

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

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

THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF IN DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY. All enquiries concerning the Rights Issue with Warrants, which is the subject matter of this Abridged Prospectus, should be addressed to our Share Registrar, Boardroom.com Sdn Bhd at Level 5, Block B, Dataran PHB, Saujana Resort, Section U2, 40150 Shah Alam, Selangor.

This Abridged Prospectus, together with the NPA and RSF (collectively, the “Documents”), will be despatched only to our Entitled Shareholders whose names appear on our Record of Depositors as at 5.00p.m. on 23 April 2021 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 23 April 2021. The Documents are not intended to (and will not be made to) comply with the laws of any country or jurisdiction other than Malaysia and are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia. No action has been or will be taken to ensure that the Rights Issue with Warrants complies with the laws of any country or jurisdiction other than the laws of Malaysia. Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal adviser and other professional advisers as to whether the acceptance or renunciation (as the case may be) of their entitlements to the Rights Issue with Warrants, application for Excess Rights Shares with Warrants B, or the subscription, offer, sale, resale, pledge or other transfer of the new securities arising from the Rights Issue with Warrants would result in the contravention of any law of such countries or jurisdictions. We, Mercury Securities and/or the advisers named herein shall not accept any responsibility or liability in the event that any acceptance and/or renunciation (as the case may be) of entitlements, application for Excess Rights Shares with Warrants B or the subscription, offer, sale, resale, pledge or other transfer of the new securities arising from the Rights Issue with Warrants made by any Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions in which Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) are residents.

This Abridged Prospectus has been registered by the SC. The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue with Warrants or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Abridged Prospectus. The SC has not, in any way, considered the merits of this Rights Issue with Warrants. 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 with Warrants has been obtained from our shareholders at our EGM convened on 1 April 2021. Approval has been obtained from Bursa Securities via its letter dated 23 February 2021 for the admission of the Warrants B to the Official List as well as the listing and quotation of the Rights Shares, Warrants B and the new Shares to be issued upon exercise of the Warrants B on the Main Market of Bursa Securities (subject to the conditions specified in the said letter), which will commence after, among others, receipt of confirmation from Bursa Depository that all the CDS Accounts of successful Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) have been duly credited with the Rights Shares and Warrants B allotted to them and notices of allotment have been despatched to them. However, such admission and the listing and quotation are not an indication that Bursa Securities recommends the Rights Issue with Warrants and are not to be taken as an indication of the merits of the Rights Issue with Warrants.

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

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



JOE HOLDING BERHAD

(formerly known as GPA Holdings Berhad)
Registration No. 199901018997 (493897-V)

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

RENOUNCEABLE RIGHTS ISSUE OF UP TO 2,249,237,340 NEW ORDINARY SHARES IN JOE HOLDING BERHAD (“JOE” OR THE COMPANY”) (“JOE SHARES” OR “SHARES”) (“RIGHTS SHARES”) AT AN ISSUE PRICE OF RM0.05 PER RIGHTS SHARE TOGETHER WITH UP TO 1,349,542,404 FREE DETACHABLE WARRANTS IN JOE (“WARRANTS B”) ON THE BASIS OF 5 RIGHTS SHARES TOGETHER WITH 3 FREE WARRANTS B FOR EVERY 5 EXISTING SHARES HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY AT 5.00 P.M. ON 23 APRIL 2021

Principal Adviser



MERCURY SECURITIES SDN BHD

[Registration No. 198401000672 (113193-W)]
(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIMES

Entitlement Date	: Friday, 23 April 2021 at 5.00 p.m.
Last date and time for:	
Sale of Provisional Allotments	: Monday, 3 May 2021 at 5.00 p.m.
Transfer of Provisional Allotments	: Wednesday, 5 May 2021 at 4.30 p.m.
Acceptance and payment	: Tuesday, 11 May 2021 at 5.00 p.m.
Excess Rights Shares with Warrants B Application and payment	: Tuesday, 11 May 2021 at 5.00 p.m.

This Abridged Prospectus is dated 23 April 2021

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

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

MERCURY SECURITIES, BEING THE PRINCIPAL ADVISER FOR THE RIGHTS ISSUE WITH WARRANTS, 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 WITH WARRANTS.

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

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

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

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

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

DEFINITIONS

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

Abridged Prospectus	- This abridged prospectus dated 23 April 2021 in relation to the Rights Issue with Warrants
Act	- Companies Act, 2016 of Malaysia, as amended from time to time and any re-enactment thereof
Base Case Scenario	- Assuming that, prior to the Entitlement Date:- (i) none of the outstanding Warrants A as at the LPD are exercised into new Shares; and (ii) none of the ESOS Options which may be granted up to its maximum allowable amount pursuant to the ESOS Options Undertaking are granted and exercised into new Shares, and all the Entitled Shareholders and/or their renouncee(s) and/or transferee(s) fully subscribe for their respective entitlements under the Rights Issue with Warrants
Bloomberg	- Bloomberg Finance Singapore L.P. and its affiliates
BNM	- Bank Negara Malaysia
Board	- The Board of Directors of the Company
Bursa Depository	- Bursa Malaysia Depository Sdn Bhd
Bursa Securities	- Bursa Malaysia Securities Berhad
By-Laws	- The by-laws governing the ESOS
CAGR	- Compound annual growth rate
CCM	- Companies Commission of Malaysia
CDS	- Central Depository System, the system established and operated by Bursa Depository for the central handling of securities deposited with Bursa Depository
CDS Account	- Securities account established by Bursa Depository for a depositor pursuant to the SICDA and the Rules of Bursa Depository for the recording of deposits of securities and dealings in such securities by the depositor
CE Marking Certification	- A certification mark that indicates that a product has been assessed by the manufacturer and deemed to meet the European Union safety, health and environmental protection requirements. It is required for products manufactured anywhere in the world that are then marketed in the European Union
Change of Name	- Change of name of the Company from "GPA Holdings Berhad" to "JOE Holding Berhad", which was effective from 2 April 2021
Circular	- Circular to the Shareholders dated 10 March 2021 in relation to the Corporate Exercises

DEFINITIONS (CONT'D)

Closing Date	- 11 May 2021 at 5.00 p.m., being the last date and time for the acceptance of and payment for the Rights Shares with Warrants B
CMSA	- Capital Markets and Services Act, 2007 of Malaysia as amended from time to time and any re-enactment thereof
Code	- Malaysian Code on Take-Overs and Mergers, 2016 as amended from time to time
Constitution	- Constitution of the Company
Convertible Securities	- Collectively, the ESOS Options and Warrants A
Corporate Exercises	- Collectively, the Rights Issue with Warrants and Change of Name
COVID-19	- Coronavirus disease 2019
Deed Poll A	- Deed poll constituting the Warrants A dated 24 April 2015
Deed Poll B	- Deed poll constituting the Warrants B dated 8 April 2021
Directors	- Director(s) for the time being of JOE and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the CMSA
e-RSF	- Electronic RSF
e-Subscription	- Electronic subscription
EGM	- Extraordinary general meeting of the Company
Entitled Shareholders	- Shareholders whose names appear in the Record of Depositors of the Company as at the close of business on the Entitlement Date in order to be entitled to the Rights Issue with Warrants
Entitlement Date	- 23 April 2021, at 5.00 p.m., being the date and time on which the names of Shareholders must appear in the Record of Depositors in order to be entitled to participate in the Rights Issue with Warrants
EPS	- Earnings per Share
ESOS	- Employees' share options scheme of the Company which took effect on 18 November 2020 for a period of 5 years
ESOS Options	- Options granted and/or which may be granted under the ESOS pursuant to the By-Laws, where each holder of the ESOS Options can subscribe for 1 new Share for every 1 ESOS Option held

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DEFINITIONS (CONT'D)

- ESOS Options Undertaking** - An undertaking dated 18 January 2021 by the Company that it will not grant any further ⁽¹⁾ESOS Options beyond 229,433,940 ESOS Options (being the maximum allowable amount that may be granted under the ESOS that was computed based on the issued share capital of the Company as at 18 January 2021) until the completion of the Rights Issue with Warrants.
- Note:-*
 (1) Upon full granting and exercise of the 229,433,940 ESOS Options, the Company is able to further grant an additional 34,415,091 ESOS Options based on the enlarged share capital.
- Excess Rights Shares with Warrants B** - The Rights Shares with Warrants B which are not taken up or not validly taken up by the Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) prior to the Closing Date
- Excess Rights Shares with Warrants B Application** - Application for additional Rights Shares with Warrants B in excess of the Provisional Allotments by the Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable)
- Exercise Period** - Any time within a period of 3 years commencing from and including the date of issue of the Warrants B to the close of business at 5.00 p.m. on the Market Day immediately preceding the date which is the 3rd anniversary from the date of issue of the Warrants B. Any Warrants B not exercised during the Exercise Period will thereafter lapse and cease to be valid
- Exercise Price** - RM0.05, being the price at which 1 Warrant B is exercisable into 1 new Share, subject to adjustments in accordance with the provisions of the Deed Poll B
- FDA Certification** - Certifications obtained from the Food and Drug Administration, a federal agency of the US Department of Health and Human Services, responsible for the safety of food, dietary supplements, human drugs, vaccines, blood products and other biologicals, medical devices, radiation-emitting electronics, cosmetics, veterinarian products and tobacco products being sold or manufactured in the US
- First Phase** - First phase of the Group's Gloves Business which will comprise the following:-
- (i) clearing the existing factories as well as modification and construction works on the factories to rebuild it as the glove manufacturing facilities; and
 - (ii) acquisition, installation and the commission of 2 double former glove-dipping lines by the second half of 2021. Further details are set out in Section 5 of this Abridged Prospectus
- Foreign-Addressed Shareholders** - Shareholders who have not provided to the Company a registered address or an address in Malaysia for the service of documents which will be issued in connection with the Rights Issue with Warrants
- FPE** - Financial period ended
- FYE** - Financial year(s) ended / ending, as the case may be

DEFINITIONS (CONT'D)

GDP	- Gross domestic product
Gloves Business	- Business involving the manufacture and sale of rubber gloves.
Government	- Government of Malaysia
GP	- Gross profit
IMR Report	- The independent market research report dated 25 March 2021 prepared by Smith Zander
JOE or the Company	- JOE Holding Berhad (<i>formerly known as GPA Holdings Berhad</i>)
JOE Group or the Group	- Collectively, JOE and its subsidiaries
JOE Shares or Shares	- Ordinary shares in the Company
LAT	- Loss after taxation
LBT	- Loss before taxation
Listing Requirements	- Main Market Listing Requirements of Bursa Securities, including any amendments made thereto from time to time
LPD	- 25 March 2021, being the latest practicable date prior to the printing of this Abridged Prospectus
LPS	- Loss per Share
LTD	- 7 April 2021, being the last trading day prior to the date of fixing the issue price of the Rights Shares and Exercise Price
MARGMA	- Malaysian Rubber Glove Manufacturers Association
Market Day(s)	- Any day on which Bursa Securities is open for trading in securities
Maximum Scenario	- Assuming that, prior to the Entitlement Date:- (i) all the outstanding Warrants A as at the LPD are exercised into new Shares; (ii) all the ESOS Options which may be granted up to its maximum allowable amount pursuant to the ESOS Options Undertaking are granted and exercised into new Shares, and all the Entitled Shareholders and/or their renounee(s) and/or their transferee(s) fully subscribe for their respective entitlements under the Rights Issue with Warrants
MCO	- Movement control order issued by the Malaysian Government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967
Mercury Securities or the Principal Adviser	- Mercury Securities Sdn Bhd

DEFINITIONS (CONT'D)

Minimum Scenario	<ul style="list-style-type: none"> - Assuming that, prior to the Entitlement Date:- <ul style="list-style-type: none"> (i) none of the outstanding Warrants A as at the LPD are exercised into new Shares; (ii) none of the ESOS Options which may be granted up to its maximum allowable amount pursuant to the ESOS Options Undertaking are granted and exercised into new Shares, and the Rights Issue with Warrants is undertaken based on the Minimum Subscription Level
Minimum Subscription Level	<ul style="list-style-type: none"> - Minimum subscription of 200,000,000 Rights Shares together with 120,000,000 Warrants B based on an issue price of RM0.05 per Rights Share to raise a minimum of RM10.0 million
MITI	<ul style="list-style-type: none"> - Ministry of International Trade and Industry of Malaysia
NA	<ul style="list-style-type: none"> - Net assets
N/A	<ul style="list-style-type: none"> - Not applicable
NPA	<ul style="list-style-type: none"> - Notice of provisional allotment in relation to the Rights Issue with Warrants
Official List	<ul style="list-style-type: none"> - A list specifying all securities which have been admitted for listing on the Main Market of Bursa Securities and not removed
PAT	<ul style="list-style-type: none"> - Profit after taxation
PBT	<ul style="list-style-type: none"> - Profit before taxation
Previous Fundraising Exercises	<ul style="list-style-type: none"> - Collectively, the Private Placement December 2020 and Private Placement January 2021
Private Placement January 2021	<ul style="list-style-type: none"> - Private placement exercise which involved the issuance of 254,926,000 Shares, which was completed on 13 January 2021
Private Placement December 2020	<ul style="list-style-type: none"> - Private placement exercise which involved the issuance of 294,146,000 Shares, which was completed on 15 December 2020
Provisional Allotments	<ul style="list-style-type: none"> - The Rights Shares with Warrants B provisionally allotted to Entitled Shareholders
Record of Depositors	<ul style="list-style-type: none"> - A record of securities holders provided by Bursa Depository under the Rules of Bursa Depository
Rights Issue with Warrants	<ul style="list-style-type: none"> - Renounceable rights issue of up to 2,249,237,340 Rights Shares together with up to 1,349,542,404 free detachable Warrants B on the basis of 5 Rights Shares together with 3 free Warrants B for every 5 existing Shares held by the Entitled Shareholders on the Entitlement Date
Rights Shares	<ul style="list-style-type: none"> - Up to 2,249,237,340 new Shares to be allotted and issued pursuant to the Rights Issue with Warrants
RM and sen	<ul style="list-style-type: none"> - Ringgit Malaysia and sen respectively

DEFINITIONS (CONT'D)

RSF	- Rights subscription form in relation to the Rights Issue with Warrants
Rules of Bursa Depository	- The Rules of Bursa Depository as issued pursuant to the SICDA as amended from time to time
Rules on Take-Overs, Mergers and Compulsory Acquisitions	- Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the SC pursuant to Section 377 of the CMSA, as amended from time to time
SC	- Securities Commission Malaysia
Share Registrar	- Boardroom.com Sdn Bhd
Shareholders	- Registered holders of the Shares
SICDA	- Securities Industry (Central Depositories) Act, 1991 of Malaysia, as amended from time to time
Smith Zander	- Smith Zander International Sdn Bhd, an independent market researcher
TEAP	- Theoretical ex-all price
Undertakings	- The written undertakings from the Undertaking Shareholders dated 27 January 2021 pursuant to which the Undertaking Shareholders have irrevocably and unconditionally undertaken, amongst others, to apply and subscribe in full for their entitlement of Rights Shares and additional Rights Shares not taken up by other Entitled Shareholders by way of excess Right Shares application, to the extent such that the aggregate subscription proceeds of the Rights Shares received by the Company arising from the subscription by all Entitled Shareholders and/or their renounee(s) and/or their transferee(s) amount to not less than RM10.0 million, details of which are set out in Section 3 of this Abridged Prospectus
Undertaking Shareholders	- Collectively, Koo Kien Yoon (Executive Director of JOE) and Tang Boon Koon (Senior Independent Non-Executive director of JOE)
US	- United States of America
USD	- United States Dollar, the lawful currency of the US
VWAP	- Volume-weighted average market price
Warrants A	- The outstanding JOE warrants 2015/2025 issued by the Company pursuant to the Deed Poll A and expiring on 3 June 2025
Warrants B	- Up to 1,349,542,404 free detachable warrants in JOE to be allotted and issued pursuant to the Rights Issue with Warrants
Warrants B Holders	- The holders of Warrants B

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

DEFINITIONS (CONT'D)

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

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

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

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

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

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ADVISERS' DIRECTORY

- COMPANY SECRETARIES** : Tan Tong Lang (MAICSA 7045482) (SSM PC NO.: 201908002253)
Vimalraj A/L Shanmugam (MAICSA 7068140) (SSM PC NO.: 202008000925)
Level 5, Block B, Dataran PHB,
Saujana Resort, Section U2,
40150 Shah Alam, Selangor
Tel : +603 – 7890 0638
Fax : +603 – 7890 1032
- PRINCIPAL ADVISER** : Mercury Securities Sdn Bhd
L-7-2, No 2, Jalan Solaris
Solaris Mont' Kiara
50480 Kuala Lumpur
Wilayah Persekutuan
Tel : +603 - 6203 7227
Fax : +603 - 6203 7117
- SOLICITORS FOR THE RIGHTS
ISSUE WITH WARRANTS** : Mah-Kamariyah & Philip Koh
Advocates & Solicitors
3A07, Block B, Phileo Damansara II
15, Jalan 16/11, Off Jalan Damansara
46350 Petaling Jaya
Selangor Darul Ehsan
Tel : +603 - 7956 8686
Fax : +603 - 7956 2208
- SHARE REGISTRAR** : Boardroom.com Sdn Bhd
Level 5, Block B, Dataran PHB,
Saujana Resort, Section U2,
40150 Shah Alam, Selangor
Tel : +603 – 7890 0638
Fax : +603 – 7890 1032
- REPORTING ACCOUNTANTS** : RSM Malaysia (AF 0768)
5th Floor, Penthouse, Wisma RKT,
Block A, No. 2, Jalan Raja Abdullah,
Off Jalan Sultan Ismail,
50300 Kuala Lumpur, Malaysia
Tel : +603 – 2610 2888
Fax : +603 – 2698 6600
- INDEPENDENT MARKET
RESEARCHER** : Smith Zander International Sdn Bhd
15-01, Level 15, Menara MBMR
1, Jalan Syed Putra
58000 Kuala Lumpur
Malaysia
Tel : +603 - 2732 7537
- Managing Partner: Dennis Tan Tze Wen
(Bachelor of Science (major in Computer Science and minor in
Business Administration) from Memorial University of
Newfoundland, Canada)
- STOCK EXCHANGE LISTING** : Main Market of Bursa Securities

SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS

This summary of the Rights Issue with Warrants 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 Shares to be issued and basis of allotment	<p>Basis: 5 Rights Shares together with 3 free Warrants B for every 5 existing Shares held by the Entitled Shareholders. Please refer to Section 2.1 of this Abridged Prospectus for further information.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Minimum Scenario</th> <th style="text-align: center;">Base Case Scenario</th> <th style="text-align: center;">Maximum Scenario</th> </tr> </thead> <tbody> <tr> <td>Number of Rights Shares to be issued</td> <td style="text-align: center;">200,000,000</td> <td style="text-align: center;">1,529,559,600</td> <td style="text-align: center;">2,249,237,340</td> </tr> <tr> <td>Number of Warrants B attached</td> <td style="text-align: center;">120,000,000</td> <td style="text-align: center;">917,735,760</td> <td style="text-align: center;">1,349,542,404</td> </tr> </tbody> </table> <p>The Rights Shares with Warrants B which are not taken up or not validly taken up by the Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) prior to the Closing Date shall be made available for Excess Rights Shares with Warrants B Applications. It is the intention of the Board to allot the Excess Rights Shares with Warrants B, if any, in a fair and equitable manner in the following priority:-</p> <ol style="list-style-type: none"> (i) firstly, to minimise the incidence of odd lots; (ii) secondly, on a pro-rata basis and in board lots, to the Entitled Shareholders who have applied for Excess Rights Shares with Warrants B, taking into consideration their respective shareholdings in the Company as at the Entitlement Date; (iii) thirdly, on a pro-rata basis and in board lots, to the Entitled Shareholders who have applied for Excess Rights Shares with Warrants B, taking into consideration the quantum of their respective Excess Rights Shares with Warrants B 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 with Warrants B, taking into consideration the quantum of their respective Excess Rights Shares with Warrants B Applications. <p>The Excess Rights Shares with Warrants B will firstly be allocated to minimise the odd lots (if any) held by each applicant of Excess Rights Shares with Warrants B. Thereafter, the allocation process will perform items (ii), (iii) and (iv) in succession. Any remaining balance of Excess Rights Shares with Warrants B 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 with Warrants B are allotted. Please refer to Section 10.7 of this Abridged Prospectus for further information.</p>		Minimum Scenario	Base Case Scenario	Maximum Scenario	Number of Rights Shares to be issued	200,000,000	1,529,559,600	2,249,237,340	Number of Warrants B attached	120,000,000	917,735,760	1,349,542,404																
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Number of Warrants B attached	120,000,000	917,735,760	1,349,542,404																										
(ii) Issue price of the Rights Shares and the Exercise Price	<p>Issue price of the Rights Shares: RM0.05 per Rights Share Exercise Price for the Warrants B: RM0.05 per Warrant B</p> <p>Please refer to Section 2.2 of this Abridged Prospectus for further information.</p>																												
(iii) Undertakings	<table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 50%;">Undertaking Shareholders and undertaking amount</td> <td> <ul style="list-style-type: none"> • Koo Kien Yoon (Executive Director of JOE): RM5.0 million • Tang Boon Koon (Senior Independent Non-Executive Director of JOE): RM5.0 million </td> </tr> <tr> <td>Minimum Rights Shares to be subscribed for pursuant to the Undertakings</td> <td>200,000,000 Rights Shares (representing 8.9% of the total number of 2,249,237,340 Rights Shares available for subscription under the Maximum Scenario)</td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th rowspan="2">Undertaking Shareholders</th> <th colspan="2">As at the LPD</th> <th colspan="2">Minimum Scenario</th> </tr> <tr> <th style="text-align: center;">No. of Shares</th> <th style="text-align: center;">%</th> <th style="text-align: center;">No. of Shares</th> <th style="text-align: center;">%</th> </tr> </thead> <tbody> <tr> <td>Koo Kien Yoon</td> <td style="text-align: center;">100,000</td> <td style="text-align: center;">0.01</td> <td style="text-align: center;">100,100,000</td> <td style="text-align: center;">5.79</td> </tr> <tr> <td>Tang Boon Koon</td> <td style="text-align: center;">100,000</td> <td style="text-align: center;">0.01</td> <td style="text-align: center;">100,100,000</td> <td style="text-align: center;">5.79</td> </tr> <tr> <td>Total issued Shares</td> <td style="text-align: center;">1,529,559,600</td> <td style="text-align: center;">100.00</td> <td style="text-align: center;">1,729,559,600</td> <td style="text-align: center;">100.00</td> </tr> </tbody> </table> <p>Please refer to Sections 3 and 8.3 of this Abridged Prospectus for further information.</p>	Undertaking Shareholders and undertaking amount	<ul style="list-style-type: none"> • Koo Kien Yoon (Executive Director of JOE): RM5.0 million • Tang Boon Koon (Senior Independent Non-Executive Director of JOE): RM5.0 million 	Minimum Rights Shares to be subscribed for pursuant to the Undertakings	200,000,000 Rights Shares (representing 8.9% of the total number of 2,249,237,340 Rights Shares available for subscription under the Maximum Scenario)	Undertaking Shareholders	As at the LPD		Minimum Scenario		No. of Shares	%	No. of Shares	%	Koo Kien Yoon	100,000	0.01	100,100,000	5.79	Tang Boon Koon	100,000	0.01	100,100,000	5.79	Total issued Shares	1,529,559,600	100.00	1,729,559,600	100.00
Undertaking Shareholders and undertaking amount	<ul style="list-style-type: none"> • Koo Kien Yoon (Executive Director of JOE): RM5.0 million • Tang Boon Koon (Senior Independent Non-Executive Director of JOE): RM5.0 million 																												
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SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS (CONT'D)

Key information	Summary																				
(iv) Rationale of the Rights Issue with Warrants	<p>(a) To raise funds and channel them towards the proposed utilisation as set out in Section 5 of this Abridged Prospectus.</p> <p>(b) To raise funds without incurring additional interest expense from borrowings, thereby minimising any potential cash outflow in respect of interest servicing costs.</p> <p>(c) The free Warrants B provides Entitled Shareholders with the opportunity to increase their equity participation and further participate in the future growth of the Company through the exercise of the Warrants B during the tenure of the Warrants B.</p> <p>Please refer to Section 4 of this Abridged Prospectus for further information.</p>																				
(v) Utilisation of proceeds	<p>The gross proceeds to be raised from the Rights Issue with Warrants will be utilised in the following manner:-</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Utilisation of proceeds</th> <th style="text-align: center;">Expected timeframe for utilisation from completion of Rights Issue with Warrants</th> <th style="text-align: center;">Minimum Scenario (RM'000)</th> <th style="text-align: center;">Base Case Scenario (RM'000)</th> <th style="text-align: center;">Maximum Scenario (RM'000)</th> </tr> </thead> <tbody> <tr> <td>(i) Investment in the Gloves Business</td> <td style="text-align: center;">Within 24 months</td> <td style="text-align: center;">9,200</td> <td style="text-align: center;">75,678</td> <td style="text-align: center;">111,662</td> </tr> <tr> <td>(ii) Estimated expenses</td> <td style="text-align: center;">Immediate</td> <td style="text-align: center;">800</td> <td style="text-align: center;">800</td> <td style="text-align: center;">800</td> </tr> <tr> <td>Total</td> <td></td> <td style="text-align: center;">10,000</td> <td style="text-align: center;">76,478</td> <td style="text-align: center;">112,462</td> </tr> </tbody> </table> <p>Please refer to Section 5 of this Abridged Prospectus for further information.</p>	Utilisation of proceeds	Expected timeframe for utilisation from completion of Rights Issue with Warrants	Minimum Scenario (RM'000)	Base Case Scenario (RM'000)	Maximum Scenario (RM'000)	(i) Investment in the Gloves Business	Within 24 months	9,200	75,678	111,662	(ii) Estimated expenses	Immediate	800	800	800	Total		10,000	76,478	112,462
Utilisation of proceeds	Expected timeframe for utilisation from completion of Rights Issue with Warrants	Minimum Scenario (RM'000)	Base Case Scenario (RM'000)	Maximum Scenario (RM'000)																	
(i) Investment in the Gloves Business	Within 24 months	9,200	75,678	111,662																	
(ii) Estimated expenses	Immediate	800	800	800																	
Total		10,000	76,478	112,462																	
(vi) Risk factors	<p>You should consider the following risk factors before subscribing for or investing in the Rights Issue with Warrants:-</p> <p>(a) risks relating to the Group's existing business, of which the Company is exposed to, including competition from other domestic and international brands and products;</p> <p>(b) risks relating to the new Gloves Business, of which the Company is exposed to, including business diversification risks which may expose the Group to risks inherent to the rubber gloves industry, no prior experience in the manufacturing of rubber gloves, risk of delay / failure in obtaining the necessary regulatory certifications which is needed for the Group's diversification into the Gloves Business and fluctuation in raw material prices;</p> <p>(c) risks relating to the impact of COVID-19 on the Group's businesses; and</p> <p>(d) risks relating to the Rights Issue with Warrants, including failure or delay in the completion of the Rights Issue with Warrants, capital market risk and forward-looking statements and other information contained in this Abridged Prospectus.</p> <p>Please refer to Section 6 of this Abridged Prospectus for further information.</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 with Warrants B must be made on the RSF issued together with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained therein.</p> <p>The last day, date and time for acceptance of and payment for the Provisional Allotments and the Excess Rights Shares with Warrants B is on Tuesday, 11 May 2021 at 5.00 p.m.</p> <p>Please refer to Section 10 of this Abridged Prospectus for further information.</p>																				



JOE HOLDING BERHAD

(formerly known as GPA Holdings Berhad)
Registration No. 199901018997 (493897-V)

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

Registered Office

Level 5, Block B,
Dataran PHB,
Saujana Resort,
Section U2, 40150
Shah Alam, Selangor

23 April 2021

Board of Directors:-

Koo Kien Yoon (*Executive Director*)
Tang Boon Koon (*Senior Independent Non-Executive Director*)
Khoo Chee Siang (*Independent Non-Executive Director*)
Mohtar bin Abdullah (*Independent Non-Executive Director*)
Chu Chee Peng (*Independent Non-Executive Director*)
Yee Yit Yang (*Independent Non-Executive Director*)

To: Entitled Shareholders

Dear Sir / Madam,

RENOUNCEABLE RIGHTS ISSUE OF UP TO 2,249,237,340 RIGHTS SHARES AT AN ISSUE PRICE OF RM0.05 PER RIGHTS SHARE TOGETHER WITH UP TO 1,349,542,404 FREE DETACHABLE WARRANTS B ON THE BASIS OF 5 RIGHTS SHARES TOGETHER WITH 3 FREE WARRANTS B FOR EVERY 5 EXISTING SHARES HELD BY THE ENTITLED SHAREHOLDERS AT 5.00 P.M. ON 23 APRIL 2021

1. INTRODUCTION

On 29 January 2021, Mercury Securities had, on behalf of the Board, announced that the Company proposes to undertake the Rights Issue with Warrants.

On 23 February 2021, Mercury Securities had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 23 February 2021, granted its approval for the following:-

- (i) listing and quotation of up to 2,249,237,340 Rights Shares to be issued pursuant to the Rights Issue with Warrants;
- (ii) admission to the Official List and listing and quotation of up to 1,349,542,404 Warrants B to be issued pursuant to the Rights Issue with Warrants;
- (iii) listing and quotation of up to 1,349,542,404 new Shares to be issued upon the exercise of the Warrants B;
- (iv) listing and quotation of up to 159,556,582 additional Warrants A to be issued arising from the adjustments as a result of the Rights Issue with Warrants in accordance with the provisions of the Deed Poll A; and
- (v) listing and quotation of up to 159,556,582 new Shares to be issued arising from the exercise of the additional Warrants A.

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

Condition	Status of compliance
(i) JOE and Mercury Securities must fully comply with the relevant provisions under the Listing Requirements at all times pertaining to the implementation of the Rights Issue with Warrants, including compliance with Paragraph 6.50 of the Listing Requirements;	To be complied
(ii) JOE and Mercury Securities are required to inform Bursa Securities upon completion of the Rights Issue with Warrants;	To be complied
(iii) JOE and Mercury Securities are required to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Rights Issue with Warrants is completed; and	To be complied
(iv) JOE is required to furnish Bursa Securities on a quarterly basis a summary of the total number of Shares listed pursuant to the exercise of the Warrants B as at the end of each quarter together with a detailed computation of the listing fees payable.	To be complied

The Board is pleased to inform that the Shareholders had, during the EGM held on 1 April 2021, approved the Corporate Exercises.

On 5 April 2021, the Company had announced that the Change of Name is effective from 2 April 2021.

On 8 April 2021, Mercury Securities had, on behalf of the Board, announced that the Board had on even date resolved to fix the issue price of the Rights Shares at RM0.05 per Rights Share as well as the Exercise Price at RM0.05 per Warrant B.

On 9 April 2021, Mercury Securities had, on behalf of the Board, announced that the Entitlement Date for the Rights Issue with Warrants has been fixed at 5.00 p.m. on 23 April 2021.

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

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

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2. PARTICULARS OF THE RIGHTS ISSUE WITH WARRANTS

2.1 Details of the Rights Issue with Warrants

The Rights Issue with Warrants entails a provisional allotment of up to 2,249,237,340 Rights Shares together with up to 1,349,542,404 free detachable Warrants B on a renounceable basis of 5 Rights Shares together with 3 free Warrants B for every 5 existing Shares held by the Entitled Shareholders on the Entitlement Date, at an issue price of RM0.05 per Rights Share.

The actual number of Rights Shares and Warrants B to be issued will depend on the eventual subscription level for the Rights Issue with Warrants. As at the LPD, the total number of issued shares of the Company is 1,529,559,600 Shares. The Company has the following outstanding Convertible Securities as at the LPD:-

- (i) up to 229,433,940 ESOS Options which may be granted pursuant to the maximum allowable amount under the ESOS; and
- (ii) 490,243,800 outstanding Warrants A, which have an exercise price of RM0.10 each and are expiring on 3 June 2025.

Save for the ESOS Options set out under (i) above, the Company has vide the ESOS Options Undertaking, undertaken not to grant any further ESOS Options until the completion of the Rights Issue with Warrants.

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

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

The Warrants B are attached to the Rights Shares without any cost and will be issued only to Entitled Shareholders and/or their transferee(s) and/or their renounee(s) who subscribe for the Rights Shares. The Warrants B are exercisable into new Shares and each Warrant will entitle the Warrant B Holder to subscribe for 1 new Share at the Exercise Price. The Warrants B will be immediately detached from the Rights Shares upon issuance and traded separately. The Warrants B will be issued in registered form and constituted by the Deed Poll B. The salient terms of the Warrants B are set out in Section 2.5 of this Abridged Prospectus.

Any dealings in the Company's securities will be subject to, amongst others, the provisions of the SICDA, the Rules of Bursa Depository and any other relevant legislation. Accordingly, the Rights Shares, Warrants B and new Shares to be issued arising from the exercise of the Warrants B will be credited directly into the respective CDS Accounts of successful applicants and holders of Rights Shares who exercise their Warrants B (as the case may be). No physical certificates will be issued to the successful applicants of the Rights Shares with Warrants B, nor will any physical share certificates be issued for the new Shares to be issued to the Warrants B Holders arising from the exercise of the Warrants B.

The Rights Issue with Warrants is renounceable in full or in part. Accordingly, the Entitled Shareholders may fully or partially renounce their entitlements under the Rights Issue with Warrants. However, the Rights Shares and Warrants B cannot be renounced separately. As such, the Entitled Shareholders who renounce all of their Rights Shares entitlements will not be entitled to the Warrants B. If the Entitled Shareholders accept only part of their Rights Shares entitlements, they shall be entitled to the Warrants B in proportion to their acceptance of the Rights Shares entitlements.

The Rights Shares and Warrants B which are not taken up or not validly taken up by Entitled Shareholders and/or their transferee(s) and/or their renounee(s), if applicable, shall be made available for Excess Rights Shares with Warrants B Applications.

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

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

The Warrants B will be admitted to the Official List and the listing and quotation of Warrants B will commence 2 Market Days upon the receipt by Bursa Securities of an application for quotation for these securities as specified under the Listing Requirements, which will include amongst others, confirmation that all notices of allotment have been despatched to the successful applicants, and after receipt of confirmation from Bursa Depository that all CDS Accounts of successful applicants have been duly credited with the Rights Shares and Warrants B.

2.2 **Basis of determining the issue price of the Rights Shares and the Exercise Price of the Warrants B**

Issue price of the Rights Shares

The Board had fixed the issue price of the Rights Shares at RM0.05 per Rights Share after taking into consideration, amongst others, the following:-

- (i) the funding requirements of the Group as set out in Section 5 of this Abridged Prospectus;
- (ii) the TEAP⁽¹⁾ of JOE Shares of RM0.0575, calculated based on the 5-day VWAP of JOE Shares up to and including the LTD of RM0.0694; and
- (iii) the rationale for the Rights Issue with Warrants, as set out in Section 4 of this Abridged Prospectus.

The issue price of RM0.05 per Rights Share represents a discount of approximately 13.04% to the TEAP of JOE Shares of RM0.0575, calculated based on the 5-day VWAP of JOE Shares up to and including the LTD of RM0.0694.

Note:-

(1) TEAP is computed as follows:-

$$\text{TEAP} = \frac{(A \times X) + (B \times Y) + (C \times Z)}{A + B + C}$$

where:-

- A = Number of Rights Shares
- B = Number of Warrants B
- C = Number of existing Shares
- X = Issue price of the Rights Shares
- Y = Exercise Price
- Z = 5-day VWAP of JOE Shares up to and including the LTD

and the ratio of A:B:C is 5:3:5, in accordance with the entitlement basis of 5 Rights Shares together with 3 free Warrants B for every 5 existing Shares held.

Exercise Price of the Warrants B

The Board had fixed the Exercise Price at RM0.05 per Warrant B after taking into consideration the following:-

- (i) the TEAP of JOE Shares of RM0.0575, calculated based on the 5-day VWAP of JOE Shares up to and including the LTD of RM0.0694;
- (ii) the future prospects of the Group, further details of which are set out in Section 7.5 of this Abridged Prospectus; and
- (iii) to fix an exercise price that makes the Warrants B attractive for the purposes of enhancing the subscription level of the Rights Shares.

The Exercise Price per Warrant B represents a discount of approximately 13.04% to the TEAP of JOE Shares of RM0.0575, calculated based on the 5-day VWAP of JOE Shares up to and including the LTD of RM0.0694.

2.3 Ranking of the Rights Shares and new Shares to be issued arising from the exercise of the Warrants B

(i) Rights Shares

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

(ii) New Shares to be issued arising from exercise of the Warrants B

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

2.4 Last date and time for acceptance and payment

The Closing Date is 5.00 p.m. on **Tuesday, 11 May 2021**.

2.5 Salient terms of the Warrants B

The salient terms of the Warrants B to be issued pursuant to the Rights Issue with Warrants are set out below:-

Issuer	: JOE
Issue size	: Up to 1,349,542,404 Warrants B
Form and detachability	: The Warrants B will be issued in registered form and constituted by the Deed Poll B. The Warrants B which are to be issued with the Rights Shares will immediately be detached from the Rights Shares upon allotment and issuance and will be traded separately on Bursa Securities.
Board lot	: For the purpose of trading on Bursa Securities, a board lot of Warrants B shall be 100 units of Warrants B, or such other number of units as may be prescribed by Bursa Securities.
Tenure of the Warrants B	: 3 years commencing from and including the date of issuance of the Warrants B.
Exercise Period	: The Warrants B may be exercised at any time within a period of 3 years commencing from and including the date of issuance of the Warrants B to the close of business at 5.00 p.m. (Malaysia time) on the market day immediately preceding the date which is the third (3rd) anniversary from the date of issuance of the Warrants B. Any Warrants B not exercised during the Exercise Period will thereafter lapse and cease to be valid for any purpose.
Exercise Price	: RM0.05 per Warrant B. The Exercise Price and/or the number of Warrants B in issue during the Exercise Period shall however be subject to adjustments under circumstances prescribed in accordance with the terms and provisions of the Deed Poll B.
Subscription rights	: Each Warrant B shall entitle its registered holder to subscribe for 1 new Share at any time during the Exercise Period at the Exercise Price, subject to the conditions of the Deed Poll B.
Mode of exercise	: The Warrants B Holders are required to lodge a duly completed, signed and stamped subscription form with the Company's registrar (which shall be irrevocable), together with payment by way of banker's draft or cashier's order drawn on a bank operating in Malaysia or money order or postal order issued by a post office in Malaysia or electronic submission via fax at number +603-7890 1032 or email to admin.registrar@boardroom.com.my for the aggregate of the Exercise Price payable when exercising their Warrants B to subscribe for new Shares. The payment of such fee must be made in Ringgit Malaysia.

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- Adjustments to the Exercise Price and/or the number of the Warrants B : Subject to the conditions of the Deed Poll B, the Exercise Price and/or the number of Warrants B in issue may be subject to adjustments by the Board in consultation with an approved adviser appointed by the Company or the auditors in the event of any alteration in the share capital of the Company at any time during the tenure of the Warrants, whether by way of, amongst others, rights issue, bonus issue, consolidation of shares, subdivision of shares or reduction in capital, in accordance with the provisions of the Deed Poll B. On any such adjustment, the resultant Exercise Price will be rounded up to the nearest 1 sen and in no event shall any adjustment involve an increase in the Exercise Price.
- Rights of the Warrants B Holders : The Warrants B do not entitle the Warrants B Holders to any voting rights or any right to participate in any form of distribution and/or offer of further securities in the Company until and unless such Warrants B Holders exercise their Warrants B for new Shares in accordance with the provisions of the Deed Poll B and such new Shares have been allotted and issued to such Warrants B Holders.
- Ranking of the new Shares to be issued pursuant to the exercise of the Warrants B : The new Shares to be issued pursuant to the exercise of the Warrants B in accordance with the provisions of the Deed Poll B shall, upon allotment, issuance and payment of the Exercise Price, rank *pari passu* in all respects with the then existing issued Shares, save and except that the holders of such new Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the date of allotment of such new Shares arising from the exercise of the Warrants B.
- Rights of the Warrants B holders in the event of winding up, liquidation, compromise and/or arrangement : Where a resolution has been passed for a members' voluntary winding-up of the Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with 1 or more companies, then:-
- (i) for the purposes of such winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation) to which the Warrants B Holders (or some other persons designated by them for such purpose by special resolution) shall be a party, the terms of such winding-up, compromise or arrangement shall be binding on all the Warrants B Holders; and

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- (ii) in the event a notice is given by the Company to its Shareholders to convene a general meeting for the purpose of considering, and if thought fit, approving a resolution to voluntarily wind up the Company, and in any other case and subject always to the provisions in the Deed Poll B, every Warrants B Holders shall be entitled to exercise his Warrants B at any time within 6 weeks after the passing of such resolution for a members' voluntary winding up of the Company or within 6 weeks after the granting of the court order approving the winding-up, compromise or arrangement, whereupon the Company shall allot the relevant new Shares to the Warrants B Holders credited as fully paid subject to the prevailing laws, and such Warrants B Holders shall be entitled to receive out of the assets of the Company which would be available in liquidation if the Warrants B Holders would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. Upon the expiry of the aforesaid 6 weeks, all subscription rights shall lapse and cease to be valid for any purpose.

Modification of rights of Warrants B Holders : Save as otherwise provided in the Deed Poll B, a special resolution of the Warrants B Holders is required to sanction any modification, alteration or abrogation in respect of the rights of the Warrants B Holders.

Modification of the Deed Poll B : Any modification, amendment or addition to the terms and conditions of the Deed Poll B may be effected only by a deed, executed by the Company and expressed to be supplemental to the Deed Poll B. Any of such modification shall however be subject to the approval of Bursa Securities (if so required).

No amendment or addition may be made to the provisions of the Deed Poll B without the sanction of a special resolution unless the amendments or additions are required to correct any typographical errors or relate purely to administrative matters or are required to comply with any provisions of the prevailing laws or regulations of Malaysia or in the opinion of the Company, upon consultation with an approved adviser appointed by the Company, will not be materially prejudicial to the interests of the Warrants B Holders.

Listing status : Bursa Securities had on 23 February 2021 approved the admission of the Warrants B to the Official List and the listing and quotation of the Warrants B and new Shares to be issued arising from the exercise of the Warrants B on the Main Market of Bursa Securities. The listing and quotation of the Warrants B on the Main Market of Bursa Securities is subject to a minimum of 100 Warrants B Holders.

Transferability : The Warrants B shall be transferable in the manner provided under the Securities Industry (Central Depositories) Act, 1991 and the Rules of Bursa Depository.

Governing laws : The Deed Poll B shall be governed by the laws of Malaysia.

2.6 Details of other corporate exercises

As at the date of this Abridged Prospectus, save for the Rights Issue with Warrants, the Board confirmed that there are no other corporate exercises which have been approved by the regulatory authorities but are pending completion.

2.7 Details of past fund-raising exercises undertaken by the Company

(i) Private Placement December 2020

On 15 December 2020, JOE completed the Private Placement December 2020, which involved the issuance of 294,146,000 new Shares (representing 30% of the then existing total number of issued Shares prior to the Private Placement December 2020), raising a total of approximately RM39.7 million. The status of utilisation of the proceeds as at the LPD is as below:-

Utilisation of proceeds	Timeframe for utilisation from completion of the Private Placement December 2020	Actual proceeds raised		Actual utilisation as at the LPD		Balance unutilised	
		RM'000	%	RM'000	%	RM'000	%
(i) Investment in the Gloves Business ⁽¹⁾	Within 24 months	39,073	98.4	-	-	39,073	100.0
(ii) Expenses in relation to the Private Placement December 2020	Within 1 month	620	1.6	(620)	100.0	-	-
Total		39,603	100.0	(620)	100.0	39,073	100.0

Note:-

(1)

As at the LPD, the Group has identified glove-dipping lines vendors and raw materials suppliers and is in the midst of finalising the terms and conditions as well as pricing with the vendors / suppliers to secure the orders of glove-dipping lines and raw materials. The Group has completed the clearing of its existing factory to make way for the modification works. The modification and renovation of the factory buildings are expected to be completed by the second quarter of 2021. Thereafter, 2 double former glove-dipping lines will be installed by the second half of 2021.

(ii) **Private Placement January 2021**

On 13 January 2021, JOE completed the Private Placement January 2021, which involved the issuance of 254,926,000 new Shares (representing 20% of the then existing total number of issued Shares prior to the Private Placement January 2021), raising a total of approximately RM 26.6 million. As at the LPD, the proceeds have been fully utilised as follows:-

Utilisation of proceeds	Timeframe for utilisation from completion of the Private Placement January 2021	Actual proceeds raised		Actual utilisation as at the LPD		Balance unutilised	
		RM'000	%	RM'000	%	RM'000	%
(i) Investment in the Gloves Business ⁽¹⁾	Within 24 months	26,324	98.9	-	-	26,324	100.0
(ii) Expenses in relation to the Private Placement January 2021	Immediate	300	1.1	(300)	100.0	-	-
Total		26,624	100.0	(300)	100.0	26,324	100.0

Note:-

(1)

As at the LPD, the Group has identified glove-dipping lines vendors and raw materials suppliers and is in the midst of finalising the terms and conditions as well as pricing with the vendors / suppliers to secure the orders of glove-dipping lines and raw materials. The Group has completed the clearing of its existing factory to make way for the modification works. The modification and renovation of the factory buildings are expected to be completed by the second quarter of 2021. Thereafter, 2 double former glove-dipping lines will be installed by the second half of 2021.

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3. MINIMUM SUBSCRIPTION LEVEL AND UNDERTAKINGS

JOE intends to raise a minimum of RM10.0 million from the Rights Issue with Warrants to meet the funding requirements of the Group, which will be channelled towards the utilisation as set out in Section 5 of this Abridged Prospectus.

In view of the above, the Board has determined to undertake the Rights Issue with Warrants on the Minimum Subscription Level.

To meet the Minimum Subscription Level, the Company has procured the Undertakings from the Undertaking Shareholders. Details of the Undertakings are as follows:-

	Existing direct shareholding as at the LPD		Subscription pursuant to the Undertakings (based on the issue price of RM0.05 per Rights Share)							
	No. of Shares	% ⁽¹⁾	Entitlement		Excess application					
			No. of Rights Shares	% ⁽²⁾	No. of Rights Shares	% ⁽²⁾	No. of Warrants B	% ⁽³⁾		
Undertaking Shareholders										
Koo Kien Yoon	100,000	0.01	100,000	0.05	60,000	0.05	99,900,000	49.95	59,940,000	49.95
Tang Boon Koon	100,000	0.01	100,000	0.05	60,000	0.05	99,900,000	49.95	59,940,000	49.95

	Total Rights Shares with Warrants B to be subscribed pursuant to the Undertakings			Assuming none of the other Entitled Shareholders subscribe for their Rights Shares		
	No. of Rights Shares	% ⁽²⁾	No. of Warrants B	% ⁽³⁾	No. of Shares held after the Rights Issue with Warrants	
						% ⁽⁴⁾
Undertaking Shareholders						
Koo Kien Yoon	100,000,000	50.00	60,000,000	50.00	100,100,000	5.79
Tang Boon Koon	100,000,000	50.00	60,000,000	50.00	100,100,000	5.79

Notes:-

- (1) Based on the issued share capital of 1,529,559,600 Shares as at the LPD.
- (2) Based on the total number of 200,000,000 Rights Shares available for subscription under the Rights Issue with Warrants under the Minimum Scenario.
- (3) Based on the total number of 120,000,000 Warrants B under the Minimum Scenario.
- (4) Based on the enlarged issued share capital of 1,729,559,600 Shares under the Minimum Scenario.

Pursuant to the Undertakings, the Undertaking Shareholders have:-

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

Mercury Securities has verified the sufficiency of financial resources of the Undertaking Shareholders for the purpose of subscribing for the Rights Shares and excess Rights Shares pursuant to the Undertakings.

The Undertaking Shareholders have confirmed that their subscription for Rights Shares and excess Rights Shares pursuant to the Undertakings will not give rise to any consequence of mandatory take-over offer obligation under the Code and the Rules on Take-Overs, Mergers and Compulsory Acquisitions immediately after completion of the Rights Issue with Warrants.

In the event that either of the Undertaking Shareholders triggers an obligation to undertake a mandatory take-over offer under the Code and the Rules on Take-Overs, Mergers and Compulsory Acquisitions pursuant to the Undertakings, a separate announcement will be made.

Nonetheless, the Undertaking Shareholders have confirmed that they will at all times observe and ensure compliance with the provisions of the Code and the Rules on Take-Overs, Mergers and Compulsory Acquisitions and will seek from the SC the necessary exemptions from undertaking such mandatory take-over offer, if required.

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

The Undertakings are not expected to result in any breach in the public shareholding spread requirement by the Company under Paragraph 8.02(1) of the Listing Requirements, which stipulates that a listed issuer must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders. As at the LPD, the Company does not hold any treasury shares.

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

Particulars	As at the LPD		(I) After the Rights Issue with Warrants		(II) After (I) and assuming full exercise of the Warrants B	
	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(3)%
Issued share capital	1,529,559,600	100.0	1,729,559,600	100.0	1,849,559,600	100.0
Less: Directors, substantial shareholders and their associates	200,000	(4)-	200,200,000	11.6	320,200,000	17.3
Shareholders holding less than 100 Shares	2,150	(4)-	2,150	(4)-	2,150	(4)-
Public shareholding spread	1,529,357,450	100.0	1,529,357,450	88.4	1,529,357,450	82.7

Notes:-

- (1) Based on the total number of 1,529,559,600 Shares as at the LPD.
- (2) Based on the enlarged total number of 1,729,559,600 Shares under the Minimum Scenario.
- (3) Based on the enlarged total number of 1,849,559,600 Shares assuming full exercise of the Warrants B.
- (4) Negligible.

4. RATIONALE FOR THE RIGHTS ISSUE WITH WARRANTS

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

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

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

The free Warrants B which are attached to the Rights Shares are intended to provide an added incentive to Entitled Shareholders to subscribe for the Rights Shares. In addition, the free Warrants B will provide Entitled Shareholders with an opportunity to increase their equity participation in the Company at a pre-determined exercise price during the tenure of the Warrants B and will allow Entitled Shareholders to further participate in the future growth of the Company as and when they are exercised.

The exercise of the Warrants B in the future will allow the Company to obtain additional funds without incurring additional interest expenses from borrowings. Furthermore, should the Company increase its borrowings in the future, the exercise of Warrants B will increase Shareholders' funds and lower the Company's gearing, thereby providing the Company with flexibility in terms of the options available to meet its funding requirements.

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5. UTILISATION OF PROCEEDS

Based on the issue price of RM0.05 per Rights Share, the gross proceeds to be raised from the Rights Issue with Warrants are intended to be utilised in the following manner:-

Utilisation of proceeds	Expected timeframe for utilisation from completion of the Rights Issue with Warrants	Minimum Scenario ⁽¹⁾ (RM'000)		Base Case Scenario ⁽¹⁾ (RM'000)		Maximum Scenario ⁽¹⁾⁽²⁾ (RM'000)	
		RM'000	%	RM'000	%	RM'000	%
(i) Investment in the Gloves Business	Within 24 months	9,200	92.0	75,678	99.0	111,662	99.3
(a) Capital expenditure for the Gloves Business	Within 24 months	4,800	48.0	40,000	52.3	40,000	35.6
(b) Working capital for the Gloves Business	Within 24 months	4,400	44.0	35,678	46.7	71,662	63.7
(ii) Estimated expenses for the Rights Issue with Warrants	Immediate	⁽³⁾ 800	8.0	⁽³⁾ 800	1.0	⁽³⁾ 800	0.7
Total		10,000	100.0	76,478	100.0	112,462	100.0

Notes:-

- (1) Pending the utilisation of proceeds for its earmarked purposes, the unutilised proceeds shall be placed in interest-bearing deposits.
- (2) Any additional proceeds raised in excess of the RM112.5 million under the Maximum Scenario will be allocated for the investment in the Gloves Business.

The actual utilisation of such proceeds is subject to the operational needs at the relevant time and the quantum of proceeds that the Company is able to raise. Any shortfall between the Group's funding requirements and the actual amount of proceeds raised are expected to be funded via internally generated funds, bank borrowings and/or future fund-raising exercises to be undertaken (if required).

- (3) If the actual expenses incurred for the Rights Issue with Warrants are higher than the budgeted amount of RM0.8 million, the deficit will be funded via internally generated funds. Conversely, any surplus of funds following payment of expenses will be allocated for the investment in the Gloves Business.

(i) Investment in the Gloves Business

According to MARGMA, the rubber glove manufacturers have already taken an oversold position prior to the widespread outbreak of the COVID-19 pandemic, thus resulting in a lead time of more than 6 months for rubber glove manufacturers to meet orders. In addition, as a result of the oversold position and surge in demand for medical gloves globally due to the on-going COVID-19 pandemic, rubber glove manufacturers are experiencing higher sales for their rubber gloves and at higher average selling prices. Further details on the prospects for the rubber gloves industry are set out in Sections 7.2, 7.3 and 7.4 of this Abridged Prospectus.

After taking into consideration the current market demand for rubber gloves following the COVID-19 pandemic, the Company had on 16 November 2020, obtained the approval from the Shareholders in a general meeting for the diversification of the business of the Group to include the Gloves Business.

The Gloves Business shall entail the acquisition, installation and commission of up to 12 double former automated glove-dipping lines and other related facilities in stages over the course of 24 months. Such rubber gloves are for users mainly in the medical, industrial as well as food and beverages industries. At this juncture, the Group does not have any plans to produce surgical gloves. These 12 glove-dipping lines are expected to yield a production capacity of approximately 3.6 billion pieces of gloves per annum.

(a) Capital expenditure for the Gloves Business

The management estimates that total capital expenditure to set up the 12 glove-dipping lines to be approximately RM150.0 million. The costs include acquisition of glove-dipping lines and other related facilities, certification costs and costs to modify the Group's existing buildings for the purpose of undertaking the Gloves Business.

The total capital expenditure requirement is estimated based on the following:-

No	Items	RM'000
(aa)	12 units of automated glove-dipping line which consists of dipping and compounding tanks, ovens, motors, conveyor system, packaging machine and online chlorination system to treat gloves, amongst others	93,000
(bb)	Equipment and components (such as formers and moulds)	20,000
(cc)	Building systems and biomass plant which enable the supply of utilities (e.g. electricity, gas and water)	10,000
(dd)	Wastewater treatment system to remove contaminants from the wastewater arising from the manufacture of gloves	6,500
(ee)	Certifications to cater for the export of the rubber gloves globally, e.g. CE Marking Certification (typically recognised in the European region) and FDA Certification (typically recognised in the US)	500
(ff)	Modification and renovation costs to convert one of the Group's existing warehouses to a rubber gloves manufacturing facility. The modifications and renovations include, amongst others, the extension of the height of the existing buildings, replacing the flooring and piling works in order to house the glove-dipping lines and other related facilities.	20,000
Total estimated capital expenditure		150,000

The estimated costs above are subject to the prevailing market price of the machines at the time of order and payment as well as any further negotiations with the machine suppliers / vendors from time to time.

To meet the funding requirements of the Gloves Business, the Group had completed the Previous Fundraising Exercises, which successfully raised a total of RM66.3 million (before deducting total expenses of RM0.9 million relating to the Previous Fundraising Exercises), which will be mainly utilised to fund the capital expenditure required for the Gloves Business.

In addition to the net proceeds of RM65.4 million (after deducting total expenses of approximately RM0.9 million) raised from the Previous Fundraising Exercises, the Group intends to utilise part of the proceeds of up to RM40.0 million to be raised from the Rights Issue with Warrants to part-finance the remaining total estimated capital expenditure of RM150.0 million to acquire, install and commission the 12 double former glove-dipping lines. The Group intends to obtain bank borrowings to finance the balance capital expenditure requirements of approximately RM45.0 million.

The Group intends to commission up to 12 double former glove-dipping lines in stages over the course of 24 months. The first and second glove-dipping lines are expected to be installed and commissioned by the second half of 2021. The remaining glove-dipping lines are expected to be installed and commissioned by the first half of 2022.

As at the LPD, the Group has engaged contractors for the conversion and modification works of its existing factory buildings into a rubber gloves manufacturing facility. As at the LPD, the Group has completed the clearing of its existing factory and will commence the modification works in April 2021. The modification and renovation of the factory buildings are expected to be completed by the second quarter of 2021.

The Group has also identified a vendor for the supply of the glove-dipping lines and is in the midst of finalising the specifications and terms of the contracts with the vendor.

As at the LPD, the Group is in the midst of preparing for the obtainment of the relevant regulatory certifications and licenses and targets to obtain the same by second half of 2021. The relevant regulatory certifications and licenses includes amongst others, registration with the Medical Device Authority (MDA) in Malaysia, International Standard 13485, FDA Certification and CE Marking Certifications.

The following table sets out the summary tentative timeline for the Group's Gloves Business:-

Expected timeline	Events
March 2021	<ul style="list-style-type: none"> Completion of the clearing of the Group's existing factories.
Second quarter of 2021	<ul style="list-style-type: none"> Expected completion of the renovation and modification works of the Group's existing factory buildings and application for the necessary approvals for the refurbished factory buildings. The approval process is expected to take approximately 2 months. Submission of applications to the relevant authorities / regulatory bodies (save for MITI, Medical Device Authority and FDA Certification). The approval process is expected to take approximately 3 months.

Expected timeline	Events
Third quarter of 2021	<ul style="list-style-type: none"> • Commencement of the installation and commission of the first 2 double former glove-dipping lines under the First Phase in July 2021. The installation and commission of both the double former glove-dipping lines are expected to complete by the third quarter of 2021. • Approvals obtained from the relevant authorities / regulatory bodies (save for MITI, Medical Device Authority and FDA Certification) for the Gloves Business. • Commencement of the recruitment of employees for the Gloves Business (dependent on the number of glove-dipping lines). • Finalisation of the distribution channels to market and sell the rubber gloves manufactured from the first two glove-dipping lines.
Fourth quarter of 2021	<ul style="list-style-type: none"> • Commencement of production of gloves. • Registration with the Medical Device Authority. The registration process is expected to take approximately 1 month. • Application for certificate of origin from the MITI. The approval process is expected to take approximately 2 weeks. • Submit application for the FDA Certification. The approval process ranges between 3 to 5 months. • Commencement of sale of gloves to domestic and/or international markets, depending on the obtainment of the FDA Certification.
By first half of 2022	<ul style="list-style-type: none"> • Commencement of installation of the remaining 10 double former glove-dipping lines in stages over the course of 24 months. • Finalisation of the recruitment of employees for the Gloves Business (dependent on the number of glove-dipping lines).

(b) Working capital for the Gloves Business

The Group intends to utilise the balance proceeds from the Rights Issue with Warrants as working capital for the Gloves Business in the following manner:-

Working capital	Percentage allocation (%)	Minimum Scenario (RM'000)	Base Case Scenario (RM'000)	Maximum Scenario (RM'000)
Purchase of raw materials required for the production of rubber gloves ⁽¹⁾ (e.g. raw nitrile, packing materials and chemicals such as calcium nitrate, potassium hydroxide and liquid chlorine etc)	70	3,080	24,975	50,163
Staff salaries ⁽²⁾	30	1,320	10,703	21,499
Total	100	4,400	35,678	71,662

Notes:-

- (1) The Group has identified a few local suppliers for the supply of raw materials required for the production of rubber gloves. The Group expects to only place the orders for the raw materials in the second quarter of 2021, i.e. prior to the commencement of the production of the rubber gloves under the First Phase.

At this juncture, the Group estimates that the raw material costs per double former glove-dipping line to be approximately RM3.3 million per month. The raw material costs (based on current market rates) are estimated based on the production output of each double former glove-dipping line to be produced of approximately 25 million gloves per month, assuming the double former glove-dipping lines are operating 24 hours a day and 7 days a week.

To operate the first two glove-dipping lines under the First Phase, the estimated raw material cost is approximately RM6.6 million per month. For illustrative purposes only, based on the full operations of all 12 lines, the total raw material costs per month is estimated to be approximately to RM39.6 million.

However, the actual cost for the purchasing of raw materials cannot be determined at this juncture as it will depend on the number of glove-dipping lines in operation, the actual production requirements as well as the market prices of the raw materials at the relevant time.

- (2) To support the Gloves Business, the Group intends to recruit approximately 500 employees with relevant glove manufacturing experience to undertake various roles (e.g. production, quality control, research and development, etc). As at the LPD, the Group is unable to ascertain the breakdown of number of staff for each role and intends to recruit the staff in stages and in accordance to the number of glove-dipping lines being installed.

The proceeds allocated do not represent the entire working capital requirement for the Gloves Business. Typically, the main cost component for the production of gloves comprises raw material costs and staff costs. While the number of staffs cannot be ascertained as this juncture, the allocation of 70% towards raw materials and 30% for staff cost is reflective of the Group's understanding of a typical cost structure for the production of rubber gloves.

The Group expects to commence the hiring process in the second half of 2021 and expects the full team to be in place upon completion of the acquisition, installation and commencement of the gloves production, which is expected to be by the second half of 2021.

Any shortfall in the Group's funding requirement for capital expenditure and/or working capital for the Gloves Business is expected be met via internally generated funds, bank borrowings and/or future fund-raising exercises to be undertaken (if required). As at the LPD, the Group's cash and bank balances stood at RM73.8 million.

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(ii) Estimated expenses for the Rights Issue with Warrants

The breakdown of the estimated expenses for the Rights Issue with Warrants is illustrated below:-

Estimated expenses	RM'000
Professional fees ⁽¹⁾	550
Fees to relevant authorities	100
Printing, despatch, advertising and meeting expenses	105
Miscellaneous charges	45
Total	800

Note:-

- (1) These include advisory fees payable to the Principal Adviser and other professional fees payable to the company secretaries, Share Registrar, solicitors, reporting accountants and Independent Market Researcher in relation to the Rights Issue with Warrants.

The actual gross proceeds to be raised from the Rights Issue with Warrants will depend on the actual number of Rights Shares that will be issued as well as the issue price of the Rights Shares, which shall be determined in due course.

The exact quantum of proceeds that may be raised by the Company from the exercise of the Warrants B would depend on the actual number of Warrants B exercised. The proceeds from the exercise of the Warrants B will be received on an "as and when basis" over the tenure of the Warrants B.

Strictly for illustrative purposes, based on the exercise price of RM0.05 per Warrant B, the Company will raise gross proceeds of up to approximately RM67.5 million upon full exercise of the Warrants B under the Maximum Scenario. Any proceeds arising from the exercise of the Warrants B in the future will be used to finance the Group's general working capital requirements which shall include purchase of raw materials including those required for the production of rubber gloves, administrative expenses such as staff salaries, group overhead expenses (e.g. utilities and upkeep of office premise), Directors' remuneration, employer's statutory contribution and other miscellaneous operating expenses. The exact utilisation breakdown cannot be determined at this juncture as it would depend on the actual requirements of the Group at the relevant time.

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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 with Warrants:-

6.1 Risks relating to the Group

6.1.1 Risks relating to the Group's existing automotive and non-automotive batteries business

(i) Competition from other domestic and international brands and products

The Group has been facing stiff competition from both domestic and international competitors with relatively advanced technologies and manufacturing techniques to produce batteries at a relatively lower cost. These competitors are also able to introduce new product offerings through their own research and development efforts which competes with the Group's existing range of products. In relation to the above, the Group has reconsidered its business strategies and has since migrated to a full distribution and trading business model after cessation of its manufacturing activities in November 2015.

In adopting a full distribution and trading business model, in order to stay ahead of the competition, the Group may need to incur additional costs to run marketing, advertising and promotional activities for the continuous acquisition of consumers to buy its products. A lack of awareness of the Group's products or an inability to provide competitive promotional activities to the consumers may cause the Group to be unsuccessful in retaining and growing its market share and compete against other competitors.

6.1.2 Risks relating to the Group's new Glove Business

(i) Business diversification risks

The diversification of the business of the Group into the Gloves Business may expose the Group to risks inherent to the rubber gloves industry, in which the Group has no prior experience. These may include, amongst others, risks relating to the supply and demand of rubber gloves which are subject to general economic downturn in the global and regional economies, competition from existing players, socio-political instability, availability of vaccines, changes in the legal and environmental framework within which this industry operates.

While the roll-out of vaccination programmes globally is expected to sustain the demand for rubber gloves in the near term due to usage by healthcare professionals to administer the vaccines, the demand for rubber gloves may decline in the longer term when the majority of the global population is vaccinated against COVID-19. If such event occurs, there is no assurance that the demand for gloves will continue to sustain in the longer term.

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Additionally, the Group intends to fund part of the capital expenditure and working capital for the Gloves Business through a combination of proceeds raised from the Previous Fundraising Exercises, Rights Issue with Warrants, internally generated funds, bank borrowings and/or future fundraising exercises to be undertaken (if required). There is no assurance that the Group is able to generate sufficient funds through the Rights Issue with Warrants, its existing operations and/or obtain funding from financial institutions or alternative means to carry out the Group's intended Gloves Business.

A lack of funding may lead to, amongst others, a reduction in the number of gloves-dipping lines that the Group is able to acquire, inability to procure raw materials and/or inability to make payment of staff salaries. This may ultimately lead to a halt to the implementation of the Gloves Business as intended.

Although the Group will seek to limit these risks through, amongst others, recruiting personnel with relevant experience and technical knowledge as well as continuously monitoring the latest developments in the rubber gloves industry to maintain the competitiveness of the Group's products, no assurance can be given that any occurrence of the aforementioned events will not have a material adverse effect on the Group's business and earnings in the future.

(ii) No prior experience in the manufacturing of rubber gloves

The Group is principally involved in the distribution and trading of automotive batteries, related components and automotive lubricants. As such, the Group does not have any prior experience in the manufacturing of rubber gloves. In particular, the production processes and marketing strategies that may be required to successfully manufacture and sell rubber gloves is relatively unique and distinct from the Group's existing business.

Even though the Group is of the view that there is a sufficient pool of talent with suitable technical expertise that can be recruited from the labour market in Malaysia, there can be no assurance that the Group will be able to recruit, assemble and retain a team with the relevant expertise. In such an event, this may affect the smooth running of the Gloves Business. Further, there may be shortage of foreign labour due to closure of the Malaysian borders to foreigners to contain the COVID-19 outbreak. As such, the Group may incur higher cost of production than its competitors as local labourers typically cost more than foreign labourers. There can be no assurance that the Group would be able to compete in terms of cost of production with existing players in the market. There is also no guarantee that the Glove Business can contribute sufficiently to the future earnings of the Group to offset the associated investment costs and cost of production.

(iii) Risk of delay / failure in obtaining the necessary regulatory certifications

The Group has no prior experience in the application for any medical certifications such as the FDA Certification and CE Marking Certification with local and foreign authorities for the sale of rubber gloves at the relevant countries / regions under their jurisdiction.

There is no assurance that the rubber gloves to be manufactured by the Group can comply with all of the said certifications or that the said certifications can be obtained in a timely manner. In the event of any adverse development or delay in the application of the relevant certifications, the export of rubber gloves to the target markets may be delayed or some target markets may even be off limits to the Group. In turn, this may severely limit the Group's ability to sell / export rubber gloves on a wider scale, thus limiting the Group's revenue potential.

Notwithstanding the above, the Group is in the midst of liaising closely with the relevant local and foreign authorities on the necessary steps needed to obtain the relevant certifications. With proactive measures, the Group intends to commence the application process as soon as practicable in order to avoid any unforeseen delays.

(iv) Fluctuation in raw material prices

One of the major raw materials required for the Gloves Business is raw nitrile, a synthetic rubber. The prices of synthetic rubber fluctuate in accordance to the materials used to produce synthetic rubber such as petroleum and butadiene. Any material increase in the prices of these raw materials may have an adverse impact on the financial performance and financial condition of the Group. Sustained increases in butadiene prices generally lead to higher costs for raw nitrile, which is a main component used in manufacturing of nitrile gloves.

In such an event, the Group may not be able to fully pass on the higher cost of raw materials to customers. Hence, no assurance can be given that any significant changes to the prices of raw materials will not adversely affect the future profitability of the Group.

6.1.3 Risks relating to the impact of COVID-19 on the Group's businesses

Over the last few months, 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. On 13 January 2021, the Government imposed a MCO in Penang, Selangor, the Federal Territories (Kuala Lumpur, Putrajaya and Labuan, Melaka, Johor and Sabah) until 18 February 2021. Subsequently, the MCO was extended for Selangor, Johor, Penang and Kuala Lumpur until 4 March 2021 while a conditional movement control order ("**CMCO**") was implemented for Putrajaya, Labuan, Melaka and Sabah. As at the LPD, movement restrictions for all Malaysian states were relaxed to either CMCO or recovery movement control order.

The imposition of lockdown or similar measures has had an adverse impact to the performance of the world's economies including Malaysia. Even if such lockdown measures are gradually relaxed over time, consumer sentiment is expected to remain dampened in the near future as consumers stay cautious in their spending. Until a vaccine and/or a cure can be mass-distributed to the general population, the dampening effects of the COVID-19 pandemic on consumer spending and the economy as a whole is expected to remain in the foreseeable future.

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During the MCO period that was imposed by the Government in year 2020 and 2021, the Group's business operations was allowed to operate as it was classified as essential services. The operations of the Group faced minimal disruptions as it was still able to carry out its business after the migration to a full distribution and trading business model for its automotive batteries, related components and automotive lubricants business. The management decided to reduce purchasing of inventory and its trading activities to reduce the Group's exposure to uncertainty amidst the COVID-19 pandemic which may negatively affect the demand for the Group's products, i.e. automotive and non-automotive batteries in both domestic and international market. This is mainly due to the fact that lockdown measures implemented globally led to a decrease in transportation activities, which will indirectly reduce the demand for batteries.

Due to the nature of the Group's business operations, the Group does not hire any foreign workers for its business operations. As such, the Group did not need to incur any cost relating to the foreign workers pursuant to the COVID-19 pandemic such as swab test. Further, as at the LPD, the Group has not been compounded for any non-compliance with standard operating procedures in relation the MCO measures by the Government.

Based on the Group's latest 9-month FPE 31 December 2020, its revenue decreased by RM0.76 million or 3.56% to RM20.53 million from RM21.29 million in the previous corresponding period. Please refer to Section 4(i), Appendix I of this Abridged Prospectus for further details on the Group's financial performance for the 9-month FPE 31 December 2020.

On the other hand, while the Group has taken opportunities created by the COVID-19 pandemic to venture into the Gloves Business, there is no assurance that the Group may be successful in this new business venture. The Group's Gloves Business expansion may be impacted by the COVID-19 pandemic including delays in obtaining necessary licenses, potential delay in the refurbishment of the Group's existing factory building and setting up of manufacturing facilities as well as ability to source sufficient raw materials for the production of rubber gloves, if the Government imposed stricter lockdown measures. Kindly refer to Section 6.1.2 of this Abridged Prospectus for further information on potential risks faced from the venture into the Gloves Business.

6.2 Risks relating to the Rights Issue with Warrants

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

The Rights Issue with Warrants 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 the Group and the Principal Adviser, arising prior to the completion of the Rights Issue with Warrants.

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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 with Warrants. In the event the Rights Shares have been allotted to the successful Entitled Shareholders and/or their transferee(s) and/or their renounee(s) and/or their transferee(s), if applicable, and the Rights Issue with Warrants is subsequently cancelled or terminated other than due to a stop order issued by the SC pursuant to Section 245 of the CMSA, a return of monies to the successful applicants can only be achieved by way of cancellation of share capital under the Act.

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

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

(ii) Capital market risk

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

In view of the foregoing, there can be no assurance that the Shares (together with any new Shares issued pursuant to the exercise of the Warrants B) will trade at or above the TEAP disclosed in Section 2.2 of this Abridged Prospectus after the completion of the Rights Issue with Warrants.

The Warrants B are new instruments issued by the Company. Therefore, there can be no assurance that an active market for the Warrants B will develop upon listing on Bursa Securities, or if developed, will be sustainable. In addition, there is no assurance that the Warrants B will be "in-the-money" during the Exercise Period.

Accordingly, there is no assurance that the market price of the Warrants B will be at a level that meets the specific investment objectives or targets of any subscriber of the Warrants B.

(iii) 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 the Group are forward-looking statements.

Such forward-looking statements are based on the estimates and assumptions made by the Company, unless stated otherwise, and although the 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 the Company, the Principal Adviser and/or other advisers in relation to the Rights Issue with Warrants that the plans and objectives of the Group will be achieved.

7. INDUSTRY OVERVIEW AND PROSPECTS

7.1 Malaysian economy

The Malaysian economy recorded a negative growth of 3.4% in the fourth quarter of 2020 (3Q 2020: -2.6%), largely attributable to the imposition of the Conditional Movement Control Order (CMCO) on a number of states since mid-October. The restrictions on mobility, especially on inter-district and inter-state travel, weighed on economic activity. Nevertheless, the continued improvement in external demand provided support to growth. Consequently, except for manufacturing, all economic sectors continued to record negative growth. On the expenditure side, moderating private consumption and public investment activities weighed on domestic demand. On a quarter-on-quarter seasonally-adjusted basis, the economy registered a decline of 0.3% (3Q 2020: +18.2%).

For 2021, while near-term growth will be affected by the re-introduction of stricter containment measures, the impact, however, will be less severe than that experienced in 2020. The growth trajectory is projected to improve from the second quarter onwards. The improvement will be driven by the recovery in global demand, turnaround in public and private sector expenditure amid continued support from policy measures including PENJANA, KITA PRIHATIN, 2021 Budget and PERMAI, and higher production from existing and new facilities in the manufacturing and mining sectors. The vaccine rollout from February onwards is also expected to lift sentiments.

(Source: Economic and Financial Developments in the Malaysian Economy in the Fourth Quarter of 2020, BNM)

Reinforced by the reopening of the economy in phases, growth is expected to improve gradually during the second half of the year, cushioning the significant contraction in the first half. Thus, Malaysia's GDP is expected to contract by 4.5% in 2020, before rebounding between 6.5% and 7.5% in 2021.

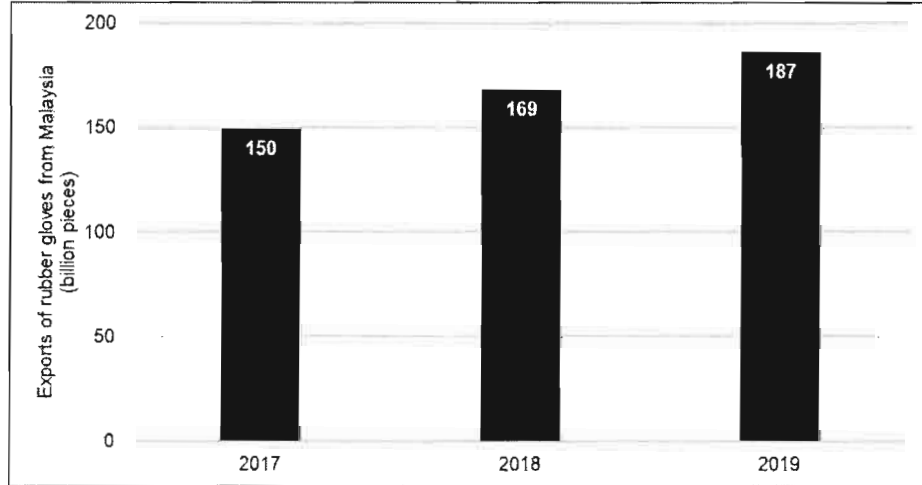
(Source: Economic Outlook 2021, Ministry of Finance Malaysia)

7.2 Outlook and prospects of the rubber glove exports in Malaysia

In 2019, Malaysia was the world's largest exporter of rubber gloves, where exports of rubber gloves from Malaysia contributed to 63.18% of total global demand for rubber gloves.

To cater to the demand for rubber gloves globally, exports of rubber gloves from Malaysia increased from 150 billion pieces in 2017 to 187 billion pieces in 2019 at a CAGR of 11.65%.

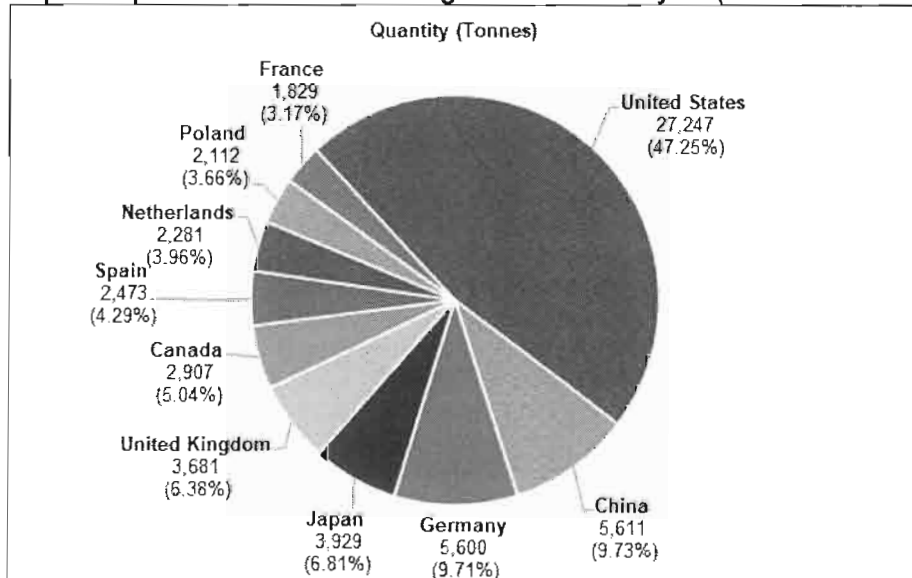
Exports of rubber gloves from Malaysia, 2017 – 2019



MARGMA expects exports of rubber gloves from Malaysia to have reached between 250 billion and 270 billion pieces in 2020, an increase of between 33.69% and 44.39% from 2019 to support the surge in demand for medical gloves globally due to the ongoing COVID-19 pandemic. Despite the availability of vaccines for COVID-19 with many countries already commencing mass vaccinations, exports of rubber gloves from Malaysia are expected to remain high, especially in the near term, as medical gloves will continue to be used by healthcare professionals globally for mass vaccination. Further, the demand for rubber gloves will be continuously driven by heightened awareness of the usage of rubber gloves as general protection against viruses and other diseases. These are expected to offset the gradual decrease in the usage of medical gloves used for the COVID-19 response when the pandemic subsides following the availability of vaccines. As such, MARGMA expects exports of rubber gloves from Malaysia to reach 280 billion pieces in 2021, an increase of between 3.70% and 12.00% from 2020.

Based on latest available data, in December 2020, the top export countries of rubber gloves from Malaysia in terms of tonnage was the US (47.25%) followed by China (9.73%).

Top 10 export countries of rubber gloves from Malaysia (December 2020)



Note:-

- The percentages are calculated based on the total rubber gloves exported to the top 10 export countries from Malaysia, measured in tonnes, as shown above.

Malaysia is a major producer of rubber gloves with approximately 69 rubber glove manufacturing companies. The manufacturing activities of rubber gloves have been increasing to support the increasing exports of rubber gloves from Malaysia to cater for the increasing global demand for rubber gloves.

The growth of rubber glove manufacturing activities in Malaysia is attributed to low production costs, easy access to raw materials and stringent testing to meet international standards, making Malaysian-produced rubber gloves reliable and cost-effective.

Further, rubber glove manufacturing activities in Malaysia grows significantly during epidemic and pandemic disease outbreaks such as Severe Acute Respiratory Syndrome (SARS) in 2003, Ebola virus disease (Ebola) in 2014-2016, Middle East Respiratory Syndrome (MERS) in 2015 and the on-going COVID-19 since 2020, as demand for rubber gloves primarily in the healthcare industry, rises substantially during these times.

Rubber glove manufacturers seek continuous technological upgrades of rubber glove manufacturing processes and glove-dipping lines to meet rising demand through improved efficiencies such as time, speed, quality, energy usage and cost of glove manufacturing. The need for continuous upgrades of glove-dipping lines grows with increasing demand for rubber gloves.

One of the aspects of technological upgrades in rubber glove manufacturing activities is the increase in automation of glove-dipping lines. Increased automation during the manufacturing of rubber gloves will speed up production, thus increasing the production volume of rubber gloves manufactured in a given time. In line with the increase in automation to replace manual labour, rubber glove manufacturers will be able to reduce reliance on manual labour required to transfer semi-finished rubber gloves from one machine to another.

Notwithstanding that the raw materials and machinery and equipment required for rubber glove manufacturing can be easily sourced in the market and the upfront cost required can be relatively low if a new rubber glove manufacturer chooses to commence operations with a small manufacturing capacity, the barriers of entry in the rubber glove manufacturing industry rise from product certification requirements and high capital investments needed to achieve economies of scale. Rubber glove manufacturers are required to obtain the relevant regulatory product certifications from the respective authorities which are necessary for the export of rubber gloves, particularly surgical gloves which are typically required to undergo relatively lengthy product approval and registration processes.

Further, to remain competitive in the market and to have a sustainable business over the long term, rubber glove manufacturers are required to increase their capacities and continuously upgrade their technology in order to achieve greater economies of scale for large scale manufacturing, which will help strengthen their market reputation to be able to produce large orders to attract larger customers. Scaling up a rubber glove manufacturing business requires high capital investments in production space, machinery and equipment as well as large working capital for the purchase of raw materials.

Further, as rubber gloves are used as personal protective equipment in the medical industry and multiple other industries, rubber glove manufacturers are required to have strong understanding of the required specifications of rubber gloves as well as the technical know-how and knowledge to develop the compounds for rubber gloves for various usage.

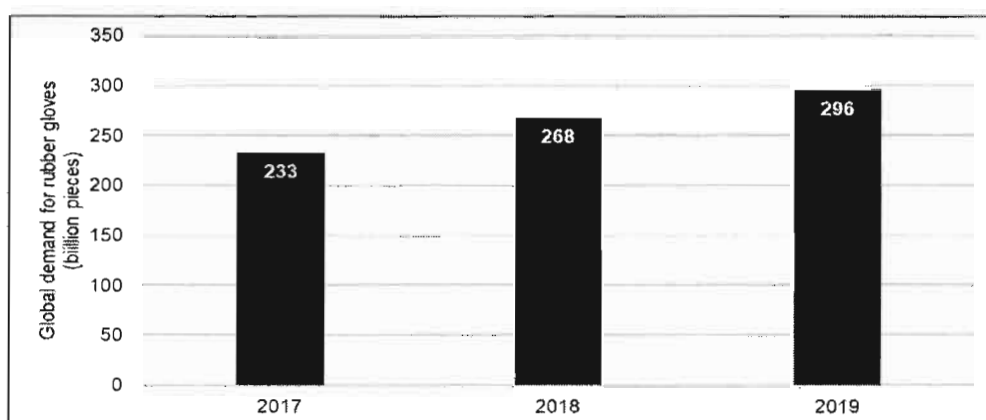
According to MARGMA, the rubber glove manufacturers have already taken an oversold position prior to the widespread outbreak of the COVID-19 pandemic, thus resulting in a lead time of more than 6 months for rubber glove manufacturers to meet orders. In addition, as a result of the oversold position and surge in demand for medical gloves globally due to the on-going COVID-19 pandemic, rubber glove manufacturers are experiencing higher sales for their rubber gloves and at higher average selling prices.

(Source: IMR Report prepared by Smith Zander)

7.3 Outlook and prospects of the global rubber glove market

The global rubber glove market size, as represented by the global demand for rubber gloves, increased from 233 billion pieces in 2017 to 296 billion pieces in 2019, at a CAGR of 12.71%.

Rubber glove market size (Global), 2017 – 2019



As a result of the surge in demand for medical gloves globally due to the on-going COVID-19 pandemic, global demand for rubber gloves reached 380 billion pieces in 2020, an increase of 28.38% from 2019.

While many countries globally have rolled out vaccines to control the COVID-19 pandemic, the global demand for rubber gloves is expected to remain high. This is premised on the continuous usage of medical gloves among healthcare professionals worldwide during mass vaccination; and in the longer term, supported by heightened awareness of the usage of rubber gloves as general protection against viruses and other diseases. These are also expected to offset the gradual decrease in the usage of medical gloves used for the COVID-19 response when the pandemic subsides following the availability of vaccines. MARGMA forecasts the global demand for rubber gloves to reach 420 billion pieces in 2021, an increase of 10.53% from 2020.

(Source: IMR Report prepared by Smith Zander)

7.4 Demand for the rubber gloves

Moving forward, the outlook of the global rubber glove market is positive, premised on the following:-

- (i) The demand for personal protective equipment to curb the spread of COVID-19 pandemic boosts the demand for medical gloves. Based on latest available information, COVID-19 has affected 223 countries, areas or territories, infecting 124.22 million persons and causing more than 2.73 million deaths as of 25 March 2021.

In view of the COVID-19 pandemic, Smith Zander estimates that, on average, approximately 3.67 billion pieces of examination gloves are required worldwide for the COVID-19 response, including for COVID-19 vaccinations, each month in 2021.

Further, as many countries globally have rolled out vaccines to control the COVID-19 pandemic, there will be continuous usage of medical gloves among healthcare professionals worldwide during mass vaccination. Moreover, in the longer term, the demand for rubber gloves will continue to be supported by heightened awareness of the usage of rubber gloves as general protection against viruses and other diseases. These are also expected to offset the gradual decrease in the usage of medical gloves used for the COVID-19 response when the pandemic subsides following the availability of vaccines.

Hence, the need for rubber gloves, including medical gloves as personal protective equipment during and even after the COVID-19 pandemic, will continue to boost the demand for rubber gloves globally.

- (ii) The growth in healthcare services drives the demand for medical gloves. Medical gloves are used by healthcare professionals who attend to patients during the provision of healthcare services. They protect healthcare professionals against infection and exposure to potential viruses, bacteria and contaminants in the form of aerosols and liquid droplets carried in patients' body fluids or blood, which subsequently eliminate or reduce the chances of cross-contamination among healthcare professionals and patients. As such, the increase in the demand for healthcare services will drive the demand for rubber gloves including medical gloves.

Based on latest available information, the global healthcare services industry grew in terms of global healthcare expenditure, which increased from USD7.58 trillion (RM31.42 trillion) in 2016 to USD8.43 trillion (RM34.02 trillion) in 2018, at a CAGR of 5.46%.

The demand for healthcare services is driven by various factors including growing accessibility to healthcare services, rising population and growing ageing population and rising prevalence of chronic and contagious diseases.

Smith Zander forecasts global healthcare expenditure to increase from USD8.43 trillion (RM34.02 trillion) in 2018 to USD9.66 trillion (RM39.23 trillion) in 2021, at a CAGR of 4.64%.

- (iii) The growth in the global industrial production activities in the manufacturing sector drives the demand for industrial gloves. The global manufacturing sector, as measured by manufacturing value added, grew from USD13.07 trillion (RM56.21 trillion) in 2017 to USD13.90 trillion (RM57.58 trillion) in 2019, registering a CAGR of 3.13%. Industrial gloves are a form of protective wear used during industrial production activities of the manufacturing sector to cover and protect the hands from hazardous chemical, metal cuts, glass cuts and high-temperature sources. In addition, strict government regulations for workplace safety and increasing incidence of accidents in workplaces globally are expected to continue driving the demand for industrial gloves as a form of protective wear.

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According to the United Nations Industrial Development Organization, the global manufacturing sector, as measured by manufacturing value added declined by 8.35% from USD13.90 trillion (RM57.58 trillion) in 2019 to USD12.74 trillion (RM53.53 trillion) in 2020. The decline in the global manufacturing sector in 2020 was due to the imposition of lockdowns, temporary closure or disruption in manufacturing operations in the respective countries to curb the spread of COVID-19. However, moving forward, the global manufacturing sector is expected to continue to grow once the outbreak of the COVID-19 subsides. As such, Smith Zander forecasts the global manufacturing sector, as measured by manufacturing value added to recover by 1.96% from USD12.74 trillion (RM53.53 trillion) in 2020 to USD12.99 trillion (RM52.76 trillion) in 2021.

(Source: IMR Report prepared by Smith Zander)

7.5 Prospects and future plans of the Group

The Group is principally involved in the manufacturing and trading of automotive batteries, related components and automotive lubricants. Over the years, the Group has been facing challenges in automotive batteries segment as a result of increased competition and product offerings from both local and foreign players.

In order to manage costs and in an effort to streamline its operations, the Group has ceased its manufacturing activities in November 2015 and has since migrated to a full distribution and trading business model. The Group sources for automotive batteries, related components and automotive lubricants for sale under the Group's brand name. In order to strengthen its brand name, the Group had since undertaken various marketing, branding initiatives and promotional activities, such as conducting road shows, advertising campaigns, promotional offers and digital advertising in an effort to expand its presence in the market.

Subsequently the Group has obtained its Shareholders' approval for the diversification into the Gloves Business, which represents an opportunity to provide an additional stream of income to the Group while capitalising on the surge in global demand of gloves resulting from the COVID-19 pandemic as well as other factors set out under Section 7.4 above. The diversification into the Gloves business is also expected to help mitigate potential downside risks of the Group arising from the wide-ranging effects of the COVID-19 pandemic to the local and global economy.

The Rights Issue with Warrants, in addition to the Previous Fundraising Exercises, is proposed to be undertaken to raise funds to finance the Gloves Business.

While diversifying to include the Gloves Business, the Group also intends to turnaround its existing core business of trading of automotive batteries, related components and automotive lubricants. Moving forward, the Group will focus on improving its business strategy by streamlining its operations, pursue improvements in their products and services coupled with other initiatives such as brand rebuilding and continuous improvement to enhance its value chain and operating efficiencies. For this purpose, the Group will undertake various marketing and promotional activities such as digital marketing on e-commerce platform and/or conducting roadshows (depending on the COVID-19 pandemic's severity) to promote the Group's products and increase brand and/or product awareness in domestic market as well as international market.

Premised on the above as well as the outlook and prospects of the rubber glove exports in Malaysia, outlook and prospects of the global rubber glove market and demand for the rubber gloves set out in Sections 7.2, 7.3 and 7.4 above, the management is optimistic about the Group's future prospects. Moving forward, the Group does not foresee that the COVID-19 will have a material adverse impact on its financial performance as well as the Group's operations.

8. EFFECTS OF THE RIGHTS ISSUE WITH WARRANTS

8.1 Share capital

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

	Minimum Scenario		Base Case Scenario		Maximum Scenario	
	No. of Shares	Share capital (RM)	No. of Shares	Share capital	No. of Shares	Share capital (RM)
Issued share capital as at the LPD	1,529,559,600	170,619,861	1,529,559,600	170,619,861	1,529,559,600	170,619,861
New Shares to be issued assuming the full granting and exercise of the ESOS Options	-	-	-	-	229,433,940	⁽¹⁾ 27,394,412
New Shares to be issued assuming full exercise of the Warrants A	-	-	-	-	490,243,800	⁽²⁾ 49,024,380
	1,529,559,600	170,619,861	1,529,559,600	170,619,861	2,249,237,340	247,038,653
New Shares to be issued pursuant to the Rights Issue with Warrants	200,000,000	⁽³⁾ 5,536,000	1,529,559,600	⁽³⁾ 42,338,210	2,249,237,340	⁽³⁾ 62,258,890
Enlarged issued share capital after the Rights Issue with Warrants	1,729,559,600	176,155,861	3,059,119,200	212,958,071	4,498,474,680	309,297,543
New Shares to be issued assuming full exercise of the Warrants B	120,000,000	⁽⁴⁾ 10,464,000	917,735,760	⁽⁴⁾ 80,026,558	1,349,542,404	⁽⁴⁾ 117,680,097
Enlarged issued share capital	1,849,559,600	186,619,861	3,976,854,960	292,984,629	5,848,017,084	426,977,640

Notes:-

- (1) Assuming that all the 229,433,940 ESOS Options that may be granted by the Company pursuant to the ESOS Options Undertaking are exercised at an illustrative exercise price of RM0.0665 each (based on approximately 9.9% discount to the 5-day VWAP of Shares up to and including the LPD of RM0.0738) and after accounting for the reversal of share option reserve.
- (2) Assuming full exercise of all outstanding 490,243,800 Warrants A at an exercise price of RM0.10 each.

- (3) Based on the issue price of RM0.05 per Rights Share and after accounting for the adjustments for the apportionment of the relative illustrative fair values of the Rights Shares of RM0.0277 per Share and the Warrants B of RM0.0372 per Warrant B (computed based on the Trinomial option pricing model with data sourced from Bloomberg) between the share capital account and the warrant reserve account as well as estimated expenses incidental to the Rights Issue with Warrants of approximately RM0.8 million.
- (4) Assuming full exercise of the Warrants B based on the exercise price of RM0.05 each and after accounting for the reversal of warrant reserve.

8.2 NA and gearing

As at the LPD, there are no material transactions which may have a material effect on the operations, financial position and results of the Group since the Group's latest unaudited 9-month FPE 31 December 2020.

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

Minimum Scenario

Group level	Unaudited as at 31 December 2020 (RM'000)	(I) After adjusting for subsequent event ⁽¹⁾ (RM'000)	(II) After (I) and Rights Issue with Warrants ⁽²⁾⁽³⁾ (RM'000)	(III) After (II) and assuming full exercise of Warrants B ⁽⁴⁾ (RM'000)
Share capital	143,996	170,620	176,156	186,620
Revaluation reserve	20,824	20,824	20,824	20,824
Warrant reserve	4,902	4,902	9,366	4,902
Discount on shares	(4,902)	(4,902)	(4,902)	(4,902)
Accumulated losses	(19,668)	(19,968)	(20,768)	(20,768)
Shareholders' equity / NA	145,152	171,476	180,676	186,676
Non-controlling interests	4,660	4,660	4,660	4,660
Total equity	149,812	176,136	185,336	191,336
No. of Shares in issue ('000)	1,274,634	1,529,560	1,729,560	1,849,560
NA per Share (RM)	0.11	0.11	0.10	0.10
Total borrowings (RM'000)	-	-	-	-
Gearing ratio (times)	-	-	-	-

Notes:-

(1) After accounting for the following:-

(i) issuance of 254,926,000 new Shares pursuant to the Private Placement January 2021:-

Number of Shares	Issue price (RM)
140,000,000	0.1080
114,926,000	0.1001

- (ii) Deduction of expenses of approximately RM0.3 million incurred in relation to the Private Placement January 2021. Based on the issuance of 200,000,000 Rights Shares at an issue price of RM0.05 each together with 120,000,000 Warrants B. After accounting for the adjustments for the apportionment of the relative illustrative fair values of the Rights Shares of RM0.0277 per Share and the Warrants B of RM0.0372 per Warrant B (computed based on the Trinomial option pricing model with data sourced from Bloomberg) between the share capital account and the warrant reserve account as well as estimated expenses incidental to the Rights Issue with Warrants of approximately RM0.8 million.
- (4) Based on an exercise price of RM0.05 per Warrant B and after accounting for the reversal of warrant reserve.

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Base Case Scenario

Group level	Unaudited as at 31 December 2020 (RM'000)	(I) After adjusting for subsequent event ⁽¹⁾ (RM'000)	(II) After (I) and Rights Issue with Warrants ⁽²⁾⁽³⁾ (RM'000)	(III) After (II) and assuming full exercise of Warrants B ⁽⁴⁾ (RM'000)
Share capital	143,996	170,620	212,958	292,985
Revaluation reserve	20,824	20,824	20,824	20,824
Warrant reserve	4,902	4,902	39,042	4,902
Discount on shares	(4,902)	(4,902)	(4,902)	(4,902)
Accumulated losses	(19,668)	(19,968)	(20,768)	(20,768)
Shareholders' equity / NA	145,152	171,476	247,154	293,041
Non-controlling interests	4,660	4,660	4,660	4,660
Total equity	149,812	176,136	251,814	297,701
No. of Shares in issue ('000)	1,274,634	1,529,560	3,059,119	3,976,855
NA per Share (RM)	0.11	0.11	0.08	0.07
Total borrowings (RM'000)	-	-	-	-
Gearing ratio (times)	-	-	-	-

Notes:-

(1) After accounting for the following:-

(i) issuance of 254,926,000 new Shares pursuant to the Private Placement January 2021:-

Number of Shares	Issue price (RM)
140,000,000	0.1080
114,926,000	0.1001

(ii) Deduction of expenses of approximately RM0.3 million incurred in relation to the Private Placement January 2021 respectively.

(2) Based on the issuance of 1,529,559,600 Rights Shares at an issue price of RM0.05 each together with 917,735,760 Warrants B.

(3) After accounting for the adjustments for the apportionment of the relative illustrative fair values of the Rights Shares of RM0.0277 per Share and the Warrants B of RM0.0372 per Warrant B (computed based on the Trinomial option pricing model with data sourced from Bloomberg) between the share capital account and the warrant reserve account as well as estimated expenses incidental to the Rights Issue with Warrants of approximately RM0.8 million.

(4) Based on an exercise price of RM0.05 per Warrant B and after accounting for the reversal of warrant reserve.

Maximum Scenario

Group level	Unaudited as at 31 December 2020 (RM'000)	(I) After adjusting for subsequent event ⁽¹⁾ (RM'000)	(II) After (I) and assuming full exercise of all Convertible Securities ⁽²⁾ (RM'000)	(III) After (II) and Rights Issue with Warrants ⁽³⁾⁽⁴⁾ (RM'000)	(IV) After (III) and assuming full exercise of Warrants B ⁽⁵⁾ (RM'000)
Share capital	143,996	170,620	247,039	309,298	426,978
Revaluation reserve	20,824	20,824	20,824	20,824	20,824
Warrant reserve	4,902	4,902	-	50,203	-
Discount on shares	(4,902)	(4,902)	-	-	-
Accumulated losses	(19,668)	(19,968)	(32,105)	(32,905)	(32,905)
Shareholders' equity / NA	145,152	171,476	235,758	347,420	414,897
Non-controlling interests	4,660	4,660	4,660	4,660	4,660
Total equity	149,812	176,136	240,418	352,080	419,557
No. of Shares in issue ('000)	1,274,634	1,529,560	2,249,237	4,498,475	5,848,017
NA per Share (RM)	0.11	0.11	0.10	0.08	0.07
Total borrowings (RM'000)	-	-	-	-	-
Gearing ratio (times)	-	-	-	-	-

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Notes:-

(1) After accounting for the following:-

(i) issuance of 254,926,000 new Shares pursuant to the Private Placement January 2021:-

Number of Shares	Issue price (RM)
140,000,000	0.1080
114,926,000	0.1001

(2) (ii) Deduction of expenses of approximately RM0.3 million incurred in relation to the Private Placement January 2021.

For illustrative purposes only, assuming that:-

- (i) all the ESOS Options that may be granted by the Company pursuant to the ESOS Options Undertaking are exercised at an illustrative exercise price of RM0.0665 each (based on approximately 9.9% discount to the 5-day VWAP of Shares up to and including the LPD of RM0.0738) and after accounting for the reversal of share option reserve; and
- (ii) all outstanding 490,243,800 Warrants A are fully exercised at the exercise price of RM0.10 each.
- (3) Based on the issuance of 2,249,237,340 Rights Shares at an issue price of RM0.05 per Rights Share together with 1,349,542,404 Warrants B.
- (4) After accounting for the adjustments for the apportionment of the relative illustrative fair values of the Rights Shares of RM0.0277 per Share and the Warrants B of RM0.0372 per Warrant B (computed based on the Trinomial option pricing model with data sourced from Bloomberg) between the share capital account and the warrant reserve account as well as estimated expenses incidental to the Rights Issue with Warrants of approximately RM0.8 million.
- (5) Based on an exercise price of RM0.05 per Warrant B and after accounting for the reversal of warrant reserve.

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8.3 Substantial Shareholders' shareholdings

Based on the Company's Record of Depositors as at the LPD, the Company does not have any substantial Shareholders.

Under the Base Case Scenario and Maximum Scenario, the Undertaking Shareholders will not become substantial Shareholders. For illustration purposes, the pro forma effects of the Rights Issue with Warrants on the Undertaking Shareholders' shareholdings based on the Record of Depositors as at the LPD are as follows:-

Minimum Scenario

	As at the LPD				(I) After the Rights Issue with Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Substantial Shareholders								
Koo Kien Yoon	100,000	0.01	-	-	100,100,000	5.79	-	-
Tang Boon Koon	100,000	0.01	-	-	100,100,000	5.79	-	-

	(II) After (I) and assuming full exercise of the Warrants B			
	Direct		Indirect	
	No. of Shares	(3)%	No. of Shares	(3)%
Substantial Shareholders				
Koo Kien Yoon	160,100,000	8.66	-	-
Tang Boon Koon	160,100,000	8.66	-	-

Notes:-

- (1) Based on the issued share capital of 1,529,559,600 Shares as at the LPD.
- (2) Based on the enlarged issued share capital of 1,729,559,600 Shares.
- (3) Based on the enlarged issued share capital of 1,849,559,600 Shares.

8.4 Earnings and EPS

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

Subsequent to the completion of the Rights Issue with Warrants, the EPS of the Group shall be correspondingly diluted as a result of the increase in the number of Rights Shares to be issued and the exercise of the Warrants B during the Exercise Period.

The potential effects of the Rights Issue with Warrants on the future consolidated earnings and EPS (or LPS) of the Company will depend on, amongst others, the number of Warrants B exercised at any point in time and the level of returns generated from the utilisation of the proceeds to be raised from the Rights Issue with Warrants.

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

	Unaudited 9-month FPE 31 December 2020	(I) After the Rights Issue with Warrants			(II) After (I) and assuming full exercise of the Warrants B		
		Minimum Scenario	Base Case Scenario	Maximum Scenario	Minimum Scenario	Base Case Scenario	Maximum Scenario
		PAT / (LAT) attributable to owners of the Company (RM'000)	137	(663) ⁽¹⁾	(663) ⁽¹⁾	(663) ⁽¹⁾	(663) ⁽¹⁾
Weighted average number of Shares ('000)	1,020,183	1,729,560	3,059,119	4,498,475	1,849,560	3,976,855	5,848,017
EPS / LPS (sen)	0.01	(0.04)	(0.02)	(0.02)	(0.04)	(0.02)	(0.01)

Note:-

(1) After accounting for estimated expenses incidental to the Rights Issue with Warrants of RM0.8 million.

The pro forma effects above have not taken into consideration any returns which may be generated from the utilisation of the proceeds to be raised from the Rights Issue with Warrants.

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

9.1 Working capital and sources of liquidity

The Group's working capital is funded by a combination of internal and external sources of funds.

The internal sources of funds comprise cash generated from operating activities, the Group's existing cash and bank balances and proceeds from the issuance of equity securities. As at the LPD, the Group's cash and bank balances stood at approximately RM73.8 million. The external source of funds comprise credit terms granted by the suppliers. The credit terms granted to the Group by the suppliers range from 30 to 120 days.

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

The Board confirmed that, after taking into consideration the funds generated from the Company's operations and proceeds to be raised from the Rights Issue with Warrants, the Group will have sufficient working capital available for a period of 12 months from the date of this Abridged Prospectus.

9.2 Borrowings

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

9.3 Contingent liabilities

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

9.4 Material commitments

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

10. INSTRUCTIONS FOR ACCEPTANCE AND PAYMENT

Full instructions for the acceptance of and payment for the Provisional Allotments as well as Excess Rights Shares with Warrants B 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 the 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 with Warrants. 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 with Warrants B that you have been provisionally allotted as well as to apply for Excess Rights Shares with Warrants B if you choose to do so. This Abridged Prospectus and the RSF are also available at the registered office of the Company, the Share Registrar's website at <https://www.registrar-boardroom.com.my> or on Bursa Securities' website at <http://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 NPA will be by book entries through CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository. As an Entitled Shareholder, you and/or your transferee(s) and/or your renounee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making the applications.

10.3 Methods of acceptance and application

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

<u>Method</u>	<u>Category of Entitled Shareholders</u>
RSF	All Entitled Shareholders
e-Subscription	All Entitled Shareholders

10.4 Procedures for acceptance and payment

10.4.1 By the method of RSF

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

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

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

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

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

Boardroom.com Sdn Bhd
Level 5, Block B, Dataran PHB,
Saujana Resort, Section U2,
40150 Shah Alam, Selangor.
Tel : +603 – 7890 0638
Fax : +603 – 7890 1032

so as to arrive not later than **5.00 p.m. on Tuesday, 11 May 2021**, being the last date and time for the acceptance and payment for the Rights Shares with Warrants B.

If you lose, misplace or for any other reason require another copy of the RSF, you may obtain additional copies from the registered office of the Company, the Share Registrar's website at <https://www.registrar-boardroom.com.my> or Bursa Securities' website <http://www.bursamalaysia.com>.

1 RSF must be used for acceptance of the 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. The Rights Shares with Warrants B accepted by you will be credited into the CDS Account(s) where the Provisional Allotments are standing to the credit.

Successful applicants to the Rights Shares with Warrants B will be given the Warrants B on the basis of 3 Warrant B for every 5 Rights Shares successfully subscribed for. The minimum number of Rights Shares that can be subscribed or accepted is 1 Rights Share. However, you should take note that a trading board lot comprises 100 Rights Shares and 100 Warrants B respectively. Fractions of a Rights Shares and/or Warrant arising from the Rights Issue with Warrants will be disregarded and the aggregate of such fractions shall be dealt with as the Board may at its absolute discretion deem fit and expedient and in the best interest of the Company.

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

Each completed RSF must be accompanied by the appropriate remittance in RM for the full amount payable for the Rights Shares accepted in the form of a banker's draft or cashier's order or money order or postal order drawn on a bank or post office in Malaysia and which must be made payable to "**JOE HOLDING BERHAD RIGHTS SHARES ACCOUNT**", crossed "**ACCOUNT PAYEE ONLY**" and endorsed on the reverse side with your name in block letters, your contact number, your address and your CDS Account number, and must be received by the Share Registrar by **5.00 p.m. on Tuesday, 11 May 2021**. The payment must be made for the exact amount payable for the Rights Shares accepted. Any excess or insufficient payment may be rejected at the absolute discretion of the Board. Cheques or other mode(s) of payment not prescribed herein are not acceptable.

NO ACKNOWLEDGEMENT WILL BE ISSUED FOR THE RECEIPT OF THE RSF OR APPLICATION MONIES IN RESPECT OF THE RIGHTS ISSUE WITH WARRANTS. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU AND/OR YOUR TRANSFEREE(S) AND/OR YOUR RENOUNCEE(S) BY ORDINARY POST TO THE ADDRESS AS SHOWN ON 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.

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

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

IN RESPECT OF UNSUCCESSFUL OR PARTIALLY ACCEPTED APPLICATIONS, THE FULL AMOUNT OR THE SURPLUS APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST 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.

ALL RIGHTS SHARES AND WARRANTS B TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE WITH WARRANTS WILL BE ALLOTTED BY WAY OF CREDITING SUCH RIGHTS SHARES AND WARRANTS B INTO THE CDS ACCOUNTS OF THE SUCCESSFUL APPLICANTS. NO PHYSICAL SHARE OR WARRANT CERTIFICATES WILL BE ISSUED.

If acceptance of and payment for the Provisional Allotments allotted to you (whether in full or in part, as the case may be) are not received by the Share Registrar by **5.00 p.m. on Tuesday, 11 May 2021**, the provisional entitlement to you or remainder thereof (as the case may be) will be deemed to have been declined and will be cancelled. Proof of time of postage shall not constitute proof of time of receipt by the Share Registrar.

The Board will then have the right to allot any Rights Shares with Warrants B not taken up or not validly taken up to applicants applying for the Excess Rights Shares with Warrants B in the manner as set out in Section 10.7 of this Abridged Prospectus. The Board reserves the right not to accept any application or to accept any application in part only without assigning any reason thereof.

10.4.2 By the method of e-Subscription

You and/or your renounee(s)/transferee(s) (if applicable) can have the option to accept and make payment for your entitlement to the Provisional Allotments through the e-Subscription available to you upon your login to Boardroom.com Portal at <https://www.registrar-boardroom.com.my>. You are advised to read the instructions as well as the terms and conditions of the e-Subscription. The e-Subscription is available to Entitled Shareholders including individuals, corporations or institutional shareholders.

Entitled Shareholders who wish to subscribe for the Rights Shares with Warrants and apply for the Excess Rights Shares with Warrants B by way of e-Subscription, shall take note of the following:-

- (i) any e-Subscription received after the Closing Date by Share Registrar of the Company may not be accepted at the absolute discretion of the Board. All valid e-Subscription received by Share Registrar of the Company are irrevocable and cannot be subsequently withdrawn;
- (ii) the e-Subscription must be made in accordance with the procedures and terms and conditions of the e-Subscription, this Abridged Prospectus and the notes and conditions contained in the e-RSF. Any incomplete or incorrectly completed e-RSF submitted via Boardroom.com Portal may or may not be accepted at the absolute discretion of the Board;
- (iii) your application for the Rights Shares with Warrants B and excess Rights Shares with Warrants B (if applicable) must be accompanied by the remittance in RM via internet bank transfer, the bank account details as follows:-

Name of account	JOE HOLDING BERHAD RIGHTS SHARES ACCOUNT	JOE HOLDING BERHAD EXCESS RIGHTS SHARES ACCOUNT
Name of bank	UOB Bank Berhad	UOB Bank Berhad
Bank account no.	229-309-139-2	229-309-137-6

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

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

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

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Procedures

Procedure	Action
User registration	<ul style="list-style-type: none"> • Access the Boardroom.com Portal at https://www.registrar-boardroom.com.my • Click <<Login/Register>> followed by <<Register New User>> to register as a new user. • Complete the registration by filling up the information required and upload a clear copy of your MyKAD (both front and back page) or Passport. • Read and agree to the terms & conditions and thereafter submit your registration. • Please enter a valid email address in order for you to receive the verification email from the Boardroom.com Portal. • Please verify your email address before the link expire in one (1) hour from your registration. • Your registration will be verified and approved by the Boardroom.com Portal. Once approved, an email notification will be sent to you. • If you have already registered an account with Boardroom.com Portal, you are not required to register again. A notification email will be sent to your email address that you have registered with the Boardroom.com Portal.
e-Subscription	<ul style="list-style-type: none"> • Sign in to https://www.registrar-boardroom.com.my • Login with your user ID and password for e-Subscription before the Closing Date. • Click the "MY RIGHTS ISSUE". • Select the Company name from the drop selection and click the relevant Corporate Exercise event name. • Select the CDS account that you wish to submit and input the number of Right Shares to subscribe and number of excess Rights Shares to apply (if you choose to do so). • Ensure all information in the form is accurate before submitting the form. • Upload the proof of payment(s) for the subscription and click the confirm button to submit the e-RSF.

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

Terms and conditions of the e-Subscription

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

- (a) you confirmed that you have attained 18 years of age as at the last day for subscription and payment;
- (b) you confirmed that you have, prior to making the e-Subscription, received a printed copy of this Abridged Prospectus and/or have had access to this Abridged Prospectus from Bursa Securities' website at www.bursamalaysia.com, the contents of which you have read and understood;
- (c) you agree to all the terms and conditions for the e-Subscription and have carefully considered the risk factors as set out in this Abridged Prospectus, in addition to all other information contained in this Abridged Prospectus, before making the e-Subscription application;
- (d) you agree and undertake to subscribe for and to accept the number of Rights Shares and Excess Rights Shares with Warrants B applied for (if applicable) as stated in the e-RSF. Your confirmation of your subscription will signify, and will be treated as, your subscription of the number of Rights Shares with Warrants that may be allotted to you;
- (e) You acknowledge that your submission by way of e-Subscription is subject to the risks of electrical, electronic, technical, transmission, communication and computer related faults and breakdowns, fires and other events beyond the control of the Company or the Company's Share Registrar and irrevocably agree that if:-
- the Company or its Share Registrar does not receive your submission of the e-RSF; or
 - data on the e-RSF is wholly or partially lost, corrupted or inaccessible, or not transmitted or not communicated to the Company's Share Registrar,
- your submission of the e-RSF will be deemed as failed and not to have been made. The Company and its Share Registrar will not be held liable for any delays, failures or inaccuracies in the processing of your e-Subscription due to the above reasons and you further agree that you may not make any claims whatsoever against the Company or its Share Registrar for any loss, compensation or damage in relation to the unsuccessful or failure of your e-Subscription;
- (f) You will ensure that all information provided by you in the e-RSF is identical with the information in the records of Bursa Depository and further agree and confirm that in the event the said information differs from the records of Bursa Depository, your application by way of e-Subscription may be rejected at the absolute discretion of the Board without assigning any reason. Therefore:-
- you must inform Bursa Depository promptly of any change in address failing which the notification on the outcome of your e-Subscription will be sent to your address last maintained with Bursa Depository; and

- by making and completing an e-Subscription, you agree that:-
 1. in consideration of the Company agreeing to allow and accept your e-Subscription for the Provisional Allotments and Excess Rights Shares with Warrants B applied (if applicable), your e-Subscription is irrevocable and cannot be subsequently withdrawn; and
 2. the Company's Share Registrar will not be liable for any delays, failures or inaccuracies in the processing of data relating to your e-Subscription due to a breakdown or failure of transmission or communication facilities or to any cause beyond the Company's control;
- (g) You agree that your application shall not be deemed to have been accepted by reason of the remittance have been made.
- (h) You agree that all the Rights Shares and Warrants B to be issued pursuant to the Rights Issue will be allotted by way of crediting the Rights Shares and Warrants B into your CDS account. No physical share or warrant certificates will be issued.
- (i) You agree that the Company and its Share Registrar reserve the right to reject your application which does not conform to these terms and conditions.
- (j) If your application is successful, a notice of allotment will be issued and despatched by ordinary post to the address as shown in the Record of Depositors provided by Bursa Depository at your own risk within 8 Market Days from the Closing Date.
- (k) Where your 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 by banker's cheque within 15 Market Days from the Closing Date and will be despatched by ordinary post to the address as shown in the Record of Depositors provided by Bursa Depository at your own risk.

If acceptance of and payment for the Provisional Allotments allotted to you (whether in full or in part, as the case may be) are not received by the Share Registrar by **5.00 p.m. on Tuesday, 11 May 2021**, the provisional entitlement to you or remainder thereof (as the case may be) will be deemed to have been declined and will be cancelled. Proof of time of postage shall not constitute proof of time of receipt by the Share Registrar.

The Board will then have the right to allot any Rights Shares with Warrants B not taken up or not validly taken up to applicants applying for the Excess Rights Shares with Warrants B in the manner as set out in Section 10.7 of this Abridged Prospectus. The Board reserves the right not to accept any application or to accept any application in part only without assigning any reason thereof.

10.5 Procedures for part acceptance

If you do not wish to accept the Rights Shares with Warrants B 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 and/or Warrant B arising from the Rights Issue with Warrants will be disregarded and the aggregate of such fractions shall be dealt with as the Board may at its absolute discretion deem fit and expedient and in the best interests of the Company. Applicants should take note that a trading board lot comprises 100 Rights Shares and 100 Warrants B respectively.

You must complete both Part I(A) of the RSF by specifying the number of Rights Shares with Warrants B which you are accepting and Part II of the RSF and deliver the completed and signed RSF together with the relevant payment to the Share Registrar in the same manner as set out in Section 10.3 of this Abridged Prospectus.

The portion of the Provisional Allotments that have not been accepted will be made available to applicants for applications of Excess Rights Shares with Warrants B.

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

10.6 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 with Warrants B applied for to the Share Registrar. Please refer to Section 10.3 of this Abridged Prospectus for the procedures for acceptance and payment.

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

10.7 Procedures for the Excess Rights Shares with Warrants B Application

10.7.1 By the method of RSF

If you wish to apply for additional Rights Shares with Warrants B in excess of your entitlement, you may do so by completing Part I(B) of the RSF (in addition to Parts I(A) and II) and forwarding it with a separate remittance made in RM for the full amount payable for the Excess Rights Shares with Warrants B applied for, to the Share Registrar so as to arrive not later than **5.00 p.m. on Tuesday, 11 May 2021**, being the last time and date for Excess Rights Shares with Warrants B Applications and payment.

Payment for the Excess Rights Shares with Warrants B Application(s) be made in the same manner as set out in Section 10.3 of this Abridged Prospectus except that the banker's draft or cashier's order or money order or postal order drawn on a bank or post office in Malaysia must be made payable to "**JOE HOLDING BERHAD EXCESS RIGHTS SHARES ACCOUNT**", crossed "**ACCOUNT PAYEE ONLY**" and endorsed on the reverse side with your name in block letters and your CDS Account number, and must be received by the Share Registrar by **5.00 p.m. on Tuesday, 11 May 2021**. The payment must be made for the exact amount payable for the Excess Rights Shares with Warrants B Applications. Any excess or insufficient payment may be rejected at the absolute discretion of the Board. Cheques or other mode(s) of payment not prescribed herein are not acceptable.

10.7.2 By the method of e-Subscription

You and/or your renounee(s)/transferee(s) (if applicable) may apply for the Excess Rights Shares with Warrants B via e-Subscription in addition to your Provisional Allotments. If you wish to do so, you may apply for the Excess Rights Shares with Warrants B by following the same steps as set out in Section 10.4.2 of this Abridged Prospectus. The e-Subscription for Excess Rights Shares with Warrants B will be made on, and subject to, the same terms and conditions appearing in Section 10.4.2 of this Abridged Prospectus.

It is the intention of the Board to allot the Excess Rights Shares with Warrants B, if any, in a fair and equitable manner in the following priority:-

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

The Excess Rights Shares with Warrants B will firstly be allocated to minimise the odd lots (if any) held by each applicant of Excess Rights Shares with Warrants B. Thereafter, the allocation process will perform items (ii), (iii) and (iv) in succession. Any remaining balance of Excess Rights Shares with Warrants B 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 with Warrants B are allotted.

Notwithstanding the foregoing, the Board reserves the right to allot any Excess Rights Shares with Warrants B applied for under Part I(B) of the RSF in such manner as it deems fit and expedient and in the best interests of the Company subject always to such allocation being made on a fair and equitable basis, and that the intention of the Board as set out in Section 10.7 (i), (ii), (iii) and (iv) above is achieved. The Board also reserves the right at its absolute discretion not to accept any application for Excess Rights Shares with Warrants B, 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 THE BOARD.

NO ACKNOWLEDGEMENT WILL BE ISSUED FOR THE RECEIPT OF THE EXCESS RIGHTS SHARES WITH WARRANTS B 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 ON 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 WITH WARRANTS B APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. THE 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 WITH WARRANTS B APPLICATIONS, THE FULL AMOUNT OR THE SURPLUS APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST 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.

10.8 Procedures to be followed by transferee(s) and/or renouncee(s)

As a transferee and/or renouncee, the procedures for acceptance, selling or transferring of Provisional Allotments, applying for the Excess Rights Shares with Warrants B and/or payment is the same as that which is applicable to the Entitled Shareholders as described in Sections 10.3 to 10.7 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 the Company, the Share Registrar's website at <https://www.registrar-boardroom.com.my> or Bursa Securities' website at <http://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.

10.9 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 with Warrants 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 with Warrants B. 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 with Warrants B shall signify your consent to receiving such Rights Shares with Warrants B as deposited securities that will be credited directly into your CDS Account. No physical certificates will be issued.

All Excess Rights Shares with Warrants B 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 with Warrants B that you subscribed for will be credited into the CDS Accounts where the Provisional Allotments are standing to the credit.

10.10 Notice of allotment

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

Upon allotment of the Rights Shares in respect of your acceptance and/or your renounee / transferee acceptance (if applicable) and Excess Rights Shares with Warrants B 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 / 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 with Warrants or accepted in part only, the full amount or the balance of the application monies, as the case may be, will be refunded without interest to you. The refund will be by issuance of cheque or banker's draft and will be despatched to you within 15 Market Days from the Closing Date by ordinary post to the address last shown on the Record of Depositors at your own risk.

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

10.11 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 with Warrants B 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 with Warrants 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 with Warrants 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 the Foreign-Addressed Shareholders. However, Foreign-Addressed Shareholders may collect this Abridged Prospectus, the NPA and the RSF from the Share Registrar, Boardroom.com Sdn Bhd at Level 5, Block B, Dataran PHB, Saujana Resort, Section U2, 40150 Shah Alam, Selangor, who will be entitled to request such evidence 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.

The 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. The Company will assume that the Rights Issue with Warrants and the acceptance thereof by you would be in compliance with the terms and conditions of the Rights Issue with Warrants and would not be in breach of the laws of any jurisdiction. The Company will further assume that you had accepted the Rights Issue with Warrants 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 with Warrants only to the extent that it would be lawful to do so, and the Company, the Board and officers, Mercury Securities and/or the advisers named herein ("**Parties**") would not, in connection with the Rights Issue with Warrants, 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 with Warrants 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.

The 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 with Warrants B 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 with Warrants B, 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 with Warrants, be in breach of the laws of any jurisdiction to which the 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 with Warrants B 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 Warrants B; 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 Warrants B, 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 and Warrants B.

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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 AND WARRANTS B 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 and Warrants B pursuant to the Rights Issue with Warrants is governed by the terms and conditions as set out in this Abridged Prospectus, the Deed Poll B, the NPA and RSF.

12. FURTHER INFORMATION

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

Yours faithfully
For and on behalf of the Board of
JOE HOLDING BERHAD
(Formerly known as GPA Holdings Berhad)



KOO KIEN YOON
Executive Director

APPENDIX I - INFORMATION ON THE COMPANY**1. SHARE CAPITAL**

As at the LPD, the issued share capital of the Company is RM170,619,861.24 comprising 1,529,559,600 Shares.

2. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

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

3. DIRECTORS

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

Name (Designation)	Age	Address	Nationality
Koo Kien Yoon (Executive Director)	44	Unit 20, Tiara Residenz @ Kayu Ara, Jalan Kekwa Kaya Ara Damansara 47400 Petaling Jaya Selangor	Malaysian
Tang Boon Koon (Senior Independent Non-Executive Director)	50	2a Jalan Bendahara 4/7 Sek 7 Bandar Mahkota Cheras, Cheras 43200 Kajang Selangor	Malaysian
Khoo Chee Siang (Independent Non-Executive Director)	44	A-23A-7, LE Yuan Residence No. 8 Jalan Selesaria Taman Gembira 58200 Kuala Lumpur	Malaysian
Mohtar bin Abdullah (Independent Non-Executive Director)	72	No. 28, Jalan SS 5/1 Kelana Jaya 47301 Petaling Jaya Selangor	Malaysian
Chu Chee Peng (Independent Non-Executive Director)	50	3a, Jalan SP4 Taman Saujana Palma 43000 Kajang Selangor	Malaysian
Yee Yit Yang (Independent Non-Executive Director)	53	15 Jalan Damai Rasa Alam Damai, Cheras 56000 Kuala Lumpur	Malaysian

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

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

Minimum Scenario

	As at the LPD				(1) After the Rights Issue with Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Substantial Shareholders								
Koo Kien Yoon	100,000	0.01	-	-	100,100,000	5.79	-	-
Tang Boon Koon	100,000	0.01	-	-	100,100,000	5.79	-	-

	(II) After (I) and assuming full exercise of the Warrants B			
	Direct		Indirect	
	No. of Shares	(3)%	No. of Shares	(3)%
Substantial Shareholders				
Koo Kien Yoon	160,100,000	8.66	-	-
Tang Boon Koon	160,100,000	8.66	-	-

Notes:-

- (1) Based on the issued share capital of 1,529,559,600 Shares as at the LPD.
- (2) Based on the enlarged issued share capital of 1,729,559,600 Shares under the Minimum Scenario.
- (3) Based on the enlarged issued share capital of 1,849,559,600 Shares under the Minimum Scenario and under full exercise of Warrants B.

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

Base Case Scenario

Substantial Shareholders	As at the LPD				(I) After the Rights Issue with Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Koo Kien Yoon	100,000	0.01	-	-	200,000	0.01	-	-
Tang Boon Koon	100,000	0.01	-	-	200,000	0.01	-	-

Substantial Shareholders	(II) After (I) and assuming full exercise of the Warrants B			
	Direct		Indirect	
	No. of Shares	(3)%	No. of Shares	(3)%
Koo Kien Yoon	260,000	0.01	-	-
Tang Boon Koon	260,000	0.01	-	-

Notes:-

- (1) Based on the issued share capital of 1,529,559,600 Shares as at the LPD.
- (2) Based on the enlarged issued share capital of 3,059,119,200 Shares under the Base Case Scenario.
- (3) Based on the enlarged issued share capital of 3,976,854,960 Shares under the Base Case Scenario and under full exercise of Warrants B.

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

Maximum Scenario

	(I) As at the LPD				(I) After assuming full granting and/or exercise of the Convertible Securities			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Substantial Shareholders								
Koo Kien Yoon	100,000	0.01	-	-	(3)100,000	(4)-	-	-
Tang Boon Koon	100,000	0.01	-	-	(3)100,000	(4)-	-	-

	(II) After the Rights Issue with Warrants				(III) After (II) and assuming full exercise of the Warrants B			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(5)%	No. of Shares	(5)%	No. of Shares	(6)%	No. of Shares	(6)%
Substantial Shareholders								
Koo Kien Yoon	200,000	(4)-	-	-	260,000	(4)-	-	-
Tang Boon Koon	200,000	(4)-	-	-	260,000	(4)-	-	-

Notes:-

- (1) Based on the issued share capital of 1,529,559,600 Shares as at the LPD.
- (2) Based on the enlarged issued share capital of 2,249,237,340 Shares.
- (3) The Undertaking Shareholders do not have any Convertible Securities as at the LPD.
- (4) Negligible.
- (5) Based on the enlarged issued share capital of 4,498,474,680 Shares under the Maximum Scenario.
- (6) Based on the enlarged issued share capital of 5,848,017,084 Shares under the Maximum Scenario and under full exercise of Warrants B.

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

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

Historical financial performance

	Audited			Unaudited	
	FYE 31 March 2018	FYE 31 March 2019	FYE 31 March 2020	9-month FPE 31 December 2019	9-month FPE 31 December 2020
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	73,555	42,895	29,205	21,285	20,528
Cost of sales	(62,147)	(36,044)	(25,010)	(18,625)	(17,251)
GP	11,408	6,851	4,195	2,660	3,277
Other income	2,820	4,913	2,464	2,491	2,143
Administrative and general expenses	(4,792)	(5,674)	(2,940)	(2,152)	(3,364)
Selling and distribution expenses	(8,566)	(5,184)	(2,150)	(872)	(743)
Other operating expenses	(2,013)	(903)	(2,216)	(544)	(961)
PBT / (LBT)	(1,143)	3	(647)	1,583	352
Tax expense	(177)	(285)	(550)	(161)	(256)
PAT / (LAT)	(1,320)	(282)	(1,197)	1,422	96
PAT / (LAT) attributable to:-					
- owners of the Company	(1,281)	(594)	(1,037)	1,242	137
- non-controlling interests	(39)	312	(160)	180	(41)
GP margin (%)	15.51	15.97	14.36	12.50	15.96
PAT / (LAT) margin (%)	(1.79)	(0.66)	(4.10)	6.68	0.47
Weighted average no. of Shares in issue ('000)	980,490	980,490	980,490	980,490	1,020,183

Historical financial position

	Audited			Unaudited
	FYE 31 March 2018	FYE 31 March 2019	FYE 31 March 2020	As at 31 December 2020
	RM'000	RM'000	RM'000	RM'000
Non-current assets	45,868	44,240	43,495	43,174
Current assets	82,289	81,917	85,749	118,420
Total assets	128,157	126,157	129,244	161,594
Share capital	104,303	104,303	104,303	143,996
Revaluation reserve	21,913	20,948	20,824	20,824
Warrant reserve	4,902	4,902	4,902	4,902
Discount on shares	(4,902)	(4,902)	(4,902)	(4,902)
Accumulated losses	(18,430)	(18,900)	(19,813)	(19,668)
Shareholders' equity / NA	107,786	106,351	105,314	145,152
Non-controlling interests	4,547	4,859	4,699	4,660
Total equity	112,333	111,210	110,013	149,812

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

	Audited			Unaudited
	FYE 31 March 2018	FYE 31 March 2019	FYE 31 March 2020	As at 31 December 2020
	RM'000	RM'000	RM'000	RM'000
Non-current liabilities	2,719	3,521	3,561	3,560
Current liabilities	13,105	11,426	15,670	8,222
Total liabilities	15,824	14,947	19,231	11,782
Total equity and liabilities	128,157	126,157	129,244	161,594

Historical cash flow

	Audited			Unaudited	
	FYE 31 March 2018	FYE 31 March 2019	FYE 31 March 2020	9-month FPE 31 December 2019	9-month FPE 31 December 2020
	RM'000	RM'000	RM'000	RM'000	RM'000
Net cash from / (used in)					
Operating activities	18,485	5,205	3,249	453	(23)
Investing activities	9,079	6,542	1,303	-	125
Financing activities	(603)	-	-	-	39,693
Net increase / (decrease) in cash and cash equivalents	26,961	11,747	4,552	453	39,795
Cash and cash equivalents at beginning of the year / period	20,223	47,184	58,931	58,931	63,483
Cash and cash equivalents at end of the year / period	47,184	58,931	63,483	59,384	103,278

(i) 9-month FPE 31 December 2020 versus 9-month FPE 31 December 2019

The Group's revenue for the unaudited 9-month FPE 31 December 2020 decreased slightly by 3.8% to RM20.5 million from RM21.3 million in the previous corresponding period. The slight decrease in revenue was mainly attributable to lower sales volume from both the automotive and non-automotive batteries segment.

While the Group recorded lower revenue for the unaudited 9-month FPE 31 December 2020 as compared to the previous corresponding period, the Group recorded a higher GP of RM3.3 million (GP margin of 15.96%) in the current financial period as compared to RM2.7 million (GP margin of 12.5%) in the previous corresponding period. This is because the Group was able to record a higher GP margin from its sale of automotive batteries to retail consumers as compared to selling to distributors.

Despite a higher GP, the Group recorded PAT of RM0.1 million in the 9-month FPE 31 December 2020 as compared to a PAT of RM1.4 million in the 9-month FPE 31 December 2019. This is mainly due to the following:-

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

- (a) higher administrative and general expenses amounting to RM3.3 million due to higher operating cost for the Group's retail sales of automotive batteries which commenced in February 2020 as well as partial corporate exercise expenses incurred for the Previous Fundraising Exercise (FPE 30 September 2020: RM0.9 million); and
- (b) lower interest income of RM1.1 million (FPE 30 September 2019: RM1.6 million). This was mainly due to lower interest rates earned from the Group's fixed deposits with licensed banks as the overnight policy rates by BNM has been lowered from 3.0% (during the 9-month FPE 30 September 2019) to 1.75% (during the 9-month FPE 30 September 2020). This led to a reduction in the fixed deposit rates and consequently, a reduction in interest income earned by the Group as well.

For 9-month FPE 31 December 2020, the Group recorded an increase in cash and cash equivalents of RM39.80 million (9-month FPE 31 December 2019: increase of RM1.75 million) mainly due to the net cash from financing activities of RM39.69 million. This was mainly due to proceeds raised from Private Placement December 2020 amounting to RM39.69 million to mainly utilise for investment in the Gloves Business.

(ii) FYE 31 March 2020 versus FYE 31 March 2019

The Group's revenue for the FYE 31 March 2020 decreased by 31.9% to RM29.2 million from RM42.9 million in the previous financial year. This was mainly due to lower orders of automotive batteries from the Group's existing distributors as a result of increased competition and introduction of new brands and products from local and foreign players. As a result, some of the Group's customers switched to alternative brands and/or product offerings.

The Group achieved a lower GP of RM4.2 million (GP margin of 14.4%) in FYE 31 March 2020 as compared to RM6.9 million (GP margin of 16.0%) in the previous financial year. Due to lower revenue recorded for FYE 31 March 2020, the fixed overhead cost incurred to maintain the business operations had contributed to the lower GP.

The Group recorded a higher LAT of RM1.2 million in FYE 31 March 2020 as compared to a LAT of RM0.3 million in the previous financial year, representing an increase of 324.5%. The higher LAT was mainly due to the following:-

- (a) higher inventories written down of RM1.0 million in FYE 31 March 2020 (FYE 31 March 2019: RM0.6 million) due to obsolescence of the inventories; and
- (b) one-off impairment loss of RM0.5 million on the Group's retail shops in FYE 31 March 2020 (FYE 31 March 2019: Nil) as a result of the annual review on the value of the retail shop during the year. These retail shops did not generate any positive returns to the Group during the FYE 31 March 2020.

For FYE 31 March 2020, the Group recorded an increase in cash and cash equivalents of RM4.55 million (FYE 31 March 2019: increase of RM11.75 million) mainly due to the following:-

- (a) net cash from operating activities of RM3.25 million. This was mainly due to higher payables amounting to RM4.05 million in the current financial year; and
- (b) net cash from investing activities of RM1.30 million. This was mainly from interest received amounting to RM1.80 million from placement of fixed-deposits.

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

(iii) FYE 31 March 2019 versus FYE 31 March 2018

The Group's revenue for FYE 31 March 2019 decreased by 41.7% to RM42.9 million as compared to RM73.6 million in the previous financial year. This was mainly attributable to the lower sales orders received from the Group's existing distributors for the automotive batteries segment as a result of increased competition and product offerings from both local and foreign players.

The Group recorded a lower GP of RM6.9 million (GP margin of 16.0%) in FYE 31 March 2019 as compared to a GP of RM11.4 million (GP margin of 15.5%) in the previous financial year. The lower GP was mainly attributable to lower revenue recorded for FYE 31 March 2019. However, the decrease in GP is partially offset by a better GP margin as the Group was able to generate relatively higher margin from the sale of personal care products. Personal care products have a higher margin compared to batteries.

The Group recorded a lower LAT of RM0.3 million in FYE 31 March 2019 as compared to a LAT of RM1.3 million in the previous financial year, representing a decrease of 78.6%. The lower LAT was mainly contributed by the following:-

- (a) reversal of provision for warranty claims of approximately RM1.3 million in FYE 31 March 2019;
- (b) reversal of impairment on trade receivables of approximately RM0.8 million in FYE 31 March 2019; and
- (c) reduction in staff cost of RM1.0 million due to a cost rationalisation initiative implemented by the Group in FYE 31 March 2019.

This is partially offset by the following:-

- (a) higher rental expenses of RM0.8 million in FYE 31 March 2019 due to rental paid for personal care products retail stores; and
- (b) lower reversal of inventories written down of RM0.8 million in FYE 31 March 2019 as compared to the previous financial year.

For FYE 31 March 2019, the Group recorded an increase in cash and cash equivalents of RM11.75 million (FYE 31 March 2018: increase of RM26.96 million) mainly due to the following:-

- (a) net cash from operating activities of RM5.55 million. This was mainly due to lower trade receivables amounting to RM9.11 million in line with the decrease in revenue by the Group in the current financial year; and
- (b) net cash from investing activities of RM6.54 million. This was mainly due to a decrease in deposits of RM5.00 million.

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

5. HISTORICAL SHARE PRICES

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

	High RM	Low RM
<u>2020</u>		
April	0.085	0.070
May	0.090	0.080
June	0.110	0.080
July	0.135	0.090
August	0.330	0.110
September	0.260	0.165
October	0.220	0.160
November	0.210	0.160
December	0.175	0.115
<u>2021</u>		
January	0.135	0.100
February	0.095	0.065
March	0.080	0.065
Last transacted market price on 27 January 2021, being the last Market Day immediately prior to the first announcement of the Rights Issue with Warrants (RM)	0.060	
Last transacted market price on 21 April 2021, being the Market Day immediately prior to the ex-date for the Rights Issue with Warrants (RM)	0.060	
Last transacted market price on the LPD (RM)	0.070	

(Source: Bloomberg)

6. OPTION TO SUBSCRIBE FOR SHARES

As at the LPD, save as disclosed below and the Provisional Allotments as well as Excess Rights Shares with Warrants B, no option to subscribe for any securities of the Company has been granted or is entitled to be granted to any person:-

- (i) 490,243,800 outstanding Warrants A which entitle the Warrants A holders to subscribe for 1 new Share at an exercise price of RM0.10 per Warrant A at any time until the maturity of the Warrants A on 3 June 2025, subject to the provision of the Deed Poll A; and
- (ii) under the ESOS, the Company may grant ESOS Options to the eligible employees to subscribe for new Shares up to but not exceeding 15% of the Company's total number of issued Shares (excluding treasury shares, if any) at any point of time during the duration of 5 years from the effective date of the ESOS i.e. 18 November 2020. The exercise price for such ESOS Options shall be determined by the Board at its discretion upon recommendation of the Option committee based on the 5-day VWAP of JOE Shares immediately prior to the date of offer with a discount of not more than 10%.

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

As at the LPD, the Company has up to 229,433,940 ESOS Options which may be granted by the Company until the completion of the Rights Issue with Warrants pursuant to the ESOS Options Undertaking.

7. MATERIAL CONTRACTS

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

- (i) Subscription agreement dated 1 September 2020 entered into between JOE and Dato' Tee Tiam Hock for the subscription of 49,073,000 new Shares ("**Placement Shares**") at an issue price of RM0.1756 per Placement Share and a letter of termination dated 8 October 2020 for the termination of the aforementioned subscription agreement;
- (ii) Subscription agreement dated 1 September 2020 entered into between JOE and Dato' Ong Choo Meng for the subscription of 147,073,000 Placement Shares at an issue price of RM0.1756 per Placement Share and a letter of termination dated 8 October 2020 for the termination of the aforementioned subscription agreement;
- (iii) Subscription agreement dated 1 September 2020 entered into between JOE and Ang Lin Chu for the subscription of 49,000,000 Placement Shares at an issue price of RM0.1756 per Placement Share and a letter of termination dated 8 October 2020 for the termination of the aforementioned subscription agreement; and
- (iv) Subscription agreement dated 1 September 2020 entered into between JOE and Lim Poh Yit for the subscription of 49,000,000 Placement Shares at an issue price of RM0.1756 per Placement Share and a letter of termination dated 8 October 2020 for the termination of the aforementioned subscription agreement.

8. MATERIAL LITIGATION

The Board has confirmed that save as disclosed below, as at the LPD, neither the Company nor its subsidiaries are engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, which has or would have a material and adverse effect on the financial position or business of the Group and the Board confirmed that there are no other proceedings pending or threatened against the Group or any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Group:-

Federal Court Civil Appeal No.: 02(f)-9-02/2019(W)
Battery Solution Sdn. Bhd. ("Appellant")

GP Autobat Sdn. Bhd. ("Respondent")

This matter relates to a legal action initiated at the Kuala Lumpur High Court by the Appellant for alleged breach of a purchase contract for the purchase of grid panels by the Respondent, which is a wholly-owned subsidiary of the Company, and involves a total claim of RM1,213,989.93. The High Court had ordered the Respondent to pay the Appellant RM1,213,989.93 together with interest at 5% per annum on the outstanding sum from 29 June 2015 until full settlement and cost of RM50,000.00. The Respondent appealed to the Court of Appeal and the Court of Appeal reversed the High Court's decision with cost of RM80,000.00.

The Appellant subsequently applied for leave to appeal to the Federal Court and the Federal Court on 22 January 2019 granted leave to the Appellant to appeal against the decision of the Court of Appeal ("**Appeal**"). The hearing of the Appeal was held on 15 April 2021. The decision of the Appeal has been fixed on 4 May 2021.

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

The counsel for the Respondent is of the opinion that the Respondent has a reasonable chance of success in opposing the Appeal.

9. CONSENTS

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

10. DOCUMENTS AVAILABLE FOR INSPECTION

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

- (i) the Constitution of the Company;
- (ii) the Undertakings referred to in Section 3 of this Abridged Prospectus;
- (iii) the letters of consent referred to in Section 9 of Appendix I above;
- (iv) the Deed Poll B;
- (v) the IMR Report referred to in Sections 7.2, 7.3 and 7.4 of this Abridged Prospectus; and
- (vi) the material contracts referred to in Section 7 of Appendix I above.

11. RESPONSIBILITY STATEMENT

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

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