SSA 3.
  - (p) The Deed Poll.
  - (q) The Underwriting Agreement.
  - (r) The Oriole Hydro Maligan SHA.
  - (s) The Oriole Hydro Padas SHA.



**APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)****8. MATERIAL LITIGATION**

Save as disclosed below, our Group is not engaged in any material litigation, claims or arbitration either as plaintiff or defendant or otherwise, and our Board is not aware of any proceedings pending or threatened against Jentayu Sustainables, or its subsidiaries or of any facts likely to give rise to any proceedings which may materially or adversely affect the position or business of Jentayu Sustainables and/or any of its subsidiaries as at the LPD:-

**(a) Our Company****(i) Kuala Lumpur High Court S/N: WA-22NCVC-949-12/2019**

Ipmuda Buildermart Sdn Bhd had, on 17 December 2019, filed a lawsuit against Asia Point Construction Sdn Bhd, Yan Kong Pooi and Lee Hin Wei at the Kuala Lumpur High Court, claiming for the sum of RM1,660,133.75 in relation to goods sold and delivered by Ipmuda Buildermart Sdn Bhd to Asia Point Construction Sdn Bhd.

The defendants did not file a memorandum of appearance. On 24 March 2020, Ipmuda Buildermart Sdn Bhd obtained a judgment in default for the sum of RM1,660,133.75 with the interest at the rate of 1.5% per month from 31 December 2019 and cost of RM2,147.00 against the defendants.

On 8 September 2020, Ipmuda Buildermart Sdn Bhd learnt that Lafarge Concrete (Malaysia) Sdn Bhd had filed and served a winding-up petition against Asia Point Construction Sdn Bhd.

On 12 November 2020, Ipmuda Buildermart Sdn Bhd filed and served a copy of the notice of intention to appear on Lafarge Concrete (Malaysia) Sdn Bhd's solicitors to join the winding-up proceeding as a supporting creditor to demand that the defendants pay the sum of RM1,788,015.47.

Asia Point Construction Sdn Bhd was wound up on 22 March 2021 by Lafarge Concrete (Malaysia) Sdn Bhd. On 6 May 2021, a proof of debt for the sum of RM2,028,237.90 was filed against Asia Point Construction Sdn Bhd at the Malaysian Department of Insolvency.

**(ii) Shah Alam High Court S/N: BA-29NCC-1921-09/2021 & Shah Alam High Court S/N:BA-29NCC-1922-09/2021**

Ipmuda Buildermart Sdn Bhd, as the judgment creditor, commenced bankruptcy proceedings against the directors of Asia Point Construction Sdn Bhd, Yan Kong Pooi and Lee Hin Wei on 28 September 2021 but the attempts for personal service have failed as the directors are no longer residing in their last known addresses. The judgment creditor had obtained orders for a substituted service against Yan Kong Pooi and Lee Hin Wei and are in the midst of enforcing the same. The Court had set the date of 28 February 2022 for an update to the filing of the creditor's petition for both Yan Kong Pooi and Lee Hin Wei.

The judgment creditor is seeking to enforce RM2,183,790.17 in judgment sum for the judgment in default obtained in Kuala Lumpur High Court suit no. WA-22NCVC-949-12/2019.

Our Board is of the opinion that the recoverability of the amount owing is subject to the availability of the assets of Asia Point Construction Sdn Bhd which would be used to repay the amount owing by the defendants. At this juncture, our Board is unable to ascertain the value of the assets and liabilities of Asia Point Construction

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**APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)**

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Sdn Bhd until the liquidator has begun liquidation procedures and a preliminary report submitted to the court.

As for the bankruptcy proceedings, Ipmuda Buildermart Sdn Bhd can only ascertain the possibility of recovery after the bankruptcy orders have been made and a creditors' meeting called for.

**(iii) Kuala Lumpur High Court S/N: WA-22NCC-68-02/2020**

Jentayu Sustainables had, on 10 February 2020, filed a lawsuit against SRT Building Systems Sdn Bhd at the Kuala Lumpur High Court, claiming for a sum of RM1,526,205.17 being an amount due and owing by the defendant as at 31 December 2019 in relation to goods sold and delivered by Jentayu Sustainables to the defendant.

On 27 May 2020, Jentayu Sustainables filed an application for summary judgment.

On 29 July 2020, Jentayu Sustainables obtained a summary judgment for the sum of RM1,526,205.17 with interest at the rate of 5% per annum on the amount from 9 January 2020 until the date of full settlement and cost of RM5,000 with allocator of RM200.

As at the LPD, the defendant is paying the judgment sum by way of contra with the goods supplied from the defendant and in instalments.

**(iv) Kuala Lumpur High Court S/N: WA-22NCC-455-08/2019**

Jentayu Sustainables had, on 19 August 2019, filed a lawsuit against Indramas (M) Sdn Bhd at the Kuala Lumpur High Court, claiming for a sum of RM1,447,775.72 being an amount due and owing by the defendant as at 4 July 2019 in relation to goods sold and delivered by Jentayu Sustainables to the defendant.

The defendant did not file a memorandum of appearance. On 11 September 2019, Jentayu Sustainables obtained a judgment in default against the defendant for the amount RM1,447,775.72 with the interest at the rate of 1.5% per month on the amount from 5 July 2019 until the date of full settlement and cost of RM1,500.

Subsequently, Jentayu Sustainables' solicitors had, on 9 October 2020, issued a notice on Indramas (M) Sdn Bhd pursuant to Section 465(1)(e) of the Act to demand that the defendant pay the sum of RM1,374,069.85 as at 9 October 2020.

On 22 February 2021, Jentayu Sustainables' solicitors issued a notice pursuant to Section 465(1)(e) of the Act against Indramas (M) Sdn Bhd to demand that the defendant pay the sum of RM 1,283,455.07.

On 11 August 2021, filed a winding-up petition to wind up Indramas (M) Sdn Bhd.

On 16 November 2021, Jentayu Sustainables obtained the winding-up order against Indramas (M) Sdn Bhd with cost RM5,000.00 and allocator of RM200.00.

Our Board is of the opinion that the recoverability of the amount owing is subject to the availability of the assets of the defendant which would be used to repay the amount owing by the defendant. At this juncture, our Board is unable to ascertain the value of the assets and liabilities of the defendant as Jentayu Sustainables is awaiting for the liquidator to call for a creditors' meeting.

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**APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)**

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**(v) Shah Alam High Court S/N: BA-22NCVC-598-11/2018**

Jentayu Sustainables had, on 30 November 2018, filed a lawsuit against Ikhmas Jaya Sdn Bhd and Ikhmas Jaya Group Berhad at the Shah Alam High Court, claiming for a sum of RM2,974,095.07 being an amount due and owing by the defendants in relation to goods sold and delivered by Jentayu Sustainables to the defendants.

On 3 April 2019, Jentayu Sustainables filed an application for summary judgment which was heard on 19 July 2019. On 19 July 2019, Jentayu Sustainables obtained a summary judgment for the sum of RM2,974,095.07 against the defendants.

Jentayu Sustainables' solicitors had, on 15 August 2019, issued a notice on the defendants pursuant to Section 466(1)(a) of the Act to demand that the defendants pay the sum of RM2,982,095.07.

Subsequently, Jentayu Sustainables' solicitors had, on 3 June 2020, issued a notice on the defendants pursuant to Section 466(1)(a) of the Act to demand that the defendants pay the sum of RM2,582,095.07.

As at 21 October 2020, Jentayu Sustainables has received partial payments amounting to RM500,000 and a proposal for repayment of the remaining amount owing from the defendants. The said proposal is currently pending our Board's approval. As at the LPD, the defendants are paying the amount owing by way of instalments. Should the defendants fail to make the repayment of the remaining amount owing, our Company reserves its right to continue with the winding-up proceeding against the defendants.

As at 28 April 2021, Ikhmas Jaya Sdn Bhd was undergoing a scheme of arrangement and Jentayu Sustainables has submitted its proof of debts together with the supporting documents on 27 May 2021. The Court convened meeting has been fixed for 26 August 2021. As at the LPD, our Company has not been served with any Court order as a result of the Court convened meeting.

**(b) Ipmuda Selatan Sdn Bhd ("Ipmuda Selatan")**

**(i) Claim by Ipmuda Selatan against China Construction Engineering (S.E.A.) Malaysia Sdn Bhd**

On 3 December 2018, Ipmuda Selatan, a subsidiary of Ipmuda, issued a letter of demand to China Construction Engineering (S.E.A.) Malaysia Sdn Bhd as debtor and its guarantors, namely Xu Changbo, Wang Bin and Zhang Zongshuo claiming for the sum of RM1,112,918.83 against the debtor and guarantors in relation to goods sold and delivered by Ipmuda Selatan Sdn Bhd to the debtor.

On 16 March 2021 Ipmuda Selatan's solicitors issued a fresh letter of demand to the debtor. Since the addresses of the guarantors in China and Vietnam were incomplete, Ipmuda Selatan has instructed its solicitors not to serve the letter of demand against the guarantors.

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**APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)**

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On 12 August 2021, Ipmuda Selatan's solicitors issued a fresh letter of demand to China Construction Engineering (S.E.A.) Malaysia for the amount of RM509,633.66. Ipmuda Selatan is in the midst of collating the supporting documents before filing a writ of summons.

Our Board is of the opinion that there is a fair chance to recover the amount owing by the debtor.

**(c) Ipmuda Buildermart Sdn Bhd ("Ipmuda Buildermart")**

**(i) Kuala Lumpur High Court S/N: WA-A52NCC-106-01/2020**

Ipmuda Buildermart, a wholly-owned subsidiary of Jentayu Sustainables, had on 15 January 2020, filed a lawsuit against Dalal Technology Sdn Bhd, Dato' HJ. Mohamed Izaham Bin Mohamed Kasim and Noor Azlizam Bin Ishak at the Kuala Lumpur High Court, claiming for a sum of RM711,476.02 (including interest) in relation to goods sold and delivered by Ipmuda Buildermart to Dalal Technology Sdn Bhd.

On 4 February 2020, the defendants entered and served a memorandum of appearance. On 17 February 2020, Ipmuda Buildermart filed an amended writ and statement of claim.

On 18 August 2020, Ipmuda Buildermart and the defendants agreed to enter into a consent judgment for the sum of RM711,476.02 in favour of Ipmuda Buildermart with interest on the said amount at the rate of 1.5% per month from 1 October 2019 and cost of RM5,000.

Pursuant to Section 466(1)(a) of the Act, Ipmuda Buildermart's solicitors served a notice on the defendants on 17 December 2020 for the amount of RM868,335.33.

Subsequently, on 17 March 2021, Ipmuda Buildermart's solicitors served a fresh notice on the defendants pursuant to Section 466(1)(a) of Act for the amount of RM898,925.76.

The winding up petition against Dalal Technology Sdn Bhd has been put on hold as the defendants are currently in the midst of negotiating with Ipmuda Buildermart for settlement.

**(ii) Kuala Lumpur High Court S/N: WA-22NCC-8-01/2020**

Ipmuda Buildermart, a wholly-owned subsidiary of Jentayu Sustainables, had on 3 January 2020 filed a lawsuit against Zhuang Sheng Construction Malaysia Sdn Bhd at the Kuala Lumpur High Court, claiming for a sum of RM1,967,769.05 being an amount due and owing by Zhuang Sheng Construction Malaysia Sdn Bhd as at 29 November 2019 in relation to goods sold and delivered by Ipmuda Buildermart to Zhuang Sheng Construction Malaysia Sdn Bhd.

The defendant did not file a memorandum of appearance. On 22 January 2020, Ipmuda Buildermart obtained a judgment in default against the defendant for the sum of RM1,967,769.05 with the interest at the rate of 1.5% per month on RM1,708,538.36 from 1 December 2019 until the date of full settlement and cost of RM1,500.

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**APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)**

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Subsequently, Ipmuda Buildermart's solicitors had, on 20 October 2020, issued a notice on the defendant pursuant to Section 465(1)(e) of the Act to demand that the defendant pay the sum of RM2,242,426.46 as at 20 October 2020.

On 21 April 2021, Ipmuda Buildermart's solicitors filed a winding-up petition against Zhuang Sheng Construction Malaysia Sdn Bhd. Zhuang Sheng Construction Malaysia Sdn Bhd was wound up on 26 July 2021 by Lafarge Concrete (Malaysia) Sdn Bhd at the Kuantan High Court. Accordingly, the winding up petition filed on 21 April 2021 at the Kuala Lumpur High Court vide winding-up petition no. WA-28NCC-288-04/2021 was withdrawn on 20 October 2021.

Our Board is of the opinion that the recoverability of the amount owing is subject to the availability of the assets of Zhuang Sheng Construction Malaysia Sdn Bhd which would be used to repay the amount owing by Zhuang Sheng Construction Malaysia Sdn Bhd. At this juncture, our Board is unable to ascertain the value of the assets and liabilities of Zhuang Sheng Construction Malaysia Sdn Bhd as Ipmuda Buildermart has not received any request from the liquidator to file its proof of debts.

**(iii) Shah Alam High Court S/N: BA-22NCC-170-12/2019**

Ipmuda Buildermart, a wholly-owned subsidiary of Jentayu Sustainables, had on 3 December 2019 filed a lawsuit against Sasscon Sdn Bhd and the guarantors, namely Kamarul Zaman Bin Ab Rahim and Jazatul Azhar Bin Jaafar at the Shah Alam High Court, claiming for the sum of RM1,096,402.97 being an amount due and owing by Sasscon Sdn Bhd in relation to goods sold and delivered by Ipmuda Buildermart to Sasscon Sdn Bhd.

The defendants did not file a memorandum of appearance. On 23 December 2019, Ipmuda Buildermart obtained a judgment in default against the defendants for the sum of RM1,096,402.97 with the interest at the rate of 1.5% per month on RM1,068,576.97 from 1 September 2019 until the date of full settlement and cost of RM1,900.

Subsequently, on 5 May 2021, Ipmuda Buildermart's solicitors issued a notice pursuant to Section 465(1)(e) of the Act on Sasscon Sdn Bhd to demand the sum of RM1,420,281.31 as at 5 May 2021.

On 11 August 2021, Ipmuda Buildermart filed a winding-up petition to wind up Sasscon Sdn Bhd.

On 16 November 2021, Jentayu Sustainables obtained the winding-up order against Sasscon Sdn Bhd with cost RM5,000.00 and allocator of RM200.00.

Our Board is of the opinion that the recoverability of the amount owing is subject to the availability of the assets of Sasscon Sdn Bhd which would be used to repay the amount owing by Sasscon Sdn Bhd. At this juncture, our Board is unable to ascertain the value of the assets and liabilities of Sasscon Sdn Bhd as Ipmuda Buildermart is awaiting for the liquidator to call for a creditors' meeting.

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**APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)**

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**(iv) Kuala Lumpur High Court S/N: WA-22NCC-384-07/2019**

Ipmuda Buildermart, a wholly-owned subsidiary of Jentayu Sustainables, had on 9 July 2019 filed a lawsuit against Biaxis (M) Sdn Bhd, Yeo Ping Tieng and Saw Kong Hoe at Kuala Lumpur High Court, claiming for a sum of RM1,069,525.37 being an amount due and owing by the Biaxis (M) Sdn Bhd as at 31 May 2019 in relation to goods sold and delivered by Ipmuda Buildermart to Biaxis (M) Sdn Bhd.

On 19 July 2019, the defendants filed a memorandum of appearance.

On 5 September 2019, Ipmuda Buildermart and the defendants agreed to enter into a consent judgment for the sum of RM1,069,525.37 to be paid by the defendants to Ipmuda Buildermart.

However, the defendants have defaulted in paying the judgment sum after having made three (3) instalments. As at 23 December 2019, the amount owing is RM819,977.73.

Subsequently, Ipmuda Buildermart's solicitors had, on 23 December 2019, issued a notice on Biaxis (M) Sdn Bhd pursuant to Sections 465(1)(e) and 466(1)(a) of the Act to demand that Biaxis (M) Sdn Bhd pay the amount owing which notice subsequently lapsed as the solicitors of Biaxis (M) Sdn Bhd made an application for judicial management order under Section 405 of the Act on 27 November 2019 vide Penang High Court Originating Summons No. PA-28JM-2-11-2019.

As such, Ipmuda Buildermart could not serve the winding-up petition against Biaxis (M) Sdn Bhd. In the meantime, Ipmuda Buildermart has prepared and served a proof of debt to the interim judicial manager on 22 January 2020.

Subsequently, an application pursuant to Section 366(3) and Section 366(4) of the Act was filed and an order dated 14 January 2021 was obtained to restructure the debts owed to all unsecured creditors of Biaxis (M) Sdn Bhd. The scheme of arrangement was accepted by Ipmuda Buildermart as full settlement of the debt due for a Ringgit Malaysia to forty sen.

According to the explanatory statement to the scheme creditors, the settlement sum is to be paid within six (6) months from the date the High Court approved the scheme of arrangement.

As at the LPD, Ipmuda Buildermart has yet to receive the settlement sum in full. Accordingly, Ipmuda Buildermart's solicitors have issued a letter of demand to Biaxis (M) Sdn Bhd for the settlement sum on 5 October 2021.

**(d) Ipmuda Utara Sdn Bhd ("Ipmuda Utara")**

**(i) Kuala Lumpur High Court S/N: WA-22NCC-482-08/2019**

Ipmuda Utara, a subsidiary of Jentayu Sustainables, had on 29 August 2019 filed a lawsuit against Mega Sasa Sdn Bhd (UTEM) at the Kuala Lumpur High Court, claiming for a sum of RM1,188,492.82, being an amount due and owing by the defendant as at 30 June 2019 in relation to goods sold and delivered by Ipmuda Utara to the defendant.

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**APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)**

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The defendant did not file a memorandum of appearance. On 20 September 2019, Ipmuda Utara obtained a judgment in default of appearance against the defendant for the sum of RM1,188,492.82 with interest at the rate of 1.5% per month on RM960,496.54 from 1 July 2019 until the date of full settlement and cost of RM1,500.

The defendant filed a notice of application to set aside the judgment which was dismissed by the High Court on 4 January 2021.

On 14 January 2021, the defendant filed a notice of appeal to the judge in chambers and discontinued its appeal on 7 July 2021. Currently, the defendant is paying the judgment sum by instalments.

**(ii) Kuala Lumpur High Court S/N: WA-22NCC-494-09/2019**

Ipmuda Utara, a subsidiary of Jentayu Sustainables, obtained a judgment in default of appearance against Mega Sasa Sdn Bhd, Zaty Zawani Bt Zakari, Ahmad Bakri Bin Abd Rahim, Azhar Bin Ahmad and Low Seng Lee for the sum of RM2,067,173.80 on 24 September 2019 based on the principal amount of RM1,482,369.94 as at 30 June 2019 together with interest at the rate of 1.5% per month from 1 July 2019 until the date of full settlement and cost of RM2,300. Ipmuda Utara has filed an application to amend the judgment in default to reflect the claim against the guarantors as RM2,000,000.00.

Mega Sasa Sdn Bhd, Azhar Bin Ahmad and Low Seng Lee filed a notice of application to set aside the judgment which was dismissed by the High Court on 4 January 2021.

Mega Sasa Sdn Bhd, Azhar Bin Ahmad and Low Seng Lee filed a notice of appeal to the judge in chambers on 14 January 2021 and discontinued their appeal on 7 July 2021.

Currently, Mega Sasa Sdn Bhd is paying the judgment sum by instalments.

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## APPENDIX II – ADDITIONAL INFORMATION

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### 1. CONSENTS

- (i) The written consents of the Company Secretary, Principal Adviser and Managing Underwriter, Joint Underwriters, Solicitors, Share Registrar, Reporting Accountants and Independent Market Researcher for the Rights Issue of Shares for the inclusion in this Abridged Prospectus of their names and all references thereto in the form and context in which they appear have been given before the issuance of this Abridged Prospectus and have not been subsequently withdrawn.
- (ii) The written consent of Bloomberg Finance Singapore L.P. for the inclusion in this Abridged Prospectus of its name and citation of the market data made available to its subscribers in the form and context in which such name and market data appear has been given before the issuance of this Abridged Prospectus and has not been subsequently withdrawn.

### 2. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of our Company, at 12<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, during normal business hour from Monday to Friday (except public holidays) for a period of 6 months from the date of this Abridged Prospectus:-

- (i) the material contracts referred to in Section 7 of **Appendix I** of this Abridged Prospectus;
- (ii) the IMR Report which is referred to in Sections 7.3 and 7.4 of this Abridged Prospectus; and
- (iii) the letters of consent referred to in Section 1 of this **Appendix II** of this Abridged Prospectus.

### 3. RESPONSIBILITY STATEMENT

This Abridged Prospectus, together with the NPA and RSF, have been seen and approved by our Board and they collectively and individually accept full responsibility for the accuracy of the information given therein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts, which the omission of which would make any statement in these documents false or misleading.

MIDF Investment, being the Principal Adviser for the Rights Issue of Shares, acknowledges that, based on all available information and to the best of its knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue of Shares.

**APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF  
JENTAYU SUSTAINABLES AS AT 30 SEPTEMBER 2021 TOGETHER WITH  
THE REPORTING ACCOUNTANTS' LETTER THEREON**

**aftaas**<sup>®</sup>

**AFRIZAN TARMILI KHAIRUL AZHAR**

*Chartered Accountants (AF1300)*

Aftaas, 2, Jalan Rampai Niaga 2, Rampai Business Park, 53300, Kuala Lumpur.  
☎ (603) 4143 9330 📠 (603) 4142 9330 ✉ aftaas@aftaas.com

**REPORTING ACCOUNTANTS' LETTER ON THE PRO FORMA CONSOLIDATED  
STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021 INCLUDED IN  
THE ABRIDGED PROSPECTUS**

14 January 2022

The Board of Directors  
**JENTAYU SUSTAINABLES BERHAD**  
12<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

Dear Sirs,

**JENTAYU SUSTAINABLES BERHAD (FORMERLY KNOWN AS IPMUDA BERHAD)  
("JENTAYU SUSTAINABLES")**

**REPORT ON THE COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF  
FINANCIAL POSITION AS AT 30 SEPTEMBER 2021**

We have completed our assurance engagement to report on the compilation of the Pro Forma Consolidated Statements of Financial Position of Jentayu Sustainable Berhad (formerly known as Ip muda Berhad) ("Jentayu Sustainable" or the "Company") and its subsidiaries ("the Group") as at 30 September 2021 by the Board of Directors of the Company ("the Directors"). The Pro Forma Consolidated Statements of Financial Position comprises the Pro Forma Consolidated Statements of Financial Position as at 30 September 2021, and related notes as attached to this report that we have stamped for identification purposes. The applicable criteria on the basis of which the 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.

The Pro Forma Consolidated Statements of Financial Position has been compiled by the Directors to illustrate the effect of the:

- (i) Disposal of a piece of leasehold property by Roset-BLG Sdn. Bhd., a wholly-owned subsidiary of Better Living Grand Sdn. Bhd., which in turn is a wholly-owned subsidiary of Jentayu Sustainable to Pixel Valley Sdn. Bhd., a wholly-owned subsidiary of Kerjaya Prospek Property Berhad, for total consideration of RM82,000,000 to be satisfied by way of cash and in kind by way of properties ("Property Disposal");

Member of Parker Randall International



• Kuala Lumpur

• Shah Alam

• Kuantan

• Ipoh

• Kota Bharu

**APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF JENTAYU SUSTAINABLES AS AT 30 SEPTEMBER 2021 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)**



- (ii) Special cash dividend of RM30,437,190 on the basis of RM0.30 per ordinary share in Jentayu Sustainables (“Jentayu Share(s)”) to the entitled shareholders at 5.00 p.m. Friday, 28 January 2022 (“Entitlement Date”) (“Special Dividend”);
- (iii) Bonus issue of 101,457,300 new Jentayu Sustainables shares (“Bonus Share(s)”) together with 152,185,950 free detachable warrants in Jentayu Sustainables (“Bonus Warrant(s)”) on the basis of two (2) Bonus Shares together with three (3) Bonus Warrants for every two (2) existing Jentayu Sustainables Shares held by the entitled shareholders on the Entitlement Date (“Bonus Issue of Shares and Warrants”);
- (iv) Renounceable rights issue of 101,457,300 new Jentayu Sustainables Shares (“Rights Share(s)”) on the basis of one (1) Rights Share for every one (1) existing Jentayu Sustainables share by the entitled shareholders on the Entitlement Date at an issue price of RM0.30 per Rights Share (“Rights Issue of Shares”); and
- (v) Acquisition of 8,800,000 ordinary shares in Ultimate Forte Sdn. Bhd. (“Ultimate Forte”), representing the entire equity interest in Ultimate Forte for a total purchase consideration of RM18,000,000 to be satisfied via a combination of cash of RM6,679,500 and new Jentayu Sustainables shares amounting to RM11,320,500 (“Acquisition of Hospital”).

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

The Pro Forma Consolidated Statements of Financial Position has been compiled by the Directors, for illustrative purposes only, to show the effects of the transactions as set out in the notes thereon to the Pro Forma Consolidated Statements of Financial Position on the Company’s Consolidated Statements of Financial Position, presented had these transactions been effected.

As part of this process, information about the Group’s financial position, financial performance and cash flow has been extracted by the Directors from the interim consolidated financial statements of the Company for the financial year ended 30 September 2021.

The Directors are responsible for compiling 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.

**Our Independence and Quality Control**

We have compiled with the independence and other ethical requirement of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards), which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Member of Parker Randall International



• Kuala Lumpur

• Shah Alam

• Kuantan

• Ipoh

• Kota Bharu

**APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF JENTAYU SUSTAINABLES AS AT 30 SEPTEMBER 2021 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)**



**Our Independence and Quality Control (Cont'd)**

Our firm applies International Standards on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedure regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Reporting Accountants' Responsibilities**

Our responsibility is to express an opinion about whether the Pro Forma Consolidated Statements of Financial Position has been compiled, in all material respects, by the Directors on the basis set out in the notes thereon to the Pro Forma Consolidated Statements of Financial Position and in accordance with the Malaysian Institute of Accountants' Guidance Note for Issuers of Pro Forma Consolidated Statements of Financial Position.

We conducted our engagement in accordance with approved standards on assurance engagements in Malaysia, International Standard on Assurance Engagements ("ISAE") 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus", issued by the Malaysian Institute of Accountants. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Directors have 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.

For the purpose 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 the Pro Forma Consolidated Financial Position is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Company as if the event had occurred or the transaction had been undertaken at an earlier date selected for purpose of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at that date would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Consolidated Statements of Financial Position has 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 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 event or transactions, and to obtain sufficient appropriate evidence about whether:

Member of Parker Randall International



• Kuala Lumpur

• Shah Alam

• Kuantan

• Ipoh

• Kota Bharu



**APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF JENTAYU SUSTAINABLES AS AT 30 SEPTEMBER 2021 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)**



**Reporting Accountants' Responsibilities (Cont'd)**

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

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Company and its subsidiaries, the event or transaction in respect of which the Pro Forma Consolidated Statements of Financial Position has 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.

**Our Opinion**

In our opinion, the Pro Forma Consolidated Statements of Financial Position has been compiled, in all material respects, on the basis set out in the notes thereon to the Pro Forma Consolidated Statements of Financial Position.

**Other Matters**

This letter is issued at your request made solely to the Company and for inclusion in the Abridged Prospectus to be issued and should not be used or relied upon for any other purpose. Accordingly, we will not accept any liability or responsibility to any other party to whom our opinion is shown or into whose hands it may come.

  
**AFRIZAN TARMILI KHAIRUL AZHAR**  
Chartered Accountants  
AF1300

  
**DATUK MOHD AFRIZAN DATO' HUSAIN**  
Chartered Accountant  
01805/11/2022 J  
Partner

Member of Parker Randall International



• Kuala Lumpur

• Shah Alam

• Kuantan

• Ipoh

• Kota Bharu

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF JENTAYU SUSTAINABLES AS AT 30 SEPTEMBER 2021 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)



JENTAYU SUSTAINABLES BERHAD  
NOTES TO THE PRO FORMA CONSOLIDATED  
STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

	Note	Unaudited as at 30 September 2021	Pro Forma (I)		Pro Forma (II)		Pro Forma (III)		Pro Forma (IV)		Pro Forma (V)		Pro Forma (VI)	
			Adj	RM'000	Adj	RM'000	Adj	RM'000	Adj	RM'000	Adj	RM'000	Adj	RM'000
<b>ASSETS</b>														
<b>Non Current Assets</b>														
Property, plant and equipment	8	4,279	-	4,279	-	4,279	-	4,279	-	4,279	-	4,279	-	4,279
Right-of-use assets	8	1,468	-	1,468	-	1,468	-	1,468	-	1,468	-	1,468	-	1,468
Investment properties		47,655	-	47,655	-	47,655	-	47,655	-	47,655	-	47,655	-	47,655
Inventories	9	9,612	-	9,612	-	9,612	-	9,612	-	9,612	-	9,612	-	9,612
Other investments		510	-	510	-	510	-	510	-	510	-	510	-	510
Goodwill on consolidation	10	-	-	-	-	-	-	-	-	-	-	-	-	-
		<b>63,524</b>	-	<b>63,524</b>	-	<b>63,524</b>	-	<b>63,524</b>	-	<b>63,524</b>	-	<b>63,524</b>	-	<b>63,524</b>
<b>Current Assets</b>														
Inventories	9	4,111	-	4,111	-	4,111	-	4,111	-	4,111	-	4,111	-	4,111
Trade receivables	11	17,217	-	17,217	-	17,217	-	17,217	-	17,217	-	17,217	-	17,217
Other receivables	12	6,584	-	6,584	-	6,584	-	6,584	-	6,584	-	6,584	-	6,584
Amount due from an associate		9	-	9	-	9	-	9	-	9	-	9	-	9
Tax recoverable		571	-	571	-	571	-	571	-	571	-	571	-	571
Deposits		-	-	-	-	-	-	-	-	-	-	-	-	-
Cash & bank balances	14	4,145	47,850	51,995	(30,437)	21,558	16,000	37,558	(6,337)	31,221	100,443	131,664		131,664
		<b>32,637</b>	<b>47,850</b>	<b>80,487</b>	<b>(30,437)</b>	<b>50,050</b>	<b>16,000</b>	<b>66,050</b>	<b>(5,699)</b>	<b>60,351</b>	<b>100,443</b>	<b>160,794</b>		<b>160,794</b>
<b>Assets classified as held for sale</b>	15	13,839	(7,123)	6,716	-	6,716	-	6,716	-	6,716	-	6,716	-	6,716
<b>TOTAL ASSETS</b>		<b>110,000</b>	<b>40,727</b>	<b>150,727</b>	<b>(30,437)</b>	<b>120,290</b>	<b>16,000</b>	<b>136,290</b>	<b>12,356</b>	<b>148,646</b>	<b>100,443</b>	<b>249,089</b>		<b>249,089</b>

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF JENTAYU SUSTAINABLES AS AT 30 SEPTEMBER 2021 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

JENTAYU SUSTAINABLES BERHAD  
NOTES TO THE PRO FORMA CONSOLIDATED  
STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021 (CONT'D)

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021 (CONT'D)



Note	Unaudited as at 30 September 2021	Pro Forma (i)		Pro Forma (ii)		Pro Forma (iii)		Pro Forma (iv)		Pro Forma (v)		Pro Forma (vi)	
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>EQUITY AND LIABILITIES</b>													
<b>EQUITY</b>													
16	Share Capital	94,777	-	94,777	-	94,777	30,437	125,214	11,321	136,535	100,443	236,978	
	Other reserves	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	(38)	
17	Retained earnings (Accumulated losses) /	(51,818)	65,727	13,909	(30,437)	(16,528)	(5,500)	(22,028)	(22,028)	(22,028)	(22,028)	(22,028)	
	Equity attributable to owners of the Company	42,921	108,648	78,211	78,211	78,211	103,148	103,148	114,469	114,469	114,469	214,912	
	Non-controlling interests	(271)	(271)	(271)	(271)	(271)	(271)	(271)	(271)	(271)	(271)	(271)	
	<b>TOTAL EQUITY</b>	<b>42,650</b>	<b>65,727</b>	<b>108,377</b>	<b>(30,437)</b>	<b>77,940</b>	<b>24,937</b>	<b>102,877</b>	<b>11,321</b>	<b>114,198</b>	<b>100,443</b>	<b>214,641</b>	
<b>LIABILITIES</b>													
<b>Non Current Liabilities</b>													
18	Borrowings	32,925	(21,441)	11,484	-	11,484	(8,937)	2,547	-	2,547	-	2,547	
19	Lease liabilities	-	-	-	-	-	-	-	93	93	-	93	
	Deferred tax liabilities	2,370	-	2,370	-	2,370	-	2,370	-	2,370	-	2,370	
	<b>Non Current Liabilities</b>	<b>35,295</b>	<b>(21,441)</b>	<b>13,854</b>	<b>-</b>	<b>13,854</b>	<b>(8,937)</b>	<b>4,917</b>	<b>93</b>	<b>5,010</b>	<b>-</b>	<b>5,010</b>	
<b>Current Liabilities</b>													
20	Trade payables	3,888	-	3,888	-	3,888	-	3,888	344	4,232	-	4,232	
21	Other payables	6,233	-	6,233	-	6,233	-	6,233	407	6,640	-	6,640	
22	Advances from directors	-	-	-	-	-	-	-	100	100	-	100	
	Contract liabilities	38	-	38	-	38	-	38	-	38	-	38	
19	Lease liabilities	522	-	522	-	522	-	522	91	613	-	613	
18	Borrowings	21,374	(3,559)	17,815	-	17,815	-	17,815	-	17,815	-	17,815	
	Tax payable	-	-	-	-	-	-	-	-	-	-	-	
	<b>Current Liabilities</b>	<b>32,055</b>	<b>(3,559)</b>	<b>28,496</b>	<b>-</b>	<b>28,496</b>	<b>-</b>	<b>28,496</b>	<b>942</b>	<b>29,438</b>	<b>-</b>	<b>29,438</b>	
<b>Liabilities classified as held for sale</b>													
	<b>TOTAL LIABILITIES</b>	<b>67,350</b>	<b>(25,000)</b>	<b>42,350</b>	<b>-</b>	<b>42,350</b>	<b>(8,937)</b>	<b>33,413</b>	<b>1,035</b>	<b>34,448</b>	<b>-</b>	<b>34,448</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>													
		110,000	40,727	150,727	(30,437)	120,290	16,000	136,290	12,356	148,646	100,443	249,089	



**APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF JENTAYU SUSTAINABLES AS AT 30 SEPTEMBER 2021 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)**



**JENTAYU SUSTAINABLES BERHAD  
NOTES TO THE PRO FORMA CONSOLIDATED  
STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021 (CONT'D)**

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021 (CONT'D)**

Note	Unaudited as at 30 September 2021	Pro Forma (i)		Pro Forma (ii)		Pro Forma (iii)		Pro Forma (iv)		Pro Forma (v)		Pro Forma (vi)	
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
		After the Property Disposal	Adj	After (i) and the Special Dividend	Adj	After (ii) and the Bonus Issue of Shares and Warrants	Adj	After (iii) and Rights Issue of Shares	Adj	After (iv) and Acquisition of Hospital	Adj	After (v) and assuming full exercise of Bonus Warrants	Adj
NA (RM'000)	42,921	108,648	-	78,211	-	78,211	-	103,148	-	114,469	-	214,912	-
No. of shares ('000)	101,457	101,457	-	101,457	101,457	202,914	101,457	304,371	18,868	323,239	152,186	475,425	-
NA per share (RM)	0.42	1.07	-	0.77	-	0.39	-	0.34	-	0.35	-	0.45	-
Borrowings (RM'000)	54,821	29,821	-	29,821	-	29,821	-	20,884	-	21,068	-	21,068	-
Gearing (times)	1.28	0.27	-	0.38	-	0.38	-	0.20	-	0.18	-	0.10	-

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**APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF JENTAYU SUSTAINABLES AS AT 30 SEPTEMBER 2021 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)**

**JENTAYU SUSTAINABLES BERHAD**  
**NOTES TO THE PRO FORMA CONSOLIDATED**  
**STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021 (CONT'D)**



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**1. BASIS OF PREPARATION**

The Pro Forma Consolidated Statements of Financial Position, for which the Board of Directors of the Company are solely responsible, have been prepared for illustrative purposes, based on the consolidated statements of financial position as at 30 September 2021 of the Company as extracted from the interim financial statements for the first quarter ended 30 September 2021. The statements of financial statements were prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) in Malaysia, International Financial Reporting Standards (“IFRS”) and the requirements of the Companies Act 2016 in Malaysia. The Pro Forma Statements of Financial Position have been prepared in a manner consistent with the accounting policies of Jentayu Sustainable as adopted for the interim financial statements for the year ended 30 September 2021 to provide information on how the consolidated financial position of the Group as at 30 September 2021 might have been affected had the following proposals been completed on the 30 September 2021:

- (i) Disposal of a piece of leasehold property (“**Property**”) by Roset-BLG Sdn. Bhd. (“**Roset-BLG**”), a wholly-owned subsidiary of Better Living Grand Sdn. Bhd., which is a wholly-owned subsidiary of Jentayu Sustainable to Pixel Valley Sdn. Bhd. (“**Pixel Valley**”), a wholly-owned subsidiary of Kerjaya Prospek Property Berhad for total consideration of RM82,000,000 to be satisfied by way of cash and in kind by way of properties (“**Property Disposal**”);
- (ii) Special cash dividend of RM30,437,190 on the basis of RM0.30 per ordinary share in Jentayu Sustainable (“**Jentayu Sustainable Share(s)**”) to the entitled shareholders at 5.00 p.m., Friday, 28 January 2022 (“**Entitlement Date**”) (“**Special Dividend**”);
- (iii) Bonus issue of 101,457,300 new Jentayu Sustainable Shares (“**Bonus Share(s)**”) together with 152,185,950 free detachable warrants in Jentayu (“**Bonus Warrant(s)**”) on the basis of two (2) Bonus Shares together with three (3) Bonus Warrants for every two (2) existing Jentayu Sustainable Shares held by the entitled shareholders on the Entitlement Date (“**Bonus Issue of Shares and Warrants**”);
- (iv) Renounceable rights issue of 101,457,300 new Jentayu Sustainable Shares (“**Rights Share(s)**”) on the basis of one (1) Rights Share for every one (1) existing Jentayu Sustainable Share by the entitled shareholders on the Entitlement Date at an issue price of RM0.30 per Rights Share (“**Rights Issue of Shares**”); and
- (v) Acquisition of 8,800,000 ordinary shares in Ultimate Forte Sdn. Bhd. (“**Ultimate Forte**”), representing the entire equity interest in Ultimate Forte for a total purchase consideration of RM18,000,000 to be satisfied via a combination of cash of RM6,679,500 and new Jentayu Sustainable Shares amounting to RM11,320,500 (“**Consideration Share(s)**”) (“**Acquisition of Hospital**”).

**APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF JENTAYU SUSTAINABLES AS AT 30 SEPTEMBER 2021 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)**

**JENTAYU SUSTAINABLES BERHAD  
NOTES TO THE PRO FORMA CONSOLIDATED  
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**2. PRO FORMA I – PROPERTY DISPOSAL**

For illustrative purpose, the Pro Forma I incorporate the effects of disposal of a piece of leasehold property by Roset-BLG, a wholly-owned subsidiary of Better Living Grand Sdn. Bhd., which in turn is a wholly owned subsidiary of Jentayu to Pixel Valley, a wholly owned subsidiary of Kerjaya Prospek Property Berhad, for total consideration of RM82,000,000 which shall be satisfied in cash of RM80,000,000 and RM2,000,000 in kind by way of properties.

MFRS 116 requires consideration to be recognised at fair value (“FV”). In this respect, after taking into account the selling prices of the properties, the Directors regard the FV of the properties is RM2,047,156.40. Roset-BLG has authorised Pixel Valley to deduct the excess sum of RM47,156.40 from the cash purchase price of RM80,000,000 cash consideration under the conditional sale and purchase agreement in relation to the Property Disposal.

The disposal of the Property will generate a gain of RM65,726,916 after taking into account the total consideration of RM82,000,000 and the following transactions:

- (i) The carrying net book value of the Property of approximately RM9,123,321 as at 30 September 2021;
- (ii) Estimated expenses to be incurred for the Property Disposal of approximately RM1,938,000; and
- (iii) The real property gains tax of RM 5,211,763.

The proceeds arising from the Property Disposal of RM80,000,000 in cash consideration are intended to be used as follows:

**Proposed utilisation of proceeds**

	<b>RM'000</b>
Special Dividend	30,437
Repayment of bank borrowings	25,000
Working capital	11,366
Estimated expenses in relation to the Property Disposal	7,150
Funding for cash portion of the Acquisition of Hospital	6,000
Excess sum	47
<b>Total estimated proceeds</b>	<b>80,000</b>

**APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF JENTAYU SUSTAINABLES AS AT 30 SEPTEMBER 2021 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)**

**JENTAYU SUSTAINABLES BERHAD  
NOTES TO THE PRO FORMA CONSOLIDATED  
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**3. PRO FORMA II – SPECIAL DIVIDEND**

Pro Forma II incorporates the effects of Pro Forma I and special cash dividend of RM30,437,190 on the basis of RM0.30 per Jentayu Share to the entitled shareholders on the Entitlement Date.

The special cash dividend of RM30,437,190 to the entitled shareholders shall be paid out from the proceeds arising from the Property Disposal.

**4. PRO FORMA III – BONUS ISSUE OF SHARES AND WARRANTS**

Pro Forma III incorporates the effects of Pro Forma II and the issuance of 101,457,300 Bonus Shares together with 152,185,950 Bonus Warrants on the basis of two (2) Bonus Shares together with three (3) Bonus Warrants for every two (2) existing Jentayu Shares held by the entitled shareholders on the Entitlement Date.

The Directors has resolved to fix the exercise price of the Bonus Warrants at RM0.66 per Bonus Warrant pursuant to the Bonus Issue of Shares and Warrants. The Bonus Issue of Shares and Warrants will increase the number of Jentayu Shares but the value of issued share capital of Jentayu will remain the same.

The Bonus Warrants are attached to the Bonus Shares without any cost and will be issued only to the entitled shareholders. Each Bonus Warrant will entitle its holder to subscribe for one (1) new Jentayu Share at an exercise price of RM0.66. The Bonus Warrants will be immediately detached from the Bonus Shares upon issuance and traded separately.

Details of the warrants are as follows:

Number of warrants	Up to 152,185,950 Bonus Warrants
Exercise price of warrants	RM0.66
Exercise period of warrants	Exercisable at any time within ten (10) years commencing on and including the issue date
Exercise rights	Each Bonus Warrant entitles our Warrant Holder to subscribe for one (1) new Jentayu Share at the exercise price at any time during the exercise period

**5. PRO FORMA IV – RIGHTS ISSUE OF SHARES**

Pro Forma IV incorporates the effects of Pro Forma III and the rights issue of 101,457,300 Rights Shares. The Rights Issue of Shares to be implemented on a renounceable basis of one (1) Rights Share for every one (1) existing Jentayu Share held by the entitled shareholders on the Entitlement Date at an issue price of RM0.30.

The Rights Issue of Shares will be undertaken on a full subscription basis to raise total proceeds of RM30,437,190 and is structured based on an underwriting arrangement for the entire portion of 101,457,300 Rights Shares.

**APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF  
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**JENTAYU SUSTAINABLES BERHAD  
NOTES TO THE PRO FORMA CONSOLIDATED  
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**5. PRO FORMA IV – RIGHTS ISSUE OF SHARES (CONT'D)**

The proceeds arising from the Rights Issue of Shares are proposed to be utilised by Jentayu as below:

**Proposed utilisation of proceeds**

	<b>RM '000</b>
Funding for renewable energy project	16,000
Repayment for bank borrowings	8,937
Estimated expenses in relation to the Corporate Exercises, Proposed Acquisition of Solar Asset and Proposed Acquisition of Hydro Asset	5,500
<b>Total estimated proceeds</b>	<b>30,437</b>

**6. PRO FORMA V – ACQUISITION OF HOSPITAL**

Pro Forma V incorporates the effects of Pro Forma IV and the acquisition of 8,800,000 ordinary shares in Ultimate Forte, representing the entire equity interest in Ultimate Forte for a total purchase consideration of RM18,000,000 to be satisfied via a combination of cash of RM6,679,380 and RM11,320,620 representing 18,867,700 Consideration Shares at the issue price of RM0.60 per Consideration Share, assumed to be issued after the book closing date of the Bonus Issue of Shares and Warrants and Rights Issue of Shares.

The Pro Forma V also incorporates the effects of the consolidation of financial statements of Ultimate Forte based on the audited financial statements for the financial year ended 31 March 2021.

**7. PRO FORMA VI - ASSUMING FULL EXERCISE OF BONUS WARRANTS**

Pro Forma VI incorporates the effects of Pro Forma V and the exercise of all 152,185,950 Bonus Warrants into new Jentayu Shares.

The issuance of 152,185,950 new Jentayu Shares arising from the exercise of 152,185,950 Bonus Warrants at an exercise price of RM0.66 per Bonus Warrant will raise a gross proceed of RM100,442,727 and give rise to an increase in the issued share capital of Jentayu by RM100,442,727.

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**APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF  
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**JENTAYU SUSTAINABLES BERHAD  
NOTES TO THE PRO FORMA CONSOLIDATED  
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**8. PROPERTY, PLANT AND EQUIPMENT & RIGHT-OF-USE ASSET**

The movements of the Group's property, plant and equipment and right-of-use asset, are as follows:

	<b>Property, Plant and Equipment</b>	<b>Right-of- use Asset</b>
	<b>RM'000</b>	<b>RM'000</b>
Per interim financial statements as at 30 September 2021	4,279	1,468
Consolidation of Ultimate Forte's financial statements	3,050	-
<b>Balance after Pro Forma V &amp; VI</b>	<b>7,329</b>	<b>1,468</b>

**9. INVENTORIES**

The movements of the Group's inventories are as follows:

	<b>Current</b>	<b>Non- Current</b>
	<b>RM'000</b>	<b>RM'000</b>
Per interim financial statements as at 30 September 2021	4,111	9,612
Consolidation of Ultimate Forte's financial statements	180	-
<b>Balance after Pro Forma V &amp; VI</b>	<b>4,291</b>	<b>9,612</b>

**10. GOODWILL ON ACQUISITION**

The movements of the Group's goodwill are as follows:

	<b>RM'000</b>
Per interim financial statements as at 30 September 2021	-
Investment in Subsidiary	18,000
Net assets of Ultimate Forte	(2,995)
<b>Balance after Pro Forma V &amp; VI</b>	<b>15,005</b>

**APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF  
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**JENTAYU SUSTAINABLES BERHAD  
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**11. TRADE RECEIVABLES**

The movements of the Group's trade receivables are as follows:

	<b>RM'000</b>
Per interim financial statements as at 30 September 2021	17,217
Consolidation of Ultimate Forte's financial statements	96
<b>Balance after Pro Forma V &amp; VI</b>	<b>17,313</b>

**12. OTHER RECEIVABLES**

The movements of the Group's other receivables are as follows:

	<b>RM'000</b>
Per interim financial statements as at 30 September 2021	6,584
Consolidation of Ultimate Forte's financial statements	44
<b>Balance after Pro Forma V &amp; VI</b>	<b>6,628</b>

**13. DEPOSITS**

The movements of the Group's deposits are as follows:

	<b>RM'000</b>
Per interim financial statements as at 30 September 2021	-
Consolidation of Ultimate Forte's financial statements	318
<b>Balance after Pro Forma V &amp; VI</b>	<b>318</b>

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**APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF  
JENTAYU SUSTAINABLES AS AT 30 SEPTEMBER 2021 TOGETHER WITH  
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**JENTAYU SUSTAINABLES BERHAD  
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**14. CASH AND BANK BALANCES**

The movements of the Group's cash and bank balances are as follows:

	<b>RM'000</b>
Per interim financial statements as at 30 September 2021	4,145
Proceeds from Property Disposal (after deducting the estimated expenses in relation to the Property Disposal of RM7,150,000)	72,850
Repayment of bank borrowings	(25,000)
<b>Balance after Pro Forma I</b>	<b>51,995</b>
Estimated payment of distribution in relation to the Special Dividend	(30,437)
<b>Balance after Pro Forma II &amp; III</b>	<b>21,558</b>
Proceeds from the Rights Issue of Shares	30,437
Repayment of bank borrowings	(8,937)
Estimated expensed in relation to the Rights Issue of Shares of RM5,500,000	(5,500)
<b>Balance after Pro Forma IV</b>	<b>37,558</b>
Cash Consideration for the Acquisition of Hospital	(6,679)
Consolidation of Ultimate Forte's financial statements	342
<b>Balance after Pro Forma V</b>	<b>31,221</b>
Assuming full exercise of Bonus Warrants	100,443
<b>Balance after Pro Forma VI</b>	<b>131,664</b>

**15. ASSETS CLASSIFIED AS HELD FOR SALE**

The movements of the Group's assets classified as held for sale are as follows:

	<b>RM'000</b>
Per interim financial statements as at 30 September 2021	13,839
Net book value of the Property of RM9.123 million	(9,123)
Property in kind	2,000
<b>Balance after Pro Forma I, II, III, IV, V &amp; VI</b>	<b>6,716</b>

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**16. SHARE CAPITAL**

The movements of the Group's share capital are as follows:

	<b>RM'000</b>
Per interim financial statements as at 30 September 2021	94,777
Issuance of new ordinary shares pursuant to the Rights Issue of Shares	30,437
<b>Balance after Pro Forma IV</b>	<b>125,214</b>
Issuance of the Consideration Shares pursuant to the Acquisition of Hospital	11,321
<b>Balance after Pro Forma V</b>	<b>136,535</b>
Issuance of new ordinary shares assuming full exercise of Bonus Warrants	100,443
<b>Balance after Pro Forma VI</b>	<b>236,978</b>

**17. (ACCUMULATED LOSSES) / RETAINED EARNINGS**

The movements of the Group's (accumulated losses) / retained earnings are as follows:

	<b>RM'000</b>
Per interim financial statements as at 30 September 2021	(51,818)
Gain on disposal arising from the Property Disposal	65,727
<b>Balance after Pro Forma I</b>	<b>13,909</b>
Pursuant to the Special Dividend	(30,437)
<b>Balance after Pro Forma II &amp; III</b>	<b>(16,528)</b>
Estimated expenses in relation to the Corporate Exercises, Proposed Acquisition of Solar Asset and Proposed Acquisition of Hydro Asset	(5,500)
<b>Balance after Pro Forma IV, V &amp; VI</b>	<b>(22,028)</b>

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**APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF  
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**18. BORROWINGS**

The movements of the Group's borrowings are as follows:

	<b>Current</b>	<b>Non- Current</b>
	<b>RM'000</b>	<b>RM'000</b>
Per interim financial statements as at 30 September 2021	21,374	32,925
Repayment of bank borrowings from proceeds arising from the Property Disposal	(3,559)	(21,441)
<b>Balance after Pro Forma I, II &amp; III</b>	<b>17,815</b>	<b>11,484</b>
Repayment of bank borrowings from proceeds arising from the Rights Issue of Shares	-	(8,937)
<b>Balance after Pro Forma IV, V &amp; VI</b>	<b>17,815</b>	<b>2,547</b>

**19. LEASE LIABILITIES**

The movements of the Group's lease liabilities are as follows:

	<b>Current</b>	<b>Non- Current</b>
	<b>RM'000</b>	<b>RM'000</b>
Per interim financial statements as at 30 September 2021	522	-
Consolidation of Ultimate Forte's financial statements	91	93
<b>Balance after Pro Forma V &amp; VI</b>	<b>613</b>	<b>93</b>

**20. TRADE PAYABLES**

The movements of the Group's trade payables are as follows:

	<b>RM'000</b>
Per interim financial statements as at 30 September 2021	3,888
Consolidation of Ultimate Forte's financial statements	344
<b>Balance after Pro Forma V &amp; VI</b>	<b>4,232</b>

**APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF JENTAYU SUSTAINABLES AS AT 30 SEPTEMBER 2021 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)**

**JENTAYU SUSTAINABLES BERHAD  
NOTES TO THE PRO FORMA CONSOLIDATED  
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**21. OTHER PAYABLES**

The movements of the Group's other payables are as follows:

	<b>RM'000</b>
Per interim financial statements as at 30 September 2021	6,233
Consolidation of Ultimate Forte's financial statements	407
<b>Balance after Pro Forma V &amp; VI</b>	<b>6,640</b>

**22. ADVANCES FROM DIRECTORS**

The movements of the Group's advances from directors are as follows:

	<b>RM'000</b>
Per interim financial statements as at 30 September 2021	-
Consolidation of Ultimate Forte's financial statements	100
<b>Balance after Pro Forma V &amp; VI</b>	<b>100</b>

**APPROVAL BY THE BOARD OF DIRECTORS**

Approved and adopted by the Board of Directors in accordance with a resolution dated 12 January 2022.

On behalf of the Board,

**JEEFRI BIN MUHAMAD YUSUP**  
Chief Executive Officer