

Unless otherwise stated, all defined terms and abbreviations shall carry the same meaning as those 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. YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.** All enquiries concerning the Rights Issue, which is the subject matter of this Abridged Prospectus, should be addressed to our Share Registrar, Securities Services (Holdings) Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan (Tel: +603 2084 9000).

This Abridged Prospectus has been registered by the SC. The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Abridged Prospectus. The SC has not, in any way, considered the merits of the Rights Issue. The SC is not liable for any non-disclosure on the part of our Company and takes no responsibility for the contents of this Abridged Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Abridged Prospectus. A copy of this Abridged Prospectus, together with the NPA and RSF, has also been lodged with the Registrar of Companies who takes no responsibility for its contents.

Approval for the Rights Issue has been obtained from our shareholders at our EGM convened on 23 February 2021. Approval has been obtained from Bursa Securities via its letter dated 2 February 2021 for the listing of and quotation for the Rights Shares on the Main Market of Bursa Securities. The listing of and quotation for the Rights Shares will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS Accounts of the successful Entitled Shareholders and/or their renounees/transferees, if applicable, have been duly credited with the Rights Shares allotted to them and notices of allotment have been despatched to them. However, such listing of and quotation for the Rights Shares is not an indication that Bursa Securities recommends the Rights Issue and are not to be taken as an indication of the merits of the Rights Issue.

The Documents will only be despatched to our Entitled Shareholders whose names appear in our Record of Depositors at 5.00 p.m. on Thursday, 6 May 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 Thursday, 6 May 2021. The Documents are not intended to (and will not be made to) comply with the laws of any countries or jurisdictions other than Malaysia and are not intended to be (and will not be) issued, circulated or distributed in any countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue complies with the laws of any countries or jurisdictions other than the laws of Malaysia. Entitled Shareholders and/or their renounees/transferees, if applicable, who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal adviser and/or other professional adviser as to whether the acceptance and/or renunciation (as the case may be) of all or any part of their entitlements to the Rights Issue and application for Excess Rights Shares 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 if any acceptance and/or renunciation (as the case may be) of entitlements and application for Excess Rights Shares made by any Entitled Shareholders and/or their renounees/transferees, if applicable, is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions in which the said Entitled Shareholders and/or their renounees/transferees, if applicable, are residents.

**FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, PLEASE REFER TO THE "RISK FACTORS" AS SET OUT IN SECTION 7 OF THIS ABRIDGED PROSPECTUS.**



**RENOUNCEABLE RIGHTS ISSUE OF UP TO 3,106,101,171 NEW ORDINARY SHARES IN TA WIN HOLDINGS BERHAD ("TA WIN SHARES") ("RIGHTS SHARES") AT AN ISSUE PRICE OF RM0.06 PER RIGHTS SHARE ON THE BASIS OF 3 RIGHTS SHARES FOR EVERY 1 EXISTING TA WIN SHARE HELD BY THE ENTITLED SHAREHOLDERS AT 5.00 P.M. ON 6 MAY 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	: Thursday, 6 May 2021 at 5.00 p.m.
<b>Last day, date and time for:</b>	
Sale of Provisional Allotments	: Monday, 17 May 2021 at 5.00 p.m.
Transfer of Provisional Allotments	: Wednesday, 19 May 2021 at 4.30 p.m.
Acceptance and Payment	: Tuesday, 25 May 2021 at 5.00 p.m.
Excess Rights Shares Application and Payment	: Tuesday, 25 May 2021 at 5.00 p.m.

**This Abridged Prospectus is dated 6 May 2021**

UNLESS OTHERWISE STATED, ALL DEFINED TERMS AND ABBREVIATIONS SHALL CARRY THE SAME MEANING AS THOSE DEFINED IN THE "DEFINITIONS" SECTION OF THIS ABRIDGED PROSPECTUS.

OUR BOARD HAS SEEN AND APPROVED ALL THE DOCUMENTATION RELATING TO THE RIGHTS ISSUE. THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED IN THE SAID DOCUMENTATION. HAVING MADE ALL REASONABLE ENQUIRIES AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THEY CONFIRM THAT 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, 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.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE RIGHTS ISSUE AND ANY INVESTMENT IN OUR COMPANY. 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 ADVISER IMMEDIATELY.

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

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

THE DISTRIBUTION OF THE DOCUMENTS IS SUBJECT TO THE LAWS OF MALAYSIA. WE AND OUR ADVISERS ARE NOT RESPONSIBLE FOR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE 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 COUNTRIES OR JURISDICTIONS OTHER THAN MALAYSIA. WE AND OUR ADVISERS REQUIRE YOU TO INFORM YOURSELF OF AND TO OBSERVE SUCH RESTRICTIONS.

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

## DEFINITIONS

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

<b>Abridged Prospectus</b>	:	This abridged prospectus dated 6 May 2021 in relation to the Rights Issue
<b>Act</b>	:	Companies Act 2016
<b>Acquisition</b>	:	Acquisition of 1,747,581 existing Sin Line Tek Shares by our Company from Lim Aik Gee for a purchase consideration of approximately RM12.2 million which was satisfied via a combination of 80.0 million new Ta Win Shares and approximately RM4.2 million cash and has been completed on 8 March 2021
<b>Bloomberg</b>	:	Bloomberg Finance Singapore L.P. and its affiliates
<b>Board</b>	:	Board of Directors of our Company
<b>Bursa Depository or Depository</b>	:	Bursa Malaysia Depository Sdn Bhd (198701006854 (165570-W))
<b>Bursa Securities</b>	:	Bursa Malaysia Securities Berhad (200301033577 (635998-W))
<b>CAGR</b>	:	Compound annual growth rate
<b>CDS</b>	:	Central Depository System, the system established and operated by Bursa Depository for the central handling of securities deposited with Bursa Depository
<b>CDS Account</b>	:	A securities account established by Bursa Depository for a depositor pursuant to the SICDA and the Rules of Bursa Depository for the recording of deposits and dealing in securities by the depositor
<b>Closing Date</b>	:	25 May 2021 at 5.00 p.m., being the last date and time for the acceptance of and payment for the Provisional Allotments and the Excess Rights Shares Applications
<b>CMSA</b>	:	Capital Markets and Services Act 2007
<b>Consideration Shares</b>	:	80,000,000 new Ta Win Shares issued at RM0.10 per Share pursuant to the Acquisition
<b>Corporate Exercises</b>	:	Collectively, the Investment in Sin Line Tek, the Rights Issue and the share buy-back authority for our Company to purchase up to 10% of our total number of issued Shares
<b>Customs</b>	:	Royal Malaysian Customs, Melaka
<b>Directors</b>	:	Members of our Board and shall have the same meaning given in Section 2(1) of the CMSA
<b>Documents</b>	:	Collectively, this Abridged Prospectus together with the NPA and RSF
<b>E&amp;E</b>	:	Electrical and electronic
<b>EGM</b>	:	Extraordinary general meeting

**DEFINITIONS** *(Cont'd)*

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<b>Entitled Shareholders</b>	:	Our shareholders whose names appear in our Company's Record of Depositors on the Entitlement Date
<b>Entitlement Date</b>	:	6 May 2021 at 5.00 p.m., being the date and time on which our Entitled Shareholders' names must appear in our Record of Depositors in order to be entitled to participate in the Rights Issue
<b>EPS</b>	:	Earnings per Share
<b>ESOS</b>	:	Employees' share option scheme
<b>Excess Rights Shares</b>	:	Rights Shares which are not taken up or not validly taken up by our Entitled Shareholders and/or their renounees/transferees, if applicable, by the Closing Date
<b>Excess Rights Shares Applications</b>	:	Applications for Excess Rights Shares as set out in Section 11.7 of this Abridged Prospectus
<b>FPE</b>	:	Financial period ended
<b>FYE</b>	:	Financial year ended/ending, as the case maybe
<b>ICPS</b>	:	Irredeemable convertible preference shares in our Company
<b>IMR Report</b>	:	Independent market research report on the copper wire and rod as well as power cable and wire industries in Malaysia dated 16 April 2021 prepared by PROVIDENCE
<b>Investment in Sin Line Tek</b>	:	Comprising the Acquisition and Subscription
<b>Issue Price</b>	:	Issue price of RM0.06 per Rights Share
<b>JVA</b>	:	Joint venture agreement dated 29 July 2020 between our Company and PMINT in relation to the proposed joint venture for the development of an industrial park to be named as the 'Terengganu Ecocycle Park' on a piece of leasehold industrial land located at Kawasan Lembah Perasing, Mukim Hulu Jabor, Daerah Kemaman, Terengganu Darul Iman measuring approximately 500 acres
<b>LAT</b>	:	Loss after tax
<b>LBT</b>	:	Loss before tax
<b>Listing Requirements</b>	:	Main Market Listing Requirements of Bursa Securities
<b>LPD</b>	:	16 April 2021, being the latest practicable date prior to the printing of this Abridged Prospectus
<b>LPS</b>	:	Loss per Share
<b>LTD</b>	:	11 September 2020, being the last trading day prior to the announcement of the Rights Issue on 14 September 2020
<b>Market Day</b>	:	A day between Monday and Friday (inclusive) which is not a public holiday and on which Bursa Securities is open for trading

**DEFINITIONS** (Cont'd)

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<b>Maximum Scenario</b>	:	Assuming that:
		(i) all the outstanding ICPS are converted into new Shares by a combination of surrendering 1 ICPS and paying RM0.075 in cash, which is the difference between the issue price of RM0.025 per ICPS surrendered and the conversion price of RM0.10 for 1 new Share before the implementation of the Rights Issue;
		(ii) all the outstanding Warrants are exercised before the implementation of the Rights Issue; and
		(iii) all the Entitled Shareholders and/or their renounees/transferees, if applicable, fully subscribe for their respective entitlements pursuant to the Rights Issue
<b>MCO</b>	:	Movement control order
<b>Mercury Securities Principal Adviser</b>	or :	Mercury Securities Sdn Bhd (198401000672 (113193-W))
<b>Minimum Scenario</b>	:	Assuming that:
		(i) none of the outstanding ICPS and Warrants are converted/exercised before the implementation of the Rights Issue; and
		(ii) the Rights Issue is undertaken on a Minimum Subscription Level basis
<b>Minimum Subscription Level</b>	:	Minimum subscription of 179,355,931 Rights Shares by the Undertaking Shareholders to raise minimum gross proceeds of approximately RM10.8 million pursuant to the Undertakings
<b>NA</b>	:	Net assets
<b>NPA</b>	:	Notice of provisional allotment in relation to the Rights Issue
<b>Official List</b>	:	A list specifying all securities which have been admitted for listing on Bursa Securities and not removed
<b>PAT</b>	:	Profit after tax
<b>PBT</b>	:	Profit before tax
<b>PMINT</b>	:	Perbadanan Memajukan Iktisad Negeri Terengganu
<b>PROVIDENCE Independent Market Researcher</b>	or :	Providence Strategic Partners Sdn Bhd (201701024744 (1238910-A))
<b>Provisional Allotments</b>	:	Rights Shares provisionally allotted to our Entitled Shareholders
<b>Record of Depositors</b>	:	Record of securities holders established by Bursa Depository pursuant to the Rules of Bursa Depository

**DEFINITIONS** *(Cont'd)*

<b>Rights Issue</b>	:	Renounceable rights issue of up to 3,106,101,171 Rights Shares at the Issue Price on the basis of 3 Rights Shares for every 1 existing Ta Win Share held on the Entitlement Date
<b>Rights Shares</b>	:	Up to 3,106,101,171 new Ta Win Shares to be issued pursuant to the Rights Issue
<b>RM and sen</b>	:	Ringgit Malaysia and sen, respectively
<b>RSF</b>	:	Rights subscription form in relation to the Rights Issue
<b>Rules of Depository</b>	<b>Bursa</b> :	Rules of Bursa Depository issued pursuant to SICDA
<b>SC</b>	:	Securities Commission Malaysia
<b>Share Registrar</b>	:	Securities Services (Holdings) Sdn Bhd (197701005827 (36869-T))
<b>SICDA</b>	:	Securities Industry (Central Depositories) Act, 1991
<b>Sin Line Tek</b>	:	Sin Line Tek Electronic Co. Sdn Bhd (199901016451 (491351-T))
<b>Sin Line Tek Shares</b>	:	Ordinary shares in Sin Line Tek
<b>Subscription</b>	:	Subscription of 1,221,264 new Sin Line Tek Shares by our Company for a total cash amount of RM8.5 million, which was completed on 8 March 2021
<b>Supplemental JVA</b>	:	Supplemental agreement dated 11 February 2021 to the JVA between PMINT and our Company
<b>Ta Win or Company</b>	:	Ta Win Holdings Berhad (199401005913 (291592-U))
<b>Ta Win Group or Group</b>	:	Collectively, Ta Win and our subsidiaries
<b>Ta Win Shares or Shares</b>	:	Ordinary shares in Ta Win
<b>TERP</b>	:	Theoretical ex-rights price
<b>TWI</b>	:	Ta Win Industries (M) Sdn Bhd (199001001762 (193324-U))
<b>Undertakings</b>	:	Irrevocable written undertakings dated 14 September 2020 from the Undertaking Shareholders to subscribe for an aggregate of 179,355,931 Rights Shares in order to achieve the Minimum Subscription Level of the Rights Issue
<b>Undertaking Shareholders</b>	:	Collectively, Triad Capital Sdn Bhd (201801036951 (1298981-M)), Heritage Winners Sdn Bhd (201601023736 (1194675-K)) and Timur Enterprise Sdn Bhd (200501006777 (683824-X))
<b>USD</b>	:	United States Dollar
<b>WAMP</b>	:	Volume weighted average market price
<b>Warrants</b>	:	Warrants 2019/2022 as constituted by the deed poll dated 17 April 2019

**DEFINITIONS** *(Cont'd)*

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In this Abridged Prospectus, all references to “our Company” are to Ta Win and references to “our Group” are to our Company and our subsidiaries. All references to “we”, “us”, “our” and “ourselves” are to our Company and where the context otherwise requires, shall include our subsidiaries. All references to “you” and “your” in this Abridged Prospectus are to our Entitled Shareholders and/or where the context otherwise requires, their renounees/transferees, if applicable.

Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting 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 legislation, statute, guidelines, rules or regulations is a reference to that legislation, statute, guidelines, rules or regulations as for the time being amended or re-enacted.

Any discrepancies in the tables included in this Abridged Prospectus between the amounts stated and the totals thereof are due to rounding.

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

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## **GLOSSARY OF TECHNICAL TERMS**

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This glossary contains an explanation of certain terms used throughout this Abridged Prospectus in connection with our Group's business. The terminologies and their meanings may not correspond to the standard industry usage of these terms.

Cloud computing	:	The delivery of computing system and services over the Internet on an on-demand basis. These computing systems and services include storage databases and software applications
Copper cathodes	:	Mined copper products that have been refined and have purity levels of at least 99.95%. These are raw materials used in the production of copper rods and copper wires
Copper melting furnace	:	This furnace is used to melt raw materials for use in the production of copper rods and wires
Copper rods	:	These rods are raw materials used in the production of copper wires
Copper rod breakdown machine	:	This machine is used to perform the wire drawing process to reduce the diameter of 8mm copper wires to produce finer copper wires with smaller diameter
Copper scraps	:	Recycled copper scraps which are used as raw materials in the production of copper rods and copper wires
Double twist bunching machines	:	These machines are used for assembling multiple copper wires into a bunch or strand, to produce copper cables with multiple cores of copper wires
Down coiler machine	:	This machine is used to pack the power cables and wires from the multipurpose extruding machine into a roll, paper drum, paper box or plastic container
Dual bobbin take-up machine	:	This machine is used to pack the power cables and wires from the multipurpose extruding machine into plastic, steel or wooden bobbins
Industry 4.0	:	The fourth industrial revolution that focuses on the automation of manufacturing and industrial activities and allows machines in a production line to be interconnected. This reduces the need for manual tasks
Internet of things (IoT)	:	A system using technological tools such as location detection devices, sensors, interfaces, authentication and fraud detection devices and platforms, wearables, cloud computing and mobile devices to enable the interconnectivity between objects such as machines and mobile devices
Multipurpose extruding machines	:	These machines are used in the extrusion of an insulated material to form a coating around copper wires to produce power cables and wires for applications in amongst others, the automotive, E&E and renewable energy industries
Pay-off stand	:	This machine is used to transmit the copper wires from amongst others, the dual bobbin take-up machine to the double twist bunching machine
PVC compounds	:	Polymerizing vinyl chloride (PVC) compounds are synthetic plastic polymers that are used as raw materials in the production of insulated materials



**GLOSSARY OF TECHNICAL TERMS** (Cont'd)

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Rolling machine : This machine is used to perform the metal forming process, where copper rods are passed through one or more pairs of rolls to reduce its thickness from 20mm or 16mm to approximately 8mm

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## ADVISERS' DIRECTORY

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- 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** : Messrs Gary Teh & Ngiam  
Advocates & Solicitors  
Unit 1608, 16<sup>th</sup> Floor  
Block A, Damansara Intan  
No. 1, Jalan SS 20/27  
47400 Petaling Jaya  
Selangor Darul Ehsan  
Tel: +603 7732 9323  
Fax: +603 7733 5326
- SHARE REGISTRAR** : Securities Services (Holdings) Sdn Bhd  
Level 7, Menara Milenium  
Jalan Damanlela, Pusat Bandar Damansara  
Damansara Heights  
50490 Kuala Lumpur  
Wilayah Persekutuan  
Tel: +603 2084 9000  
Fax: +603 2094 9940
- INDEPENDENT MARKET RESEARCHER** : Providence Strategic Partners Sdn Bhd  
67-1, Block D, The Suites, Jaya One  
No. 72A, Jalan Prof Diraja Ungku Aziz  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Tel: +603 7625 1769
- Person-in-charge : Melissa Lim Li Hua, Executive Director
- Qualification : Bachelor of Commerce (Double major in Marketing and Management) from Murdoch University, Australia
- INDEPENDENT VALUER** : FHMH Corporate Advisory Sdn Bhd  
Baker Tilly Tower  
Level 10, Tower 1, Avenue 5  
Bangsar South City  
59200 Kuala Lumpur  
Wilayah Persekutuan  
Tel: +603 2297 1150
- Person-in-charge : Ding Su-Lynn, Director
- Qualification : Master in Business Administration, Finance from Hawaii Pacific University, United States of America
- STOCK EXCHANGE** : Main Market of Bursa Securities

**SUMMARY OF THE RIGHTS ISSUE**

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

**(i) Number of Rights Shares to be Issued and Basis of Allotment**

The Rights Issue entails provisional allotments of up to 3,106,101,171 Rights Shares on the basis of 3 Rights Shares for every 1 existing Ta Win Share held by our Entitled Shareholders on the Entitlement Date.

Any unsubscribed Rights Shares will be made available for subscription by other Entitled Shareholders and/or their renounees/transferees, if applicable, via Excess Rights Shares Applications. It is our Board's intention to allot the Excess Rights Shares, if any, in a fair and equitable manner as set out in Sections 2.1 and 11.7 of this Abridged Prospectus.

**(ii) Price of the Rights Shares**

The Issue Price has been fixed at RM0.06. Please refer to Section 2.2 of this Abridged Prospectus for further information.

**(iii) Shareholders' Undertakings**

To meet the Minimum Subscription Level, we have procured Undertakings from the Undertaking Shareholders as follows:

Undertaking Shareholder	Direct Shareholdings as at the LPD		Undertaking		Amount
	No. of Shares	%	No. of Rights Shares	(1)%	RM
Triad Capital Sdn Bhd	86,641,331	10.2	107,141,331	3.4	6,428,480
Heritage Winners Sdn Bhd	23,424,600	2.8	19,224,600	0.6	1,153,476
Timur Enterprise Sdn Bhd	44,171,900	5.2	52,990,000	1.7	3,179,400
<b>Total</b>	<b>154,237,831</b>	<b>18.2</b>	<b>179,355,931</b>	<b>5.7</b>	<b>10,761,356</b>

Note:

- (1) Based on the maximum number of 3,106,101,171 Rights Shares available for subscription pursuant to the Rights Issue.

Please refer to Section 3 of this Abridged Prospectus for further information.

**(iv) Utilisation of Proceeds**

The gross proceeds of up to RM186.4 million to be raised from the Rights Issue will be utilised in the following manner:

Purpose	Minimum Scenario RM'mil	Maximum Scenario RM'mil	Estimated timeframe from receipt of proceeds
Working capital	9.5	78.7	Within 24 months
Repayment of bank borrowings	-	50.0	Within 12 months
Purchase of machineries and equipment	-	43.7	Within 24 months
Investment in Sin Line Tek	-	12.7	Within 1 month
Estimated expenses	1.3	1.3	Within 1 month
<b>Total</b>	<b>10.8</b>	<b>186.4</b>	

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

**SUMMARY OF THE RIGHTS ISSUE** (Cont'd)

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**(v) Risk Factors**

You should carefully consider, amongst others, the following risk factors before subscribing for or investing in the Rights Issue:

- (a) fluctuations in prices of raw materials such as copper rods and copper cathodes which are utilised by our Group in the manufacturing of copper wires, copper power cables and other copper wires;
- (b) machinery breakdown due to amongst others, wear and tear, mishandling by the operators as well as electrical disturbances which may severely affect our Group's operations and commitments to meet our customers' production needs while incurring expensive costs of repair; and
- (c) adverse results or settlements in any audits, inquiries and investigations by various authorities may result in significant changes in our business practices, increased operating and compliance costs, and fines and penalties.

Please refer to Section 7 of this Abridged Prospectus for further information.

**(vi) Procedures for Acceptance and Payment**

Acceptance of and payment for the Provisional Allotments allotted to you must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained therein. If you 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 together with the relevant payment must be despatched by ORDINARY POST, COURIER or DELIVERED BY HAND (at your own risk) to our Share Registrar so as to arrive not later than 5.00 p.m. on Tuesday, 25 May 2021.

If you wish to apply for additional Rights Shares 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 applied for to our Share Registrar so as to arrive not later than 5.00 p.m. on Tuesday, 25 May 2021.

Please refer to Section 11 of this Abridged Prospectus for further information.

**(vii) Material Litigation**

Save as disclosed below, as at the LPD, our Group is not engaged in any material litigation, claims and/or arbitration either as plaintiff or defendant which may have a material effect on the financial position or business of our Group, and our Board is not aware of any proceedings, pending or threatened, or of any fact likely to give rise to any proceedings which may materially and adversely affect the financial position or business of our Group.

On 16 June 2020, the Customs has issued two bills of demand of even date to our wholly-owned subsidiary, TWI, claiming for alleged unpaid import duty and import sales tax of RM1,588,390.30 and RM141,966.42 respectively for the period 1 July 2017 to 30 June 2019 ("**Customs Claims**"), of which the liability has been provided in TWI's financial statements for the FYE 30 June 2020.

Please refer to Section 8 of Appendix I of this Abridged Prospectus for further information.

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**Registered Office:**  
Unit 26-11 & 26-12  
Level 26, Q Sentral  
Jalan Stesen Sentral 2  
50470 Kuala Lumpur  
Wilayah Persekutuan

6 May 2021

## Board of Directors

Dato' Yeo Boon Leong, JP (*Chairman, Non-Independent Non-Executive Director*)  
Dato' Sri Ngu Tieng Ung, JP (*Managing Director*)  
Mr. Tan Poo Chuan (*Executive Director*)  
Dato' Paduka Dr. Hii King Hiong (*Independent Non-Executive Director*)  
Datin Seri Azreen binti Abu Noh (*Independent Non-Executive Director*)  
Datuk Zakaria bin Sharif (*Independent Non-Executive Director*)  
Mr. Lim Boon Shen (*Non-Independent Non-Executive Director*)

## To: Our Entitled Shareholders

Dear Sir/Madam,

**RENOUNCEABLE RIGHTS ISSUE OF UP TO 3,106,101,171 RIGHTS SHARES AT AN ISSUE PRICE OF RM0.06 PER RIGHTS SHARE ON THE BASIS OF 3 RIGHTS SHARES FOR EVERY 1 EXISTING TA WIN SHARE HELD BY THE ENTITLED SHAREHOLDERS AT 5.00 P.M. ON 6 MAY 2021**

---

### 1. INTRODUCTION

On 14 September 2020, Mercury Securities had, on behalf of our Board, announced that our Company proposes to undertake the following:

- (i) Rights Issue;
- (ii) share buy-back authority for our Company to purchase up to 10% of our total number of issued Shares; and
- (iii) proposed diversification of our Group's principal activities to include the undertaking to design, develop, finance, build to operate, sell and market the Terengganu Ecocycle Park as well as other related activities ("**Proposed Diversification**").

On 25 November 2020, Mercury Securities had, on behalf of our Board, announced that our Board had on even date resolved to vary the utilisation of proceeds to be raised from the Rights Issue.

On 29 December 2020, our Company announced that our Company and PMINT are in the midst of discussion to enter into a supplemental agreement to vary certain terms of the JVA. In view of the extended time required for our Company and PMINT to enter into the said supplemental agreement, Mercury Securities had, on behalf of our Board, announced that our Board had on even date resolved to:

- (i) seek our shareholders' approval for the Proposed Diversification on a later date, i.e. after our Company and PMINT have entered into the said supplemental agreement; and
- (ii) further vary the utilisation of proceeds to be raised from the Rights Issue.

On 2 February 2021, Mercury Securities had, on behalf of our Board, announced that Bursa Securities had vide its letter dated 2 February 2021 approved the following:

- (i) listing of and quotation for up to 3,670,729,243 new Ta Win Shares arising from:
  - (a) 80,000,000 Consideration Shares to be issued pursuant to the Acquisition;
  - (b) up to 3,106,101,171 Rights Shares to be issued pursuant to the Rights Issue;
  - (c) up to 339,631,932 new Ta Win Shares to be issued arising from the conversion of the Consequential ICPS (as defined below); and
  - (d) up to 144,996,140 new Ta Win Shares to be issued arising from the exercise of the Consequential Warrants (as defined below); and
- (ii) listing of and quotation for:
  - (a) up to 339,631,932 additional ICPS ("**Consequential ICPS**"); and
  - (b) up to 144,996,140 additional Warrants ("**Consequential Warrants**"),

to be issued pursuant to adjustments to be made to the existing ICPS and Warrants as a result of the Rights Issue,

subject to the following conditions:

<b>Condition</b>	<b>Status of Compliance</b>
(1) Ta Win and Mercury Securities, being the adviser for the Acquisition and Rights Issue, must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Acquisition and Rights Issue;	To be complied
(2) Ta Win/Mercury Securities to furnish Bursa Securities with a certified true copy of the resolution passed by the shareholders in the EGM approving the Acquisition and Rights Issue prior to the listing of and quotation for the new Ta Win Shares to be issued pursuant to the Acquisition and Rights Issue;	Complied
(3) Ta Win and Mercury Securities to inform Bursa Securities upon the completion of the Acquisition and Rights Issue; and	To be complied
(4) Ta Win and Mercury Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Acquisition and Rights Issue are completed.	To be complied



The notices on the adjustments to the ICPS and Warrants will be despatched to the holder of the outstanding ICPS and Warrants by our Company within 21 market days from such adjustments. For information purpose, the Rights Issue will result in the following:

- (i) adjustments to the conversion price and conversion ratio of the ICPS but will not result in any adjustment to the number of outstanding ICPS pursuant to our Company's Constitution; and
- (ii) adjustments to the exercise price and number of outstanding Warrants pursuant to deed poll dated 17 April 2019.

Our shareholders have approved the Corporate Exercises at our EGM held on 23 February 2021.

On 21 April 2021, Mercury Securities had, on behalf of our Board, announced the Entitlement Date together with the other relevant dates pertaining to the Rights Issue.

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

**YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.**

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

### **2.1 Details of the Rights Issue**

The Rights Issue entails provisional allotments of up to 3,106,101,171 Rights Shares on the basis of 3 Rights Shares for every 1 existing Ta Win Share held by our Entitled Shareholders on the Entitlement Date at the Issue Price of RM0.06.

The actual number of Rights Shares to be issued would depend on the total number of issued Shares on the Entitlement Date and the eventual subscription rate of the Rights Issue. As at the LPD, our Company has:

- (i) an issued share capital of RM142,955,351.03 comprising 849,549,154 Shares;
- (ii) 26,590,146 outstanding ICPS; and
- (iii) 159,227,757 outstanding Warrants.

As at the LPD, our Company does not have any outstanding ESOS options and our Board has resolved not to grant any new ESOS options before the Entitlement Date.

The Rights Issue will be undertaken on a Minimum Subscription Level to raise minimum gross proceeds of approximately RM10.8 million under the Minimum Scenario, the details of which are set out in Section 3 of this Abridged Prospectus. Under the Minimum Scenario, the number of Rights Shares to be issued pursuant to the Rights Issue is 179,355,931.

Under the Maximum Scenario, assuming:

- (i) all the outstanding ICPS are converted into new Shares by a combination of surrendering 1 ICPS and paying RM0.075 in cash, which is the difference between the issue price of RM0.025 per ICPS surrendered and the conversion price of RM0.10 for 1 new Share before the implementation of the Rights Issue;
- (ii) all the outstanding Warrants are exercised before the implementation of the Rights Issue; and
- (iii) all the Entitled Shareholders and/or their renounees/transferees, if applicable, fully subscribe for their respective entitlements pursuant to the Rights Issue,

the number of Rights Shares to be issued pursuant to the Rights Issue is 3,106,101,171.

As the Rights Shares are prescribed securities, your CDS Accounts 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 of the Rights Issue. You will find enclosed in this Abridged Prospectus, the NPA notifying you the crediting of such Provisional Allotments into your CDS Accounts and the RSF to enable you to subscribe for the Provisional Allotments as well as to apply for Excess Rights Shares if you so choose to. However, only Entitled Shareholders who have an address in Malaysia as stated in our Record of Depositors or who have provided our Share Registrar with an address in Malaysia in writing by the Entitlement Date will receive this Abridged Prospectus, together with the NPA and RSF.

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

The Rights Issue is renounceable in full or in part. Accordingly, our Entitled Shareholders may subscribe for and/or renounce their entitlements to the Rights Shares in full or in part.

Any unsubscribed Rights Shares will be made available for subscription by other Entitled Shareholders and/or their renounees/transferees, if applicable, via Excess Rights Shares Applications. It is our Board's intention to allocate the Excess Rights Shares, if any, in a fair and equitable manner in accordance with the procedures set out in Section 11.7 of this Abridged Prospectus.

We will allot the Rights Shares and despatch the notices of allotment to the successful applicants within 8 Market Days from the Closing Date or such other period as may be prescribed by Bursa Securities.

## **2.2 Basis and Justification for the Issue Price**

The Issue Price of RM0.06 represents a discount of approximately 30.4% to the TERP of our Shares of RM0.0862, based on the 5-day WAMP of our Shares up to and including the LTD of RM0.1646.

The Issue Price was determined after taking into consideration the following:

- (i) our Group's funding requirements as set out in Section 4 of this Abridged Prospectus;
- (ii) the historical trading prices of our Shares for the past 12 months prior to the LTD; and
- (iii) the TERP of our Shares of RM0.0862, calculated based on the 5-day WAMP of our Shares up to and including the LTD of RM0.1646.

Our Board is of the view that the basis of determining the Issue Price is in the best interest of our Company and our Entitled Shareholders as it is expected to encourage our Entitled Shareholders and/or their renounees/transferees, if applicable, to subscribe for the Rights Shares.

## **2.3 Ranking of the Rights Shares**

The Rights Shares shall, upon allotment and issuance, rank pari passu in all respects with the then existing Shares, save and except that they will not be entitled to any dividends, rights, allotments and/or other distributions in respect of which the entitlement date is prior to the date of allotment and issuance of the Rights Shares.

## **2.4 Details of Other Corporate Exercises**

As at the LPD, save for the Rights Issue and the Proposed Diversification, there are no other corporate exercises which have been announced by our Company but have yet to be completed.

## **3. SHAREHOLDERS' UNDERTAKINGS**

Our Company intends to raise minimum gross proceeds of approximately RM10.8 million from the Rights Issue, which will be utilised in the manner as set out in Section 4 of this Abridged Prospectus.

In view of the above, our Company proposed to undertake the Rights Issue on a Minimum Subscription Level of 179,355,931 Rights Shares at the Issue Price to raise the minimum gross proceeds of approximately RM10.8 million under the Minimum Scenario.

To meet the Minimum Subscription Level, we have procured Undertakings from the Undertaking Shareholders to subscribe and/or to procure the subscription for such number of Rights Shares with an aggregate subscription value of approximately RM10.8 million. The summary of the Undertakings are as follows:

Undertaking Shareholder*	Direct Shareholdings as at the LPD		Entitlement			Undertaking		Amount
	No. of Shares	%	No. of Rights Shares	(1)%	(2)%	No. of Rights Shares	(2)%	RM
Triad Capital Sdn Bhd	86,641,331	10.2	259,923,993	25.3	8.4	107,141,331	3.4	6,428,480
Heritage Winners Sdn Bhd	23,424,600	2.8	70,273,800	6.8	2.3	19,224,600	0.6	1,153,476
Timur Enterprise Sdn Bhd	44,171,900	5.2	132,515,700	12.9	4.3	52,990,000	1.7	3,179,400
<b>Total</b>	<b>154,237,831</b>	<b>18.2</b>	<b>462,713,493</b>	<b>45.0</b>	<b>15.0</b>	<b>179,355,931</b>	<b>5.7</b>	<b>10,761,356</b>

Notes:

\* Please refer to Section 2 of Appendix I of this Abridged Prospectus for the shareholders of the Undertaking Shareholders who are deemed interested in our Company (i.e. Dato' Yeo Boon Leong, JP, Dato' Sri Ngu Tieng Ung, JP and Mr. Tan Poo Chuan).

(1) Based on the enlarged number of issued shares of our Company of 1,028,905,085 under the Minimum Scenario.

(2) Based on the maximum number of 3,106,101,171 Rights Shares available for subscription pursuant to the Rights Issue.

Pursuant to the Undertakings, the Undertaking Shareholders have:

- (i) irrevocably and unconditionally warranted that they shall not sell or in any way dispose of or transfer their existing interest in our 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 resources to subscribe in full for their Undertakings as set out above and Mercury Securities, as our Principal Adviser for the Rights Issue, has verified the same.

Upon completion of the Rights Issue, the Undertaking Shareholders' shareholdings represented by their holdings of our Shares will not result in any mandatory take-over obligation under the Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the SC.

As the Minimum Subscription Level will be fully satisfied via the Undertakings, we will not procure any underwriting arrangement for the remaining Rights Shares not subscribed by the Entitled Shareholders and/or their renounees/transferees, if applicable, pursuant to the Rights Issue.

The Undertakings are not expected to result in any breach in the public shareholding spread requirement by our 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. The pro forma effects of the Rights Issue on the public shareholding spread is illustrated below:

Particular	As at the LPD		After the Rights Issue			
	No. of Shares	%	Minimum Scenario		Maximum Scenario	
			No. of Shares	%	No. of Shares	%
Issued share capital	849,549,154	100.0	1,028,905,085	100.0	4,141,468,228	100.0
Less:						
Directors of our Group	8,640,000	1.0	8,640,000	0.9	37,040,000	0.9
Substantial shareholders of our Company	183,813,231	21.6	343,944,562	33.4	735,252,924	17.8
Associates of Directors or substantial shareholders of our Company	26,524,600	3.2	45,749,200	4.4	106,098,532	2.6
<b>Public shareholding spread</b>	<b>630,571,323</b>	<b>74.2</b>	<b>630,571,323</b>	<b>61.3</b>	<b>3,263,076,772</b>	<b>78.8</b>

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#### 4. UTILISATION OF PROCEEDS

The gross proceeds to be raised from the Rights Issue of up to RM186.4 million will be utilised in the following manner:

Proposed utilisation	Section	Minimum Scenario		Maximum Scenario		Estimated timeframe from receipt of proceeds
		RM'mil	%	RM'mil	%	
Working capital	4.1	9.5	88.0	78.7	42.2	Within 24 months
Repayment of bank borrowings	4.2	-	-	50.0	26.8	Within 12 months
Purchase of machineries and equipment	4.3	-	-	43.7	23.5	Within 24 months
Investment in Sin Line Tek	4.4	-	12.0	12.7	6.8	Within 1 month
Estimated expenses	4.5	1.3	-	1.3	0.7	Within 1 month
<b>Total</b>		<b>10.8</b>	<b>100.0</b>	<b>186.4</b>	<b>100.0</b>	

The actual proceeds (in excess of the Minimum Subscription Level) that may be raised from the Rights Issue will depend on the total number of issued Shares as at the Entitlement Date and the actual subscription rate of the Rights Issue. Our Company will make an announcement on the actual proceeds raised from the Rights Issue together with its intended utilisation upon completion of the Rights Issue. In addition, we will also announce the status of utilisation of the actual proceeds raised from the Rights Issue together with the explanatory notes thereto in our Company's quarterly reports.

Any proceeds raised in excess of RM10.8 million under the Minimum Scenario will firstly be used to finance the Investment in Sin Line Tek. The remaining proceeds (if any) will be utilised proportionately in the following manner:

Proposed utilisation	%
Working capital	42
Repayment of bank borrowings	31
Purchase of machineries and equipment	27
<b>Total</b>	<b>100</b>

Any shortfall between our Group's funding requirements as set out above and the actual proceeds raised from the Rights Issue are expected to be funded via internally generated funds, bank borrowings and/or other funding alternatives (such as other equity fund-raising exercises to be undertaken by our Company) at the discretion of our Board.

Prior to being utilised for the above purposes, the proceeds from the Rights Issue will be placed in interest-bearing deposits and/or short-term money market instruments with financial institutions as our Board, in its absolute discretion, deems fit and in the best interest of our Group. The resulting interest income to be derived from such short-term placements will be utilised as additional working capital for our Group.

#### 4.1 Working Capital

The proceeds earmarked for our Group's working capital shall be utilised as follows:

Proposed utilisation	Notes	Minimum Scenario		Maximum Scenario	
		RM'mil	%	RM'mil	%
Purchase of raw materials	(1)	5.0	52.6	65.3	83.0
Day-to-day operating costs	(2)	4.5	47.4	13.4	17.0
<b>Total</b>		<b>9.5</b>	<b>100.0</b>	<b>78.7</b>	<b>100.0</b>

Notes:

- (1) Our Group intends to allocate up to RM65.3 million under the Maximum Scenario to purchase key raw materials such as copper cathodes, copper rods and copper scraps as well as other raw materials such as fine copper wires and PVC compounds. The actual breakdown of the purchases of raw materials cannot be determined at this juncture as it depends on our Group's actual production requirements at the relevant time. The proceeds to be utilised to purchase raw materials represent approximately 27.8% of our Group's total purchases of inventories and raw materials for the FYE 30 June 2020 of approximately RM235.3 million.
- (2) Our day-to-day operating costs comprise the following:

Proposed utilisation	Notes	Minimum Scenario		Maximum Scenario	
		RM'mil	%	RM'mil	%
General administration expenses	(i)	4.5	100.0	12.7	94.8
Marketing and distribution costs	(ii)	-	-	0.7	5.2
<b>Total</b>		<b>4.5</b>	<b>100.0</b>	<b>13.4</b>	<b>100.0</b>

Notes:

- (i) General administrative expenses include but are not limited to staff costs, utilities, professional fees and other overhead expenditures. Our Group intends to utilise the proceeds allocated for general administration expenses in the following manner:

Proposed utilisation	%
Staff cost	55
Utilities	25
Profession fees	5
Other overhead expenditures	15
<b>Total</b>	<b>100</b>

- (ii) Marketing and distribution costs comprise amongst others, staff costs for sales and marketing personnel, transportation fees, sampling costs and travelling expenses.

The actual breakdown of the general administrative expenses as well as marketing and distribution costs cannot be determined at this juncture as they are subject to our Group's operating requirements at the time of utilisation.

#### 4.2 Repayment of Bank Borrowings

As at the LPD, our Group's total bank borrowings are approximately RM82.3 million, of which RM74.4 million are bankers' acceptances and RM7.9 million are hire purchase and term loans. The details of the borrowings are set out in Section 10.2 of this Abridged Prospectus.

Our Group intends to allocate up to RM50.0 million (or 26.8%) of the proceeds under the Maximum Scenario to repay the bankers' acceptances. The repayment of bankers' acceptances would result in interest savings of up to RM1.8 million per annum (calculated based on the average prevailing interest/financing rates of the aforementioned credit facilities of 3.6% per annum as at the LPD). The bankers' acceptances were drawn down to finance our Group's working capital and has a tenure of 90 days from the date of drawdown.

The credit facilities are subject to prevailing interest rate, drawdown and repayment from time to time. As such, the outstanding principal amount of the credit facilities at the point of repayment may differ from the current amount as at the LPD. Any surplus/shortfall in the funds allocated for repayment of bank borrowings will be adjusted to/from the allocation for our Group's working capital.

#### 4.3 Purchase of Machineries and Equipment

To support the future growth and expansion of our Group as well as to improve our Group's operational capacity, efficiency and productivity, we intend to utilise up to RM43.7 million of the proceeds under the Maximum Scenario to finance the purchase of the following machineries and equipment:

Proposed utilisation	Notes	Maximum Scenario	
		RM'mil	%
Copper melting furnace	(1)	12.5	28.6
Other new machineries and equipment	(2)	30.7	70.3
Upgrades of existing machineries and operating systems	(3)	0.5	1.1
<b>Total</b>		<b>43.7</b>	<b>100.0</b>

Notes:

- (1) Currently, our Group has 2 copper melting furnaces, of which one has been in use since 2001 and the other one was purchased in 2019. Both copper melting furnaces have a production capacity of 1,000 metric tonnes ("MT") per month each and are located at Lot Nos. 7699 to 7706, Mukim of Kelemak, Alor Gajah, Melaka. The 20-year old copper melting furnace's operating performance has been deteriorating over the years due to wear and tear which led to an increase in maintenance costs and operation down time. Generally, our Group will carry out routine maintenance on the copper melting furnaces annually or every 6,000 MT, whereby the operation downtime for the routine maintenance is approximately a week. During the 18-month FPE 30 June 2019 the 20-year old furnace experienced a major breakdown which took approximately 2 weeks to repair. This resulted in our Group incurring total maintenance costs (in relation to routine maintenance and the said major breakdown) for the copper melting furnaces of approximately RM0.4 million for the 18-month FPE 30 June 2019.



As such, our Group plans to allocate up to RM12.5 million of the proceeds under the Maximum Scenario to purchase a new copper melting furnace to replace the 20-year old existing copper melting furnace.

With the purchase of a new copper melting furnace, our Group's total production capacity will increase from 2,000 MT per month to 8,500 MT per month. Our Group's management is of the view that the new copper melting furnace will improve our Group's production capacity as well as operational efficiency by reducing operation down time and maintenance costs to allow our Group to enhance our productivity and competitiveness.

Based on a quotation obtained from a supplier in December 2020, the total estimated cost (including the installation and commissioning costs of the new copper melting furnace) is approximately RM12.5 million.

- (2) Our Group plans to allocate up to RM30.7 million of the proceeds under the Maximum Scenario to purchase additional new machineries and equipment (inclusive of installation and commissioning costs as well as certification and/or licensing costs) which are detailed as follows in order to improve our Group's operational capacity, efficiency and productivity:

Types of machineries and equipment	Notes	Units	Total estimated costs	Proposed utilisation	
			RM'mil	RM'mil	%
Multipurpose extruding machines	(i)	9	23.6	23.6	76.9
Copper rod breakdown machine	(ii)	1	11.2	5.1	16.6
Double twist bunching machines	(iii)	4	0.9	0.9	2.9
8mm rolling machine	(iv)	1	0.6	0.6	2.0
Other incidental costs	(v)	-	0.5	0.5	1.6
<b>Total</b>			<b>36.8</b>	<b>30.7</b>	<b>100.0</b>

Notes:

- (i) As at the LPD, our Group owns 4 units of multipurpose extruding machines and operates them to manufacture copper wires and/or cables with a diameter of 0.8mm to 8.0mm, for application in, amongst others, the automotive industries, E&E and renewable energy industries. These existing multipurpose extruding machines are able to produce 355 MT copper wires and/or cables per month, of which the capacity utilisation rate for March 2021 was 25.1%.

Our Group plans to allocate up to RM23.6 million of the proceeds under the Maximum Scenario to purchase an additional 9 units of multipurpose extruding machines equipped with other ancillary parts and/or components such as pay-off stand, dual bobbin take-up machine and down coiler machine. These additional 9 units of multipurpose extruding machines will increase our Group's wire and/or cable production capacity from 355 MT wires and/or cables per month to 1,135 MT wires and/or cables per month to allow our Group to fulfil orders received/to be received (which are expected to exceed the production capacity of our existing multipurpose extruding machines) pursuant to the global vendor agreement from Aptiv Global Operations Limited ("**Aptiv**"), of which the details are announced on 30 March 2021, as well as to capture potential growth of the E&E and automotive industries as stated in Section 8.2 of this Abridged Prospectus. For information purposes, our subsidiary, Cyprium Wire Technology Sdn Bhd ("**CWT**") has been registered by Aptiv as a global vendor in Aptiv's global automotive supply chain to manufacture and supply power and signal distribution system, high tension cable, battery cable, and other automotive components/parts for automobile and electric vehicles.

In addition, numerous wire and/or cable manufacturing processes such as coiling, packaging and printing can be automated and/or configured to achieve higher efficiency and productivity as more ancillary parts and/or components are added to our Group's multipurpose extruding machines.

- (ii) Based on the sales contracts entered into with the supplier (i.e. Li Wei Trading Co.) on 26 August 2019 as set out in Section 7 of Appendix I of this Abridged Prospectus, the total cost of the copper rod breakdown machine is approximately RM11.2 million, of which approximately RM6.1 million has been paid by our Group via our internally generated funds and bank borrowings.

Pursuant to the part payment, the main parts and components of the copper rod breakdown machine have been delivered and installed by ourselves. Our Group plans to allocate up to RM5.1 million of the proceeds under the Maximum Scenario to settle the balance payment for the remaining add-on components of the copper rod breakdown machine which include wire drawing, annealing box, accumulator tension device, coiler and electric control system.

The full copper rod breakdown machine is expected to be commissioned within 3 months from the settlement of the balance payment. Upon commissioning of the full copper rod breakdown machine, our Group's copper wire production capacity will increase by 2,400 MT copper wires per month.

In addition, our Group also has another copper rod breakdown machine which is able to produce approximately 700 MT copper wires per month, of which the capacity utilisation rate for March 2021 is 95%.

- (iii) As at the LPD, our Group owns 3 units of bunching machines and operates them for the manufacturing of copper wires suitable for application in the E&E and automotive industries. These existing 3 units of bunching machines are able to produce 130 MT copper wires per month.

Our Group plans to allocate up to RM0.9 million of the proceeds under the Maximum Scenario to purchase an additional 4 units of double twist bunching machines with functionalities such as automatic tension control, magnetic powder clutch and tension control as well as automatic stopping systems. These new machines will increase our Group's copper wire production capacity from 130 MT copper wires per month to 250 MT copper wires per month which allows our Group to capture potential growth of the E&E and automotive industries as stated in Section 8.2 of this Abridged Prospectus. In addition, the additional functionalities of these new machines will also improve our Group's operational efficiency/productivity and/or lower wastages.

- (iv) As at the LPD, our Group owns a rolling machine which was in use since 2019 and operates it for the manufacturing of copper rod and wires. This rolling machine is able to produce 624 MT of 8mm copper rods per month from 20mm or 16mm copper rods produced from our Group's copper melting furnaces. The existing rolling machine's operating performance has been deteriorating over the years due to high usage, which led to an increase in maintenance costs and operation down time.

Our Group plans to allocate up to RM0.6 million of the proceeds under the Maximum Scenario to purchase an additional rolling machine. The additional rolling machine will increase our Group's copper rod and wire production capacity from 624 MT per month to 1,872 MT per month.

- (v) Other incidental costs comprise installation and commissioning costs as well as the applicable expenditures related to certifications and/or licensing required for the operation of the machineries.

Save for the copper rod breakdown machine, the estimated costs of the abovementioned machineries and equipment are based on quotations obtained from the suppliers in the last quarter of 2020 and are subject to the prevailing market price at the time of order and any further negotiations with the suppliers from time to time.

- (3) Our Group plans to allocate up to RM0.5 million of the proceeds under the Maximum Scenario to upgrade our Group's existing machineries and operating systems to support Industry 4.0 which digitalise or transform the manufacturing/production processes. The upgrades include amongst others, installation of enterprise resource planning system, internet of things (IoT) and cloud computing to create a smart factory which enable autonomous decision-making processes as well as monitor assets and processes in real-time. The enterprise resource planning modules which our Company intends to implement include, amongst others, sales, purchasing, data management, stock management, material resource planning and analytics/dashboard and reporting. The digitalised or transformed manufacturing/production processes are expected to:
  - (i) provide real-time information in the supply chain management, production management and financial management to our management and/or customers for them to make informed and timely decisions; and
  - (ii) allow our management and employees to monitor inventory levels to support the sales process.

Based on our management's past experience and knowledge, the total estimated cost for the machineries and operating systems upgrade is approximately RM0.5 million.

Any shortfall in our Group's funding requirements for the purchase of machineries and equipment will be financed via our Group's internally generated funds and/or bank borrowings whereas any surplus in the funds allocated for purchases of machineries and equipment will be adjusted for our Group's working capital.

#### 4.4 Investment in Sin Line Tek

Our Group intends to utilise up to RM12,663,164 of the gross proceeds under the Maximum Scenario to finance the cash consideration for the Investment in Sin Line Tek. Further details of the Investment in Sin Line Tek are set out in Section 5 of this Abridged Prospectus.

In order to facilitate and expedite the completion of the Investment in Sin Line Tek, our Group has funded the cash consideration amounting to approximately RM12.7 million (which comprises RM4.2 million cash consideration for the Acquisition and RM8.5 million cash subscription for the Subscription) via our Group's internally generated funds.

Thus, the proceeds allocated for the Investment in Sin Line Tek under the Maximum Scenario shall be utilised to replenish the internally generated funds used for the said purpose upon completion of the Rights Issue.

#### 4.5 Estimated Expenses

The estimated expenses in relation to the Corporate Exercises include the following:

<b>Proposed utilisation</b>	<b>Notes</b>	<b>RM'mil</b>	<b>%</b>
Professional fees		1.0	76.9
Fees payable to authorities	(1)	0.1	7.7
Other miscellaneous expenses	(2)	0.2	15.4
<b>Total</b>		<b>1.3</b>	<b>100.0</b>

Notes:

- (1) Include fees payable to Bursa Securities, the SC and the Registrar of Companies Malaysia.
- (2) Include printing and advertising costs.

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## 5. INVESTMENT IN SIN LINE TEK

### 5.1 Details of the Investment in Sin Line Tek

The Investment in Sin Line Tek entails the following:

(i) Acquisition

The Acquisition involves the acquisition of 1,747,581 existing Sin Line Tek Shares, representing approximately 30% of the enlarged issued share capital of Sin Line Tek after the completion of the Investment in Sin Line Tek (or approximately 38% of the then existing issued share capital of Sin Line Tek), by our Company from Lim Aik Gee (“**Vendor**”) for a purchase consideration of RM12,163,164 (“**Purchase Consideration**”), which shall be satisfied in the following manner:

Vendor	Mode of Settlement			Timing of Settlement
	Consideration Shares	Cash	Total	
	RM'000	RM'000	RM'000	
Lim Aik Gee	(1)8,000	4,163	12,163	(i) RM4,163,164 cash consideration to be settled on the completion date;
				(ii) RM5,144,000 by issuance of 51,440,000 new Shares to be settled on the completion date; and
				(iii) RM2,856,000 by issuance of 28,560,000 new Shares to be allotted to the escrow account within 7 business days from the completion date.

Note:

- (1) RM8,000,000 has been satisfied via the issuance of 80,000,000 new Shares at the issue price of RM0.10 per Consideration Share, of which 28,560,000 Consideration Shares has been placed in the escrow account as security for the performance of the profit guarantee. The Consideration Shares were listed on the Main Market of Bursa Securities on 26 February 2021 and rank pari passu in all respects with the then existing Ta Win Shares.

For information purposes, the Vendor guarantees that Sin Line Tek and its subsidiaries (“**Sin Line Tek Group**”) shall attain and achieve a minimum audited consolidated PAT of RM2.6 million and RM3.0 million for the FYE 30 June 2022 (“**First Profit Guarantee Period**”) and FYE 30 June 2023 (“**Second Profit Guarantee Period**”) respectively (collectively, “**Profit Guarantee**”).

Our Board is of the opinion that the Profit Guarantee is reasonable and realistic after taking into consideration the following:

- (i) Sin Line Tek has been profitable in the last 5 financial years since the FYE 31 December 2015, with an audited PAT of approximately RM0.8 million in the latest FYE 31 December 2019 as follows:

	Audited			Unaudited
	FYE 31 Dec 2017	FYE 31 Dec 2018	FYE 31 Dec 2019	6- month FPE 30 Jun 2020
	RM	RM	RM	RM
PAT/(LAT)	519,947	49,717	834,978	(440,034)

Our Board notes that Sin Line Tek recorded a loss of RM440,034 for the 6-month FPE 30 June 2020 which was mainly due to the temporary suspension of its business from 18 March 2020 to 27 April 2021 following the imposition of the MCO in Malaysia and slow business activities during the financial period as a result of the COVID-19 pandemic. Notwithstanding the above, our Board is of the view that the Profit Guarantee is reasonable after taking into consideration, amongst others, Sin Line Tek's potential earnings and growth as set out below.

Please refer to Sections 5.2 and 5.2.1 of this Abridged Prospectus for further details of the Sin Line Tek Group's historical financial performance;

- (ii) notwithstanding that Sin Line Tek's audited PAT for the FYE 31 December 2019 is lower than the Profit Guarantee, our Board has also considered Sin Line Tek's potential earnings and growth emanating from the following:
- (a) Sin Line Tek's forecast orders for the First Profit Guarantee Period and Second Profit Guarantee Period based on its existing major customers' sales plan and recurring orders:

Project	First Profit Guarantee Period	Second Profit Guarantee Period
	RM'mil	RM'mil
Wire harness for electrical home appliances	(1)16.6	(1)17.0
Contract manufacturing for cable, wire harness, alternative current ("AC") and direct current ("DC") power cords for electronic equipment and appliance	12.0	12.0
Power cord for kitchen appliances	(1)10.7	(1)12.6
Power cord for information technology equipment	(1)7.2	(1)7.8
<b>Total</b>	<b>46.5</b>	<b>49.4</b>

(Source: Sin Line Tek's management)

Note:

- (1) Translated at the foreign currency exchange rate of USD1: RM4.1270, being the middle rate quoted by Bank Negara Malaysia as at 5.00 p.m. on the LPD.

(b) Sin Line Tek's forecast orders for the new projects secured and potential projects from its existing and/or potential customers for the First Profit Guarantee Period and Second Profit Guarantee Period:

Project	First Profit Guarantee Period	Second Profit Guarantee Period	Status
	RM'mil	RM'mil	
<b>Project Secured</b>			
Wire harness for electrical home appliances	(1)0.5	(1)0.5	Sin Line Tek has secured its customer's purchase order advice in December 2020 and has delivered the 1 <sup>st</sup> batch of the products in January 2021.
Wire harness for electrical home appliances	1.0	1.0	Sin Line Tek has secured its customer's purchase order advice in December 2020 and has delivered the 1 <sup>st</sup> batch of the products in December 2020.
	<u>1.5</u>	<u>1.5</u>	
<b>Potential Project</b>			
Floating cable for swimming pool maintenance equipment	(1)6.3	(1)6.3	Sin Line Tek has delivered the sample product to its customer as per the targeted schedule. Subsequently, the customer requested to redesign the product to install additional parts to the floating cable. Sin Line Tek targets to redeliver the sample product by May 2021 and expects to commence delivery of the product by the 3 <sup>rd</sup> quarter of 2021.
Power cord for electrical home appliances	(1)5.0	(1)5.4	Sin Line Tek and its potential customer has agreed on the product pricing in November 2020. Sin Line Tek is in the midst of preparing the sample product to be delivered to its potential customer by May 2021 and expects to commence delivery of the product by the 3 <sup>rd</sup> quarter of 2021.
Power cord and wire harness for 3 different models of kitchen appliances	(1)2.8	(1)2.8	The status of the 3 models of kitchen appliances are as follows: (i) For models A and C, Sin Line Tek expects to receive the purchase order advice from its potential customer by the 2 <sup>nd</sup> quarter of 2021 and commence delivery of the product by 3 <sup>rd</sup> quarter of 2021. (ii) For model B, Sin Line Tek has secured its customer's purchase order advice in March 2021 and the 1 <sup>st</sup> batch of the products will be delivered by May 2021.
<b>Total</b>	<u>14.1</u>	<u>14.5</u>	
	<u>15.6</u>	<u>16.0</u>	

(Source: Sin Line Tek's management)

Note:

- (1) Translated at the foreign currency exchange rate of USD1: RM4.1270, being the middle rate quoted by Bank Negara Malaysia as at 5.00 p.m. on the LPD.
  - (iii) Sin Line Tek's cost management strategies which include amongst others, to reduce Sin Line Tek's reliance on external copper rod and copper wire suppliers upon the completion of the Investment in Sin Line Tek and thus, ensuring long-term uninterrupted supply of copper rods and copper wires at competitive pricing and terms from our Group;
  - (iv) Sin Line Tek's established reputation and track records in the businesses of manufacturing (including original equipment manufacturing ("OEM")) and trading of cable, wire harness and AC & DC power cords for electronic equipment and appliances as well as its ability to meet customers' requirements under the electrical safety regulations of the Underwriters Laboratories, which is the United States of America's government testing house for electrical safety;
  - (v) Sin Line Tek's potential growth in manufacturing wire harness and assembly products for application in industries such as the E&E industry in light of the growth forecast of the E&E industry in Malaysia (as set out in Section 8.2 of this Abridged Prospectus);
  - (vi) Sin Line Tek Group's business strategies and its enhanced competitiveness arising from the potential synergistic benefits arising from the Investment in Sin Line Tek as well as the Sin Line Tek Group's ability to tap onto our Group's customer base to cross sell its products and solutions as the downstream business of our Group; and
  - (vii) the interest of the Vendor is aligned with our Company as he and the other shareholder of Sin Line Tek, Lim Wai Keong will remain as shareholders of Sin Line Tek and collectively holds 49.0% of the enlarged issued share capital of Sin Line Tek upon completion of the Investment in Sin Line Tek.
- (ii) Subscription

The Subscription involves the subscription of 1,221,264 new Sin Line Tek Shares, representing approximately 21% of the enlarged issued share capital of Sin Line Tek after the completion of the Investment in Sin Line Tek, for a total cash amount of RM8.5 million.

The Investment in Sin Line Tek has been completed on 8 March 2021 in accordance with the terms of the share sale agreement dated 9 July 2020 (as supplemented by supplemental letters dated 6 November 2020 and 23 December 2020 as well as a supplemental agreement dated 5 January 2021) in relation to the Acquisition ("**SSA**") and subscription agreement dated 9 July 2020 (as supplemented by supplemental letters dated 6 November 2020 and 23 December 2020) in relation to the Subscription ("**Subscription Agreement**"). Accordingly, Sin Line Tek is a 51%-owned subsidiary of our Company via our wholly-owned subsidiary, Cyprium Capital Sdn Bhd with effect from 8 March 2021.



### 5.1.1 Basis and justification for the total consideration

The total consideration comprises the Purchase Consideration for the Acquisition of approximately RM12.2 million and cash subscription for the Subscription of RM8.5 million ("**Total Consideration**").

The Total Consideration, which is equivalent to RM6.96 per Sin Line Tek Share, was arrived at on a willing-buyer willing-seller basis after taking into consideration the median valuation of Sin Line Tek of RM35.9 million as at 30 June 2020 (or equivalent to approximately RM7.80 per Sin Line Tek Share based on its then existing issued share capital) as opined by FHMH Corporate Advisory Sdn Bhd ("**FHCA**" or "**Independent Valuer**") in its valuation letter dated 12 January 2021.

Our Board is of the view that the Total Consideration is justified after taking into consideration the following:

- (i) the Profit Guarantee provided by the Vendor;
- (ii) the Purchase Consideration (which is equivalent to approximately RM32.0 million for a 100% equity interest in Sin Line Tek or RM6.96 per Sin Line Tek Share) represents a discount of approximately 10.9% to the median valuation of Sin Line Tek as opined by FHCA of RM35.9 million (or equivalent to approximately RM7.80 per Sin Line Tek Share based on its then existing issued share capital). For clarification, the valuation derived by FHCA does not take into account the Subscription amount of RM8.5 million to be injected by Ta Win into Sin Line Tek;
- (iii) the Subscription amount of RM8.5 million (or equivalent to approximately RM6.96 per Sin Line Tek Share) represents a discount of approximately 10.9% to the median valuation of Sin Line Tek as opined by FHCA of RM35.9 million (or equivalent to approximately RM7.80 per Sin Line Tek Share based on its then existing issued share capital); and
- (iv) the synergistic benefits of the Investment in Sin Line Tek which allows our Group to add value to our copper rod and wire products and/or extend our existing product range into the downstream copper rod and wire supply chain.

For information purposes, based on Sin Line Tek's audited PAT of approximately RM0.8 million for the FYE 31 December 2019, the Purchase Consideration of approximately RM12.2 million for 38% of Sin Line Tek's then existing issued share capital (which is equivalent to approximately RM32.0 million for a 100% equity interest in Sin Line Tek) and the Total Consideration of approximately RM20.7 million for 51% of Sin Line Tek's enlarged issued share capital (which is equivalent to approximately RM40.5 million for a 100% equity interest in Sin Line Tek) will translate to a historical price to earnings multiple ("**PE Multiple**") of 38.3 times and 48.5 times respectively.

FHCA had adopted the relative valuation analysis method, which involved the use of PE Multiple as it reflects the current market sentiment as well as the Profit Guarantee. FHCA has identified public companies listed in Southeast Asia which are broadly comparable to Sin Line Tek taking into consideration companies with market capitalisation of not more than RM500 million and generates more than 50% of their revenue from manufacturing of E&E components. The PE Multiple of these comparable companies, which include P.I.E. Industrial Berhad, UMS-Neiken Group Berhad and PT Jembo Cable Company Tbk ("**Comparable Companies**"), ranged from 11.3 times to 14.8 times.

The fair market value of the then entire equity interest in Sin Line Tek derived based on the PE Multiple of the Comparable Companies and profit guarantee of RM2.6 million for the First Profit Guarantee Period are set out as follows:

	PE Multiple	(1)Profit Guarantee for the First Profit Guarantee Period	(2)Fair Market Valuation
	times	RM'million	RM'million
	(A)	(B)	(A) X (B)
Average	13.3	↑	34.6
Median	13.8	↕	35.9
Quartile 1	12.6	2.6	32.8
Quartile 3	14.3	↓	37.2

Based on the above, by multiplying the PE Multiples of the Comparable Companies with the profit guarantee amount of an audited consolidated PAT of RM2.6 million for the First Profit Guarantee Period, the fair value of the entire equity interest in Sin Line Tek ranged from RM32.8 million to RM37.2 million with a median of RM35.9 million.

## 5.2 Details of Sin Line Tek

Sin Line Tek was incorporated in Malaysia under the Companies Act 1965 (deemed registered under the Act) on 13 August 1999 as a private limited company. As at the LPD, Sin Line Tek's issued share capital is RM13,100,000 comprising 5,821,264 ordinary shares.

The company started its operations since its inception in 1999, whereby its principal activities are manufacturing, including OEM and trading of cable, wire harness, AC and DC power cords for electronic equipment and appliance. It serves clientele from Malaysia, Thailand, Vietnam and Hong Kong.

Sin Line Tek has a manufacturing factory with a production floor of 66,174 square feet and a double storey warehouse to store its raw materials and finished goods at Telok Panglima Garang, Selangor Darul Ehsan.

The details of Sin Line Tek's shareholders as at the LPD are as follows:

Name	Place of Incorporation /Nationality	Direct		Indirect	
		No. of shares	%	No. of shares	%
Cyprium Capital Sdn Bhd	Malaysia	2,968,845	51.0	-	-
Lim Aik Gee	Malaysian	2,552,419	43.8	(1)300,000	5.2
Lim Wai Keong	Malaysian	300,000	5.2	(2)2,552,419	43.8
<b>Total</b>		<b>5,821,264</b>	<b>100.0</b>		

Notes:

- (1) Deemed interested by virtue of his son, Lim Wai Keong's shareholding in Sin Line Tek.
- (2) Deemed interested by virtue of his father, Lim Aik Gee's shareholding in Sin Line Tek.

As at the LPD, the directors of Sin Line Tek are Lim Wai Keong, Dato' Sri Ngu Tieng Ung, JP, Yeoh Chin Kiang, Phua Yee Boon and the Vendor.

Sin Line Tek's historical financial performance for the FYE 31 December 2017 to FYE 31 December 2019 as well as the 6-month FPE 30 June 2019 and FPE 30 June 2020 are summarised below:

	Audited			Unaudited	
	FYE 31 Dec 2017	FYE 31 Dec 2018	FYE 31 Dec 2019	6-month FPE 30 Jun 2019	6-month FPE 30 Jun 2020
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	46,264	45,060	52,719	26,784	20,180
Gross profit	2,946	3,414	5,543	2,716	1,684
PBT/(LBT)	502	119	889	122	(440)
PAT/(LAT)	520	50	836	122	(440)

**(i) FYE 31 December 2017**

Sin Line Tek recorded a higher revenue of RM 46.3 million during the financial year, which was mainly attributable to new projects from its existing customers to manufacture and assembly the wire harness and power cord for home appliances amounting to approximately RM12.0 million.

Sin Line Tek recorded a higher PBT of RM0.5 million during the financial year, which was mainly attributable to the unrealised gain in foreign exchange as a result of strengthening of the USD.

**(ii) FYE 31 December 2018**

Sin Line Tek recorded a lower revenue of RM45.1 million during the financial year, which was mainly due to the completion of a sizeable project with a value of approximately RM2.7 million in the FYE 31 December 2017.

Sin Line Tek recorded a lower PBT of RM0.1 million during the financial year, which was mainly due to an unrealised loss in foreign exchange of RM0.2 million in the FYE 31 December 2018 as a result of the weakening of RM against USD.

**(iii) FYE 31 December 2019**

Sin Line Tek recorded a higher revenue of RM52.7 million during the financial year, which was mainly attributable to the 2 new projects secured from its new customers involve in the manufacturing and assembling of electronic component for the automobile industry with a total contract value of RM4.7 million and additional orders from its existing customer to manufacture AC power cord for home appliances amounting to approximately RM2.9 million.

Sin Line Tek recorded a higher PBT of RM0.9 million during the financial year, which was mainly attributable to the higher revenue as explained above.

**(iv) 6-month FPE 30 June 2020**

Sin Line Tek recorded a lower revenue of RM20.2 million in the 6-month FPE 30 June 2020, which was mainly due to the outbreak of Covid-19 whereby Sin Line Tek's operations was temporarily halted from 18 March 2020 to 27 April 2020 following the imposition of the MCO in Malaysia. However, the subsequent manufacturing business during the financial period was slow due to the Covid-19 pandemic.

For the 6-month FPE 30 June 2020, Sin Line Tek recorded a LBT of RM0.4 million which was mainly due to the decrease in sales as explained above.

### 5.2.1 Subsidiaries and associate of Sin Line Tek

Save as disclosed below, as at the LPD, Sin Line Tek does not have any subsidiary and associate company:

(i) Dyon Technology (M) Sdn Bhd (“**Dyon Tech**”)

Dyon Tech was incorporated in Malaysia under the Companies Act 1965 (deemed registered under the Act) on 20 June 2013 as a private limited company. As at the LPD, Dyon Tech’s issued share capital is RM500,000 comprising 500,000 ordinary shares and its shareholders are as follows:

Name	Direct		Indirect	
	No. of shares	%	No. of shares	%
Sin Line Tek	350,000	70.0	-	-
Mohamed Saleh Bin Ahamed Samion	150,000	30.0	-	-
<b>Total</b>	<b>500,000</b>	<b>100.0</b>		

Dyon Tech is principally involved in the manufacturing and trading of power cords, cables, plugs, connector and other related products for the automotive and home appliances industries as well as provision of public licensed bonded warehouse services.

As at the LPD, the directors of Dyon Tech are Low Bee Kian, Mohamed Saleh Bin Ahamed Samion and the Vendor.

Since Dyon Tech’s inception on 20 June 2013, the company has been focusing on the trading of electronic components such as power cords, cables, plugs, connector and other related products. It is authorised by 5 principals to act as their distributor of electronic components in amongst others, Southeast Asia, India, Middle East and Africa. As at the LPD, the customers of Dyon Tech are mainly local companies in Malaysia.

On 18 May 2017, Dyon Tech has been granted a public bonded warehouse licence by the Royal Malaysian Custom for its warehouse in PT464, Jalan Kasawari, Kawasan Perusahaan Kebun Baru, 42500 Telok Panglima Garang, Selangor Darul Ehsan. The public bonded warehouse has a floor space of approximately 20,000 square feet.

Dyon Tech's historical financial performance for the FYE 31 August 2017 to FYE 31 August 2019 as well as the 10-month FPE 30 June 2019 and FPE 30 June 2020 are summarised below:

	Audited			Unaudited	
	FYE 31 Aug 2017	FYE 31 Aug 2018	FYE 31 Aug 2019	10-month FPE 30 Jun 2019	10-month FPE 30 Jun 2020
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	393	597	204	201	21
Gross profit	303	123	110	107	2
LBT	(12)	(318)	(89)	(92)	(31)
LAT	(12)	(318)	(89)	(92)	(31)

**(a) FYE 31 August 2017**

Dyon Tech recorded a lower revenue of RM393,297 during the financial year, which was mainly due to the completion of an order from its existing customer in the automotive industry in the FYE 31 August 2016.

Dyon Tech recorded a lower LBT of RM12,393 during the financial year, which was mainly attributable to the absence of the one-off safety licence application and testing fees as well as the licensing fee for the European and United Kingdom power cord in the FYE 31 August 2017.

**(b) FYE 31 August 2018**

Dyon Tech recorded a higher revenue of RM596,733 during the financial year, which was mainly attributable to:

- (1) additional sales in trading of wire harness of RM289,048 from its existing customer in the electrical equipment manufacturing industry; and
- (2) increase in royalty fee by RM77,202 received by Dyon Tech from its existing customer for the rights to use its logo on the power cord in the FYE 31 August 2018.

Dyon Tech recorded a higher LBT of RM317,556 during the financial year, which was mainly due to:

- (1) lower gross profit margin of 20.5% in the FYE 31 August 2018 as a result of the absence of commission received by Dyon Tech's as explained above; and
- (2) increase in staff cost by RM99,375 in the FYE 31 August 2018. In the FYE 31 August 2017, the staff cost for the operation and management of its public bonded warehouse business was lower as the public bonded warehouse licence was only obtained by Dyon Tech on 18 May 2017.

**(c) FYE 31 August 2019**

Dyon Tech recorded a lower revenue of RM204,172 during the financial year, which was mainly due to:

- (1) lower sales in trading of wire harness by RM204,124 from its existing customer in the electrical equipment manufacturing industry;
- (2) decrease in royalty fees by RM122,806 received by Dyon Tech from its existing customer for the rights to use its logo on the power cord in the FYE 31 August 2019; and
- (3) decrease in revenue of the public bonded business by RM81,746 as a result of the staff cost for the public bonded warehouse business was absorbed by its customer, namely Sin Line Tek following the reduction in rental paid by Sin Line Tek for the usage of the public bonded warehouse facility.

The LBT of Dyon Tech during the financial year improved to RM88,991 which was mainly attributable to the absence of staff cost in the FYE 31 August 2019.

**(d) FPE 30 June 2020**

Dyon Tech recorded a lower revenue of RM21,094 for the FPE 30 June 2020 which was mainly due the absence of royalty fees and lower sales in trading of wire harness by RM76,831 from its existing customer as a result of the Covid-19 outbreak.

Dyon Tech recorded a lower LBT of RM30,582 during the financial period, which was mainly due to absence of directors' remuneration in the FPE 30 June 2020.

**(ii) TASLT Technology (M) Sdn Bhd ("TASLT")**

TASLT was incorporated in Malaysia under the Act on 1 October 2020 as a private limited company. As at the LPD, its issued share capital is RM500,002 comprising 500,002 ordinary shares. It is a wholly-owned subsidiary of Sin Line Tek as at the LPD.

TASLT is currently a dormant company and its principal activities are intended to be manufacturing of electronic and electric wires and cables as well as other components for electronic applications.

As at the LPD, the directors of TASLT are Lim Wai Keong and the Vendor.

### **5.3 Rationale for the Investment in Sin Line Tek**

The Investment in Sin Line Tek is in line with our Board's initiative to make strategic investments to strengthen our Group's core business which in turn will strengthen our financial performance and generate returns to our shareholders in the future.

Through the Investment in Sin Line Tek, we are able to integrate our existing business in the manufacturing of copper rod and wire products with the downstream business operations of Sin Line Tek, which is in the businesses of manufacturing, OEM and trading of cable, wire harness and AC & DC power cords for electronic equipment and appliances. Such integration is expected to improve the profitability of our enlarged Group as we will be able to add value to our copper rod and wire products and extend our existing product range into the downstream copper rod and wire supply chain. This integration also enhances the competitiveness of the Sin Line Tek Group as it will be able to tap onto our Group's customer base to cross sell its products and solutions as the downstream business of our enlarged Group. The Investment in Sin Line Tek is expected to reduce Sin Line Tek's reliance on external copper rod and wire suppliers thus ensuring long-term undisrupted supply of copper rod and wire at competitive pricing and terms.

Further, the Investment in Sin Line Tek is also expected to provide an additional income stream for our enlarged Group. Following the completion of the Investment in Sin Line Tek on 8 March 2021, we have consolidated the Sin Line Tek's Group financial performance. After taking into consideration amongst others, the Profit Guarantee, the potential synergistic benefits arising from the Investment in Sin Line Tek and the positive outlook of the Copper Wire and Rod as well as Power Cable and Wire Industries in Malaysia as set out in Section 8.2 of this Abridged Prospectus, our Board is of the view that the Investment in Sin Line Tek presents a good opportunity for our Company to improve our Group's financial performance.

### **5.4 Liabilities to be Assumed and Additional Financial Commitment**

There are no liabilities, contingent liabilities or guarantees to be assumed by our Company pursuant to the Investment in Sin Line Tek, save for the liabilities stated in the Sin Line Tek Group's financial statements which were consolidated into our Group's financial statements.

Save for the cash amount of RM8.5 million which has been injected by our Company into Sin Line Tek pursuant to the Subscription, the Investment in Sin Line Tek is not expected to give rise to any additional financial commitment by our Group to put the business on-stream as the Sin Line Tek Group's business is already in operation and is an on-going business.

## **6. RATIONALE FOR THE RIGHTS ISSUE**

After due consideration of the various options available, our Board is of the opinion that the Rights Issue is the most appropriate avenue of fund-raising as:

- (i) it will enable our Company to raise proceeds to be used in the manner as set out in Section 4 of this Abridged Prospectus;
- (ii) it enhances our capital base, lower our Group's gearing level and thereby create headroom for our Group to consider further debt financing for our future business expansion, if required;
- (iii) it provides an avenue for us to raise funds without having to incur interest cost as compared to bank borrowings and/or other interest-bearing debt instruments;
- (iv) it provides the Entitled Shareholders with an opportunity to further increase their equity participation in the prospects and future growth of our Group; and
- (v) the issuance of Rights Shares on a pro-rata basis provides an opportunity for existing shareholders to increase their equity participation in our Company without further dilution to their existing holdings.

## **7. RISK FACTORS**

In addition to other information contained in this Abridged Prospectus, you and/or your renounees/transferees, if applicable, should consider carefully the following risk factors which may have an impact on the future performance of our Group before subscribing for or investing in the Rights Issue.

### **7.1 Risks Relating to Our Business**

#### **(i) Operational risk**

Most areas of our Group's manufacturing process such as coating, drawing, annealing and casting are dependent on the ability of our machineries to continue working without unforeseen and sudden physical damage which requires extended time for repair or replacement. Hence, our Group's operations are subject to risk of machinery breakdown due to amongst others, wear and tear, mishandling by the operators as well as electrical disturbances. Any machinery breakdowns will severely affect our Group's operations and commitment to meet our customers' production needs while incurring expensive costs of repair. If our Group is unable to repair or replace the machinery expediently, the production downtime would inevitably affect our Group's financial performance. During the 18-month FPE 30 June 2019, our Group's copper melting furnace experienced a major breakdown which took approximately 2 weeks to repair. During this period, we had to source materials from 3<sup>rd</sup> parties to ensure our customers' orders would be fulfilled on time.

Certain areas of the manufacturing process of our Group such as quality control and packaging are reliant on manual labour. As such, our Group is subject to risks of labour shortages or increase in labour costs. Any shortage of labour will affect our Group's ability to meet production schedules, while any increase in labour cost to retain or recruit labours will affect the costs of production. If our Group is unable to reduce our dependency on manual labour, any increase in the costs of production would inevitably affect our Group's profit margin, which may in turn affect our Group's financial performance. For information purposes, we have not experienced any material labour shortage in the past.

#### **(ii) Foreign currency exchange risk**

Our Group is exposed to foreign currency exchange risk from sales of products in USD, and purchases of raw materials in USD as well as borrowings in USD. As at 30 June 2020, our Group's net exposure to foreign currency exchange risk is approximately RM19.4 million and we incurred a realised loss on foreign exchange of approximately RM0.6 million for the FYE 30 June 2020.

The sales and purchases as well as borrowings denominated in USD are translated to the functional currencies of our Group's subsidiaries at exchange rates on the dates of transactions. Any difference in the prevailing exchange rates on the dates of settlement may give rise to foreign currency exchange gains or losses that would affect our Group's financial performance. There is no assurance that any foreign currency fluctuations in the future will not adversely affect the financial performance of our Group.



**(iii) Dependency on operating licences**

Our Group has been granted with various licences, permits and certificates from various governmental authorities which include amongst others, the following:

- (i) manufacturing licences issued by the Ministry of International Trade and Industry of Malaysia;
- (ii) licence for purchase/sale/storage of second-hand items and scrap metal issued by Royal Malaysia Police;
- (iii) licensed warehouse licence under Section 65 of the Customs Act 1967; and
- (iv) licensed manufacturing warehouse licence under Section 65A of the Customs Act 1967.

Some of these licences, permits and certificates are subject to periodic inspections, changes and/or fulfilment of certain conditions imposed by the relevant authorities. Failure to comply with the conditions or requirements imposed by the relevant authorities may cause our Company's licences, permits and certificates to be revoked or not renewed. Any revocation or non-renewal of our licences, permits and certificates from the relevant authorities may have a material impact on our Group's ability to continue our operations and hence, may affect our Group's financial performance. As at the LPD, none of our Group's licences, permits and certificate has been revoked or not renewed by the authorities.

**(iv) Disputes, regulatory and litigation risks**

Our business and operations are subjected to various legal and regulatory requirements. We may be subjected to regular and special audits, inquiries and investigations by various authorities in relation to the legal and regulatory requirements.

The Customs has been conducting regular audits on our Group. On 30 April 2021, our wholly-owned subsidiary, TWI received a letter dated 29 April 2021 from the Customs notifying TWI of their audit findings which requires TWI to pay for import duty and import goods and services tax (GST) of RM84,333,873.66 for the periods from 1 July 2015 to 30 June 2017 and 1 July 2017 to 30 June 2019. Pursuant thereto, we have been invited by the Customs to attend a roundtable discussion to be held on 6 May 2021 to discuss their audit findings. We have engaged legal advisers to attend to the matter as we do not agree with the Customs' audit findings. Our legal adviser has reasonable grounds to dispute the Customs' audit findings. We however cannot predict the outcome of the matter, including the roundtable discussion, at this juncture.

We are also currently engaged in litigation with the Customs on a separate matter of which further details are set out in Section 8 of Appendix I of this Abridged Prospectus.

Adverse results or settlements in such matters may result in significant changes in our business practices, increased operating and compliance costs, and fines and penalties. In addition, any litigation or pre-litigation claims against us, whether or not meritorious, are time-consuming, require substantial expenses, and result in the diversion of operational resources. Our insurance may not cover all potential claims to which we are exposed and may not be adequate to indemnify us for all liabilities that may be imposed. Any substantial fines and penalties resulting from such audits, inquiries, investigations and proceedings could materially and adversely affect our financial performance and condition.

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

Our Group's business operations were adversely affected by the COVID-19 pandemic as our Group's operations were temporarily halted from 18 March 2020 following the imposition of the MCO. Our Group's operations resumed in May 2020 after receiving the approval to operate during the MCO period from the Ministry of International Trade and Industry.

The outbreak of COVID-19 has severely disrupted global logistic, supply chain and trades across different industries which has resulted in slower business activities. Coupled with amongst others, the imposition of anti-subsidy duty by India for a period of 5 years on copper wire rods from Indonesia, Malaysia, Thailand and Vietnam, this has resulted in a decrease in our revenue by RM311.3 million for the FYE 30 June 2020 as detailed in Section 4.4(c) of Appendix I of this Abridged Prospectus.

In addition, Sin Line Tek's manufacturing facilities were closed from 9 April 2021 when its staff tested positive for COVID-19, and resumed business operations on 22 April 2021 after satisfactory COVID-19 test results on all its employees. During this period, Sin Line Tek's operations and financial performance were affected as the company had to outsourced unfulfilled purchase orders from its customers amounting to approximately RM27,000. Save for this incident and the above mandatory MCO closure, we have not experienced any interruption in our operations due to COVID-19.

To comply with the standard operating procedures (SOP) imposed by the Government, our Group has incurred approximately RM0.3 million for screening tests, sanitising premises and purchase of personal protective equipment since the commencement of the MCO on 18 March 2020 up to the LPD.

In addition, we have also been monitoring our operations closely in an attempt to mitigate disruptions to our businesses, as well as proactively and regularly communicating with our customers and suppliers.

Despite the rollout of inoculation in Malaysia beginning February 2021, there is no assurance that the COVID-19 pandemic can be effectively controlled. Any prolonged global spread of the COVID-19 pandemic and imposition of containment measures to curb the spread of COVID-19 will potentially reduce economic activities and thereby adversely affect our Group's financial performance.

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## 7.2 Risks Relating to the Industry in Which We Operate

### (i) Fluctuations in raw material prices

Copper cathodes, copper rods and copper scraps are key raw materials (which made up more than 80% of our Group's total cost of goods sold for the FYE 30 June 2020) used in our manufacturing of copper wires, copper power cables and other copper wires. As copper is a globally traded commodity, the cost of sourcing copper as a raw material for our Group's manufacturing activities is subject to fluctuations in world prices from time to time. The prices of the raw materials for our Group's products are dependent on amongst others, global demand and supply of copper as well as other external factors such as outbreak of diseases, delivery delays or other disruptions on a significant scale.

Any increases in the prices of copper would directly increase the cost of our raw materials. If we are unable to pass the increase in cost of our raw materials to our Group's customers in a timely manner, our Group's margins and earnings would be adversely affected. Alternatively, if the increase in cost is passed onto the customers, our Group may not be price competitive. Hence, a significant increase in the prices of raw materials will have an adverse effect on the business and future earnings of our Group. As copper is a widely traded commodity and therefore subjected to world prices, all manufacturers that use these materials are equally affected.

### (ii) Competition risk

The copper wire and rod as well as power cable and wire manufacturing industries in Malaysia are competitive. Our Group may face higher competition from the existing competitors and new entrants in the future. Our Group's ability to compete depends on many factors, amongst others, the principal elements of competition include quality, innovation in products and technologies, expertise, pricing, scalability, reliability, reputation, brand name and customer service.

Our Group's competitors may vary in size, scope and breadth of the services and products offered. Although our Group strives to remain competitive in providing our services and products, it cannot be assured that our Group will be able to maintain our existing market share and competitiveness against current and future competitors or that the competitive pressure will not materially and adversely affect our business, operating results and/or financial condition.

### (iii) Economic, political and regulatory risks

Our Group's business, prospects, financial conditions and level of profitability may be affected by the development of the economic, political and regulatory environment in Malaysia. Any adverse development in political situation, economic uncertainties or changes in the regulatory environment could materially and adversely affect the financial performance of our Group. These risks include, amongst others, risks of war, civil commotion, global economic downturn, changes in interest rates and unfavourable changes in government policies such as introduction of new regulations, import duties and tariffs. Whilst our Group practices prudent financial management and efficient operating procedures, there is no assurance that adverse regulatory, political and economic developments will not materially affect our Group's financial performance.

### **7.3 Risks Relating to the Rights Issue**

#### **(i) Investment risk**

The market price of the Rights Shares, like all other listed securities traded on Bursa Securities, are subject to fluctuations and will be influenced by, amongst others, prevailing market sentiments, volatility of the stock market, movements in interest rate, outlook of the industry in which we operate in and our future financial performance. In view of this, there can be no assurance that our Shares will trade at or above the Issue Price of the Rights Shares after the listing of and quotation for the Rights Shares on the Main Market of Bursa Securities.

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

The Rights Issue may be aborted or delayed if a material adverse change of events or circumstances such as force majeure events, which is beyond the control of our Group and Principal Adviser, arises prior to the completion of the Rights Issue.

If the Rights Shares have been allotted to successful Entitled Shareholders and/or their renounees/transferees, if applicable, and the Rights Issue is subsequently cancelled or terminated other than 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 our shareholders by way of a special resolution in a general meeting, consent of our Company's creditors, where applicable and the confirmation of the High Court of Malaya. There can be no assurance that such monies can be returned within a short period of time under such circumstances.

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

#### **(iii) Potential dilution**

Entitled Shareholders who do not or are not able to accept their Provisional Allotments may have their proportionate ownership and voting interests in our Company reduced in the enlarged issued share capital of our Company. Consequently, their proportionate entitlements to any future distribution, rights and/or allotment that our Company may declare, make or pay after completion of the Rights Issue will correspondingly be diluted.

**(iv) Forward-looking statements**

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

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

Such factors include, inter-alia, the risk factors as set out in this section.

In view of above, the inclusion of any forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by our Company that the plans and objectives of our Group will be achieved.

**8. INDUSTRY OVERVIEW AND PROSPECTS**

**8.1 Overview and Outlook of the Malaysian Economy**

Amid a highly challenging global and domestic operating environment, the Malaysian economy contracted by 5.6% in 2020, the lowest since 1998 (-7.4%). This was due to broad-based weaknesses in exports, production and domestic demand, arising from adverse external spillovers and the introduction of stringent domestic containment measures to combat COVID-19. The weaker domestic economic activities led to a deterioration in labour market conditions and income losses, thereby impacting consumer spending. Private investment activity was affected by adverse business confidence and the slower implementation of projects. Public expenditure was also affected mainly by the initial implementation of the MCO. The impact was the largest in the second quarter of 2020, with gross domestic product (“GDP”) contracting by 17.1%. Growth gradually improved in the second half of the year, partly supported by the improvement in external demand and reopening of the domestic economy amid a more targeted approach to containment measures. Lingering uncertainties surrounding the development of the pandemic, however, continued to weigh on Malaysia’s growth recovery. Headline inflation was negative at -1.2% (2019: 0.7%), primarily due to the decline of global oil prices. Underlying inflation remained subdued at 1.1% (2019: 1.5%) amid spare capacity in the economy and weaker labour market conditions. Domestic financial market developments were broadly in tandem with global financial market movements. The flexibility in the ringgit exchange rate has been crucial to absorb and mitigate adverse spillovers from external shocks to the domestic economy.

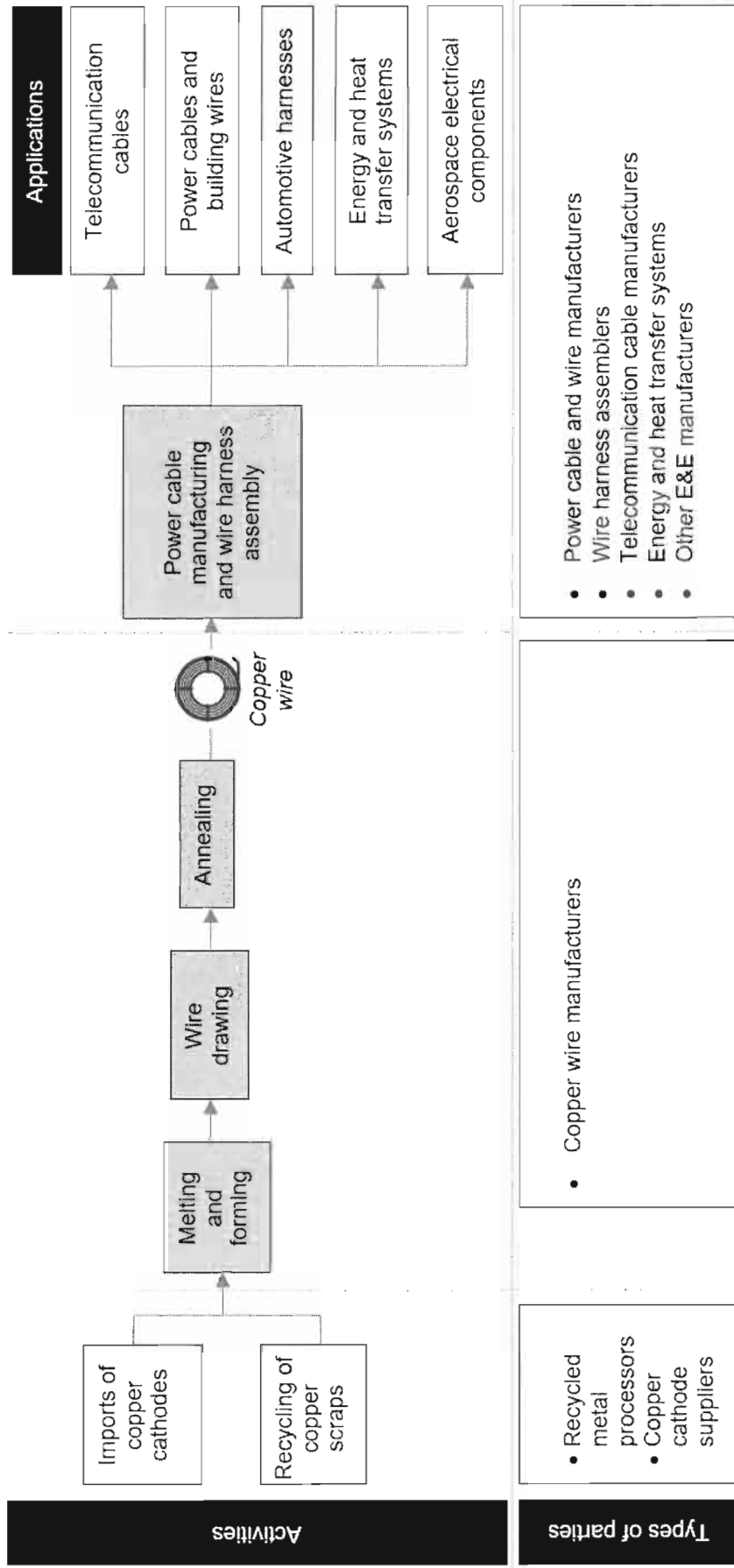
The Malaysian economy is projected to rebound to between 6.0% and 7.5% in 2021. Growth will be underpinned by the recovery in global demand and the gradual improvement in domestic economic activity. The growth trajectory will be mainly influenced by the COVID-19 developments, particularly the extent and duration of containment measures and the rollout of vaccines.

(Source: Economic and Monetary Review, Bank Negara Malaysia)

### 8.2 Overview and Outlook of the Copper Wire and Rod as well as Power Cable and Wire Industries in Malaysia

Copper is commonly used in the manufacturing of power cables and wire harnesses which are used in various E&E applications, as copper has high electrical and thermal conductivity.

The value chain of the copper wire industry in Malaysia is as illustrated below:



Copper wire rods can either be manufactured using copper cathodes or recycled copper scraps. Copper cathodes are mined copper products that have been refined and have purity levels of at least 99.95%. Malaysia's major copper mine in Pahang has ceased operations in 2009 and as such, most copper cathodes in Malaysia are imported. Meanwhile, recycled copper scraps are refined by non-ferrous metal processors. According to the Department of Environment Malaysia, there were 222 licensed full and partial recovery non-ferrous metal processors which are involved in the refining of scrap metals such as copper in Malaysia, as at the LPD. A large proportion of scrap metals are also processed by unlicensed non-ferrous metal processors, though the number of unlicensed non-ferrous metal processors is uncertain as it is difficult to trace.

Approximately 57.5% of copper rods are made from copper cathodes, while the remaining 42.5% of copper rods are made from recycled copper scraps.

Copper wire manufacturers will then perform a wire drawing process which reduces the diameter of the wire rods. These copper wire rods are then annealed to enhance and maximise ductility and conductivity to produce soft and malleable copper wires. There are 9 copper wire manufacturers based in Malaysia.

These copper wires are used in power cable manufacturing and wire harness assembly. The manufacturing of power cables and wires include the drawing, annealing, twisting and stranding of wires (typically copper wires) and the extrusion of an insulated material (typically plastic or nylon) to form a coating around the wires. Meanwhile, wire harnessing and cable assembly refer to the assembly of these insulated power cables and wires to form an electrical wiring system. There are around 60 companies involved in power cable manufacturing and wire harness assembly in Malaysia.

Power cables and wire harnesses are used for a wide range of E&E applications, including telecommunication cables, power cables and building wires, automotive harnesses, energy and heat transfer systems and aerospace electrical components.

Copper wires are most commonly used in telecommunication cable as well as power cable and building wire manufacturing. Telecommunication cable and power cable and building wire manufacturing were estimated to contribute approximately 37.2% and 26.4% of copper wire sales in Malaysia in 2019. Meanwhile, approximately 10.4% of copper wires sold in Malaysia were estimated to be used as automotive harnesses in vehicles, approximately 8.6% of copper wires sold in Malaysia were estimated to be used in energy and heat transfer systems and approximately 8.3% of copper wires sold in Malaysia were estimated to be used in aerospace electrical components in 2019. Copper wires can also be used in the manufacturing of E&E wiring for other applications such as transportation systems, healthcare electronic systems and consumer products (e.g. electrical gadgets, household appliances, computers and consumer electronics).

In Malaysia, the copper wire market grew, in terms of sales value, from RM2.8 billion in 2015 to an estimated RM3.5 billion in 2019, at a CAGR of 5.7%. Meanwhile, the volume of copper wires consumed in Malaysia grew from 130.0 metric kilotonnes in 2015 to reach an estimated 158.6 metric kilotonnes in 2019, at a CAGR of 5.1% during the period. PROVIDENCE forecasts the copper wire market size in Malaysia to grow, in terms of sales value, at a CAGR of 5.3% between 2020 and 2022, to reach RM4.1 billion in 2022. PROVIDENCE also forecasts the consumption volume of copper wires in Malaysia to grow at a CAGR of 5.1% between 2020 and 2022 to reach 184.2 metric kilotonnes in 2021.

Malaysia's exports of copper wires increased by almost two-fold from RM1.7 billion in 2015 to RM3.1 billion in 2019, recording a CAGR of 16.2% during the period.

Meanwhile, the power cable and wire industry in Malaysia can be measured based on manufacturing sales value of other electronic and electric wires and cables as well as other electronic components. Between 2015 and 2019, the power cable and wire industry hovered between RM12.5 billion in 2015 and RM13.2 billion in 2019, registering a CAGR of 1.4%. Moving forward, PROVIDENCE forecasts the power cable and wire industry in Malaysia to grow at a CAGR of 1.1% between 2020 and 2022, to reach RM13.7 billion in 2022.

The growth of the copper wire as well as power cable and wire industries in Malaysia are expected to be driven by the following factors:

**(i) Strong demand for E&E products will increase demand for power cables and wires which will in turn drive the demand for copper wires**

The E&E industry extends across a wide range of components and parts, which may include intermediate and final products that feed into various end-user industries such as telecommunications, power generation, automotive, aerospace and consumer product industries. Power cables and wires, including its main raw material copper wires, are used across a wide range of these E&E products. As such, the growth of the copper wire as well as the power cable and wire industries in Malaysia are expected to grow in line with the demand for E&E products locally and globally.

The E&E industry in Malaysia, of which the electronics industry is a subset, is one of the key pillars of the nation's economy. It is the largest manufacturing sub-segment in the country, contributing approximately 22.4% of the manufacturing sector GDP and approximately 4.8% of Malaysia's total GDP in 2019. According to the Malaysian Investment Development Authority, a total of 157 E&E projects were approved in 2019, amounting to investments worth RM25.7 billion, the highest among the manufacturing subsectors. There are currently over 1,900 active companies in the E&E industry.

The E&E industry in Malaysia is driven by the following factors:

**(a) Wide range of applications and growing importance of E&E products**

The range of applications for E&E products have broadened over the years and many industries today cannot function without the use of E&E products. Today, E&E products play essential roles, whether as intermediate or final products, in various industries including telecommunications, power generation, automotive, aerospace, healthcare, transportation systems, manufacturing and consumer retail industries. For instance, the automotive industries require E&E components in the manufacturing of vehicles to enable various functions including engine management, ignition, speed indicators, heating and/or air-conditioning and in-car entertainment systems. Meanwhile, E&E components are also used in the telecommunication and power generation industry to enable and monitor the transmission of data and energy. E&E components such as audio-visual equipment, sensors and electronic monitoring systems are also required in transportation systems. The medical industry also requires the use of E&E components in electronic medical equipment to perform diagnosis, monitoring and treatment of patients. The introduction of smart home systems as well as hybrid and electric vehicles have also resulted in more advanced E&E components developed to cater for these new technologies.

The need for use of E&E products in daily operational activities is expected to continue to grow as the country develops and the population becomes increasingly urbanised. This is due to the growing need for convenience to cater to the faster pace of life in the urban setting. This will thus continue to drive demand for E&E products.



**(b) Rapid technological advancements will drive the demand for E&E products**

Over the years, technological advancements have led to a greater number of E&E products being invented. Computers have transformed physically and functionally from when it was first introduced in the 1960s as mainframe computers while electronic components in automotive vehicles have evolved to cater for hybrid and electric vehicles from diesel-based vehicles. As the spending power of the population in Malaysia grows, consumers in Malaysia would place more importance on keeping up with the latest technology advancements and will thus be more receptive to newer E&E products. The GDP per capita in Malaysia increased by 23.1%, from RM37,739 in 2015 to RM46,450 in 2019.

**(c) Global demand for E&E products**

The booming global E&E market has spurred the growth of the domestic E&E industry. The global market for E&E products is estimated to be approximately USD1.9 trillion (RM7.4 trillion) in 2015. Over the years, Malaysia's E&E has grown its reputation as a quality producer and assembler of various E&E products, which led to a continuous demand for Malaysia's E&E products from various end-user industries. In 2019, Malaysia's export of E&E products stood at RM373.1 billion.

**(ii) Increase in outsourcing to E&E support companies, and relocation of manufacturing activities to lower cost countries will drive the power cable and wire industry in Malaysia which will in turn lead to an increase in demand for copper wires**

Most of the E&E companies have ceased or reduced operational activities relating to power cable manufacturing as well as wire harnessing and cable assembly. With the rapid advancement in products developed in the E&E industry, these companies are focusing on developing and designing new products.

Furthermore, multinational E&E companies are increasingly relocating their manufacturing facilities to lower cost regions such as countries within Asia in order to achieve better cost effectiveness and economies of scale. This is due to the substantially lower operating costs as well as the availability of talent in these markets. In the context of Malaysia, this trend has resulted in many local and multinational E&E companies emerging in the country.

In light of this, the copper wire as well as the power cable and wire industry players are expected to benefit from the outsourcing and relocation trend of the E&E industry, and this is expected to continue to support the growth of the copper wire as well as power cable and wire industries in Malaysia.

(Source: IMR Report by PROVIDENCE)

### 8.3 Prospects of Our Group

Our Group is venturing into downstream activities to strengthen our core business which in turn will strengthen our financial performance and generate financial returns to our shareholders.

The Investment in Sin Line Tek is undertaken to integrate our existing business in the manufacturing of copper rod and wire with the downstream business operations of Sin Line Tek which is in the businesses of manufacturing, OEM and trading of cable, wire harness and AC and DC power cords for electronic equipment and appliances. Such integration is not only expected to improve our enlarged Group's financial performance but also continue our efforts to be an integrated copper wire industry player by extending our existing product range to include downstream copper rod and wire products.

PROVIDENCE expects the sales value and volume of copper wires sold in Malaysia to grow at CAGRs of 5.3% and 5.1% respectively between 2020 and 2022. The forecast for the sales value and volume of copper wires sold in Malaysia is on the back of strong demand for E&E products, which is driven by the wide range of applications and growing importance of E&E products, rapid technological advancements leading to a greater number of E&E products being invented and growing global demand for E&E products. The forecast for the sales value and volume of copper wires in Malaysia is also expected to be supported by the increase in outsourcing to E&E support companies and relocation of manufacturing activities to Malaysia by multinational E&E companies.

With the investment in Sin Line Tek coupled with the positive outlook on demand for copper wires as mentioned in Section 8.2 of this Abridged Prospectus, our Board is of the view that our Group will experience higher demand for copper wires which is expected to enhance our Group's future financial performance and shareholders' value.

(Source: Our Board)

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## 9. EFFECTS OF THE RIGHTS ISSUE

The pro forma effects of the Rights Issue are set out in the ensuing sections.

### 9.1 Share Capital

The pro forma effects of the Rights Issue on our issued share capital are set out below:

<b>Minimum Scenario</b>	<b>No. of Shares</b>	<b>RM</b>	<b>No. of ICPS</b>	<b>RM</b>
Issued share capital as at the LPD	849,549,154	142,955,351	26,590,146	664,754
To be issued pursuant to the Rights Issue	179,355,931	10,761,356	-	-
<b>Enlarged issued share capital</b>	<b>1,028,905,085</b>	<b>153,716,707</b>	<b>26,590,146</b>	<b>664,754</b>
<b>Maximum Scenario</b>	<b>No. of Shares</b>	<b>RM</b>	<b>No. of ICPS</b>	<b>RM</b>
Issued share capital as at the LPD	849,549,154	142,955,351	26,590,146	664,754
Assuming all outstanding ICPS and Warrants are fully converted and exercised <sup>(1)</sup>	185,817,903	40,873,677	(26,590,146)	(664,754)
	1,035,367,057	183,829,028	-	-
To be issued pursuant to the Rights Issue	3,106,101,171	186,366,070	-	-
<b>Enlarged issued share capital</b>	<b>4,141,468,228</b>	<b>370,195,098</b>	<b>-</b>	<b>-</b>

Note:

- (1) Assuming all the outstanding ICPS and Warrants are converted/exercised into new Shares as follows:
- (i) 26,590,146 outstanding ICPS are fully converted into 26,590,146 new Shares at the conversion price of RM0.10 by combination of surrendering 1 ICPS and paying the difference between the issue price of RM0.025 per ICPS surrendered and the conversion price in cash (i.e. RM0.075) for 1 new Share; and
  - (ii) 159,227,757 outstanding Warrants are fully exercised into 159,227,757 new Shares at the exercise price of RM0.20 and after accounting for the reversal of the warrant reserves.

## 9.2 NA and Gearing

Save for the Investment in Sin Line Tek which was completed on 8 March 2021, there are no material transactions as at the LPD which may have a material effect on the operations, financial position and results of our Group since our Group's latest unaudited financial statements for the 6-month FPE 31 December 2020. The pro forma effects of the Investment in Sin Line and Rights Issue on our Group's NA per Share and gearing are as follows:

	(I)		Minimum Scenario (II)		Maximum Scenario (III)	
	Unaudited as at 31 Dec 2020	(1) After subsequent events	After (I) and the Rights Issue	After (II) and the Rights Issue	After (II) and the Rights Issue	After (II) and the Rights Issue
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Share capital	105,559	142,955	153,717	183,829	370,195	
ICPS	8,014	665	665	-	-	
Warrant reserves	6,369	6,369	6,369	-	-	
Other reserves	11,674	11,674	11,674	11,674	11,674	
Accumulated losses	(19,564)	(2)(20,144)	(4)(20,844)	(20,144)	(4)(20,844)	
<b>Shareholders' funds/NA</b>	<b>112,052</b>	<b>141,519</b>	<b>151,581</b>	<b>175,359</b>	<b>361,025</b>	
No. of Shares ('000)	475,588	849,549	1,028,905	1,035,367	4,141,468	
NA per Share (RM)	0.24	0.17	0.15	0.17	0.09	
Total borrowings	82,806	(3)90,111	90,111	90,111	(6)40,111	
Gearing (times)	0.74	0.64	0.59	0.51	0.11	

Notes:

- (1) After adjusting for the following:
  - (i) issuance of 293,961,234 new Shares from the conversion of 293,961,234 ICPS up to the LPD; and
  - (ii) issuance of 80,000,000 Consideration Shares at the issue price of RM0.10 per Consideration Share.
- (2) After deducting estimated expenses of approximately RM580,000 in relation to the Investment in Sin Line Tek.
- (3) After consolidating Sin Line Tek's borrowings of approximately RM7.3 million as at 31 December 2019.
- (4) After deducting estimated expenses of approximately RM700,000 in relation to the Corporate Exercises (save for the Investment in Sin Line Tek).
- (5) Assuming all the outstanding ICPS and Warrants are converted and exercised into new Shares as follows:
  - (i) 26,590,146 outstanding ICPS are fully converted into 26,590,146 new Shares at the conversion price of RM0.10 by combination of surrendering 1 ICPS and paying the difference between the issue price of RM0.025 per ICPS surrendered and the conversion price in cash (i.e. RM0.075) for 1 new Share; and
  - (ii) 159,227,757 outstanding Warrants are fully exercised into 159,227,757 new Shares at the exercise price of RM0.20 and after accounting for the reversal of the warrant reserves.
- (6) After adjusting for the repayment of bank borrowings of RM50.0 million pursuant to the proposed utilisation of proceeds from the Rights Issue.

### 9.3 Earnings and EPS

The Rights Issue will not have any immediate material effect on the earnings of our Group for the FYE 30 June 2021 as the Rights Issue is expected to be completed by the 2<sup>nd</sup> quarter of 2021.

Subsequent to the completion of the Rights Issue, our Group's EPS or LPS shall be correspondingly diluted as a result of the increase in the number of Shares in issue arising from the issuance and allotment of the Rights Shares to successful Entitled Shareholders.

Notwithstanding, the Rights Issue is expected to contribute to the future earnings of our Group via the utilisation of proceeds as detailed in Section 4 of this Abridged Prospectus.

The pro forma effects of the Investment in Sin Line Tek and Rights Issue on our Group's earning and EPS based on our audited consolidated financial statements for the FYE 30 June 2020, are as follows:

	Audited for the FYE 30 June 2020		Minimum Scenario (II)			Maximum Scenario (III)		
	RM'000	(1) After subsequent events	(I)	After (I) and the Rights Issue	After (I) and assuming all the outstanding ICPS and Warrants are converted/ exercised	After (II) and the Rights Issue	RM'000	RM'000
Loss attributable to owners of our Company	(13,721)	(2)(13,875)		(3)(14,575)	(13,875)	(3)(14,575)		
No. of Shares ('000)	357,391	849,549		1,028,905	1,035,367	4,141,468		
<b>LPS (sen)</b>	<b>(3.84)</b>	<b>(1.63)</b>		<b>(1.42)</b>	<b>(1.34)</b>	<b>(0.35)</b>		

Notes:

- (1) After adjusting for the following:
  - (i) issuance of 412,157,834 new Shares from the conversion of 412,157,834 ICPS up to the LPD; and
  - (ii) issuance of 80,000,000 Consideration Shares at the issue price of RM0.10 per Consideration Share.
- (2) After deducting estimated expenses of approximately RM580,000 in relation to the Investment in Sin Line Tek and after consolidating 51% of Sin Line Tek's PAT of approximately RM834,978 for the FYE 31 December 2019.
- (3) After deducting estimated expenses of approximately RM700,000 in relation to the Corporate Exercises (save for the Investment in Sin Line Tek).

## 10. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS

### 10.1 Working Capital

Our Group's current working capital is funded through a combination of internal and external sources of funds such as cash generated from operating activities, credit extended by suppliers, credit facilities from financial institutions as well as our Group's existing cash and bank balances (including the proceeds raised from the conversion/exercise of ICPS and/or Warrants).

As at the LPD, we recorded cash and bank balances (including fixed deposits pledged with licensed bank and short-term investments) of approximately RM42.6 million as well as unutilised banking facilities of approximately RM22.2 million.

Our Board is of the opinion that after taking into account the proceeds to be raised from the Rights Issue as well as our existing cash and bank balances and available banking facilities, our Group will have sufficient working capital to meet our operational requirements for a period of 12 months from the date of this Abridged Prospectus.

### 10.2 Borrowings

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

<b>Borrowings</b>	<b>RM'000</b>
Short term borrowings	
- Term loans	474
- Hire purchase	1,008
- Bankers' acceptances	74,368
	75,850
Long term borrowings	
- Term loans	3,056
- Hire purchase	3,439
	6,495
<b>Total</b>	<b>82,345</b>

Our Group has not defaulted on payments of either interest and/or principal sums on any of our Group's borrowings for the FYE 30 June 2020 and the subsequent financial periods up to the LPD.

### 10.3 Contingent Liabilities

Save as disclosed in Section 8 of Appendix I of this Abridged Prospectus, as at the LPD, our Board confirmed there are no contingent liabilities incurred or known to be incurred by our Group, which upon becoming due or enforceable, may have a material impact on our Group's financial position or business.

### 10.4 Material Commitments

Save as disclosed below, as at the LPD, there are no material commitments for capital expenditure incurred or known to be incurred by our Group that have not been provided for, which upon becoming due or enforceable, may have a material impact on our Group's financial position or business:

	<u>RM'000</u>
Approved and contracted for:	
- Investment in subsidiary for working capital commitments	1,302
- Property, plant and machinery	5,126
	<u>6,428</u>

Save for the property, plant and machinery which our Group intends to fund via the proceeds raised from the Rights Issue as detailed in Section 4.3 of this Abridged Prospectus, the material commitments as disclosed above are expected to be funded by our internally generated funds and/or bank borrowings.

## 11. INSTRUCTIONS FOR ACCEPTANCE, PAYMENT, SALE/TRANSFER AND EXCESS APPLICATIONS

### 11.1 General

As an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Allotments which you are entitled to subscribe for in full or in part under the terms of the Rights Issue. 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 provisionally allotted to you, as well as to apply for Excess Rights Shares if you choose to do so. This Abridged Prospectus and the RSF are also available at our Registered Office, our Share Registrar's website (<https://www.sshsb.com.my>) or Bursa Securities' website (<http://www.bursamalaysia.com>).

We shall make an announcement to Bursa Securities on the outcome of the Rights Shares after the Closing Date.

### 11.2 NPA

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



### 11.3 Procedures for Full Acceptance and Payment

Acceptance of and payment for the Provisional Allotments must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained therein. Acceptances 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 the Documents or which are illegible may not be accepted at the absolute discretion of our Board.

**FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL ALLOTMENTS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU AND/OR YOUR RENOUNCEES/TRANSFEREES, IF APPLICABLE, WISH TO SELL OR TRANSFER ALL OR ANY PART OF YOUR PROVISIONAL ALLOTMENTS ARE SET OUT IN THIS ABRIDGED PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN.**

**YOU AND/OR YOUR RENOUNCEES/TRANSFEREES, IF APPLICABLE, ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN CAREFULLY. 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 renounees/transferees, if applicable, who wish to accept the Provisional Allotments either in full or in part, 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 together with the relevant payment must be despatched by ORDINARY POST, COURIER or DELIVERED BY HAND (at your own risk) to our Share Registrar at the following address:

Securities Services (Holdings) Sdn Bhd  
Level 7, Menara Milenium, Jalan Damansara  
Pusat Bandar Damansara  
Damansara Heights  
50490 Kuala Lumpur  
Wilayah Persekutuan  
Tel: +603 2084 9000  
Fax: +603 2094 9940

so as to arrive no later than **5.00 p.m. on Tuesday, 25 May 2021**, being the last time and date for acceptance of and payment for the Provisional Allotments.

If you lose, misplace or for any other reasons require another copy of the RSF, you may obtain additional copies from your stockbroker, our Registered Office, our Share Registrar's website (<https://www.sshsb.com.my>) or Bursa Securities' website (<http://www.bursamalaysia.com>).

1 RSF can only be used for acceptance of Provisional Allotments standing to the credit of 1 CDS Account. Separate RSFs must be used for the acceptance of Provisional Allotments standing to the credit of more than 1 CDS Account. If successful, the Rights Shares subscribed for will be credited into the CDS Account(s) where the Provisional Allotment are standing to the credit.

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

If acceptance of and payment for the Provisional Allotments (whether in full or in part, as the case may be) are not received by our Share Registrar by 5.00 p.m. on Tuesday, 25 May 2021, being the last time and date for acceptance and payment for the Provisional Allotments, you and/or your renounees/transferees, if applicable, will be deemed to have declined the Provisional Allotments and it will be cancelled. Proof of time of postage will not constitute proof of time of receipt by our Share Registrar.

Our Board will then have the right to allot such Rights Shares not taken up or not validly taken up to applicants who have applied for the Excess Rights Shares in the manner as set out in Section 11.7 of this Abridged Prospectus. Our Board reserves the right not to accept any application or to accept any application in part only without assigning any reason thereof.

**EACH COMPLETED RSF MUST BE ACCOMPANIED BY REMITTANCE IN RM FOR THE FULL AND EXACT AMOUNT PAYABLE FOR THE PROVISIONAL ALLOTMENTS ACCEPTED IN THE FORM OF BANKER'S DRAFT(S), CASHIER'S ORDER(S), MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA AND MADE PAYABLE TO "TA WIN RIGHTS ISSUE ACCOUNT", CROSSED "A/C PAYEE ONLY" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME, CONTACT NUMBER, ADDRESS AND CDS ACCOUNT NUMBER IN BLOCK LETTERS SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR BY THE CLOSING DATE.**

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

**NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE ISSUED BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, THE RIGHTS SHARES WILL BE CREDITED INTO YOUR CDS ACCOUNT AND A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS STATED IN OUR 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. OUR BOARD RESERVES THE RIGHT AT ITS ABSOLUTE DISCRETION TO ACCEPT ANY APPLICATION OR TO ACCEPT ANY APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON THEREOF.**

**YOU SHOULD NOTE THAT ALL RSF(S) AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR WILL BE IRREVOCABLE AND CANNOT SUBSEQUENTLY BE WITHDRAWN.**

**ACCEPTANCE AND PAYMENT FOR THE PROVISIONAL ALLOTMENTS MUST BE MADE IN ACCORDANCE WITH THE RSF ENCLOSED WITH THIS ABRIDGED PROSPECTUS AND MUST BE COMPLETED STRICTLY IN ACCORDANCE WITH THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF. ACCEPTANCES AND/OR PAYMENTS WHICH DO NOT CONFORM WITH THE TERMS AND CONDITIONS OF THIS ABRIDGED PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF OR WHICH ARE ILLEGIBLE MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. OUR SHARE REGISTRAR WILL NOT CONTACT YOU AND/OR YOUR RENOUNCEES/TRANSFEREES, IF APPLICABLE, FOR SUCH ACCEPTANCES.**

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

#### 11.4 Procedures for Part Acceptance

You are entitled to accept part of your Provisional Allotments that can be subscribed/applied for provided always that the minimum number of Rights Shares that can be subscribed for or accepted is 1 Rights Share. Fractions of a Rights Share arising from the Rights Issue shall be disregarded and be dealt with as our Board in its absolute discretion deems fit and expedient and in the best interest of our Company. You and/or your renounees/transferees, if applicable, should take note that a trading board lot comprises 100 units of Ta Win Shares.

You must complete both Parts I(A) and II of the RSF by specifying the number of Rights Shares which you are accepting and deliver the completed and signed RSF together with the relevant payment to our Share Registrar in the same manner as set out in Section 11.3 of this Abridged Prospectus.

The portion of the Provisional Allotments that has not been accepted or renounced will be made available to the applicants for Excess Rights Shares Applications.

#### 11.5 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 without first having to request for a split of the Provisional Allotments standing to the credit of your CDS Account(s). You may sell such entitlement on Bursa Securities or transfer to such person(s) as may be allowed under the Rules of Bursa Depository, both for the period up to the last date and time for transfer of the Provisional Allotments.

If you have sold or transferred only part of your Provisional Allotments, you may still accept the balance of your Provisional Allotments by completing Parts I(A) and II of the RSF and deliver the completed and signed RSF together with the relevant payment to our Share Registrar. Please refer to Section 11.3 of this Abridged Prospectus for the procedures for acceptance and payment.

**YOU ARE ADVISED TO READ, UNDERSTAND 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. HOWEVER, YOU ARE ADVISED TO ENSURE THAT YOU HAVE SUFFICIENT NUMBER OF PROVISIONAL ALLOTMENTS STANDING TO THE CREDIT OF YOUR CDS ACCOUNT(S) THAT ARE AVAILABLE FOR SETTLEMENT OF THE SALE OR TRANSFER.**

#### 11.6 Procedures for Acceptance by Renounees/Transferees

As a renounee/transferee, the procedures for acceptance, selling or transferring of Provisional Allotments, applying for Excess Rights Shares and/or payment is the same as that which is applicable to our Entitled Shareholders as described in Sections 11.3, 11.4, 11.5 and 11.7 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 the RSF, you can request the same from your stockbroker, our Registered Office, our Share Registrar's website (<https://www.sshsb.com.my>) or Bursa Securities' website (<http://www.bursamalaysia.com>).

**RENOUNCEES/TRANSFEREES ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS ABRIDGED PROSPECTUS AND THE RSF.**

## 11.7 Procedures for Excess Rights Shares Applications

If you wish to apply for additional Rights Shares 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 together with a separate remittance in RM for the full and exact amount payable in respect of the Excess Rights Shares applied for, to our Share Registrar so as to arrive no later than **5.00 p.m.** on **Tuesday, 25 May 2021**, being the last time, day and date for Excess Rights Shares Applications.

Payment for the Excess Rights Shares Applications should be made in the same manner as set out in Section 11.3 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 "**TA WIN EXCESS RIGHTS ISSUE ACCOUNT**", crossed "**A/C PAYEE ONLY**" and endorsed on the reverse side with your name, contact number, address and your CDS Account number in block letters, so as to be received by our Share Registrar by the Closing Date. The payment must be made for the full and exact amount payable for the Excess Rights Shares Applications. Any excess or insufficient payment may be rejected at the absolute discretion of our Board.

It is our Board's intention to allot the Excess Rights Shares, if any, in a fair and equitable manner and in the following priority:

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, on a pro-rata basis and in board lots, to our Entitled Shareholders who have applied for Excess Rights Shares, calculated based on their respective shareholdings in our Company as per their CDS Account as at the Entitlement Date;
- (iii) thirdly, on a pro-rata basis and in board lots, to our Entitled Shareholders who have applied for Excess Rights Shares, calculated based on the quantum of their respective Excess Rights Shares Applications; and
- (iv) finally, on a pro-rata basis and in board lots, to the renounees/transferees, if applicable, who have applied for Excess Rights Shares, calculated based on the quantum of their respective Excess Rights Shares Applications.

If there is any balance Excess Rights Shares after the above allocations are completed, the balance will be allocated again through the same sequence of allocations as set out in (ii) to (iv) above until all Excess Rights Shares are allocated.

Nevertheless, our Board reserves the right to allot any Excess Rights Shares applied for under Part I(B) of the RSF in such manner as our Board deems fit and expedient, and in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis and that the intention of our Board as set out in (i) to (iv) above is achieved.

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

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

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

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

#### **11.8 CDS Account**

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

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

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

#### **11.9 Laws of Foreign Jurisdictions**

The Documents have not been (and will not be) made to comply with the laws of any foreign jurisdictions and have not been (and will not be) lodged, registered or approved pursuant to or under any legislations (or with or by any regulatory authority or other relevant bodies) of any jurisdictions other than Malaysia.

The Documents are not intended to be (and will not be) issued, circulated or distributed in any countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue complies with the laws of any countries or jurisdictions other than the laws of Malaysia.

Accordingly, the Documents have not been (and will not be) sent to foreign Entitled Shareholders and/or their renounees/transferees, if applicable, who do not have a registered address in Malaysia. However, such foreign Entitled Shareholders and/or their renounees/transferees, if applicable, may collect the Documents from our Share Registrar, in which event our Share Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the Documents.

The foreign Entitled Shareholders and/or their renounees/transferees, if applicable, may only accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue only to the extent that it would be lawful to do so. Our Company, our Board and officers, our Share Registrar, Mercury Securities and/or other experts ("**Parties**") would not, in connection with the Rights Issue, be in breach of the laws of any jurisdictions to which the foreign Entitled Shareholders and/or their renounees/transferees, if applicable, are or may be subject.

The foreign Entitled Shareholders and/or their renounees/transferees, if applicable, shall solely be responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject. The Parties shall not accept any responsibility or liability if any acceptance or renunciation or sale or transfer made by any foreign Entitled Shareholders and/or their renounees/transferees, if applicable, is or shall become unlawful, unenforceable, voidable or void in any such countries or jurisdictions.

The foreign Entitled Shareholders and/or their renounees/transferees, if applicable, will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such jurisdictions and our Company shall be entitled to be fully indemnified and held harmless by such foreign Entitled Shareholders and/or their renounees/transferees, if applicable, for any such issue, transfer or other taxes or other requisite payments. They will have no claims whatsoever against the Parties in respect of their rights and entitlements under the Rights Issue. Such foreign Entitled Shareholders and/or their renounees/transferees, if applicable, should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue.

By signing the RSF, the foreign Entitled Shareholders and/or their renounees/transferees, if applicable, are deemed to have represented, warranted, acknowledged and declared in favour of (and which representations, warranties, acknowledgements and agreements will be relied upon by) the Parties as follows:

- (i) the Parties would not, by acting on the acceptance or renunciation in connection with the Rights Issue, be in breach of the laws of any countries or jurisdictions to which the foreign Entitled Shareholders and/or their renounees/transferees, if applicable, are or may be subject;
- (ii) the foreign Entitled Shareholders and/or their renounees/transferees, if applicable, have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation of the Provisional Allotments;
- (iii) the foreign Entitled Shareholders and/or their renounees/transferees, if applicable, are not nominees or agents of any person in respect of whom the Parties would, by acting on the acceptance or renunciation of the Provisionally Allotments, be in breach of the laws of any jurisdiction to which that person is or may be subject;
- (iv) the foreign Entitled Shareholders and/or their renounees/transferees, if applicable, are aware that the Rights Shares can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;
- (v) the foreign Entitled Shareholders and/or their renounees/transferees, if applicable, have obtained a copy of this Abridged Prospectus and have had access to such financial and other information and have been provided the opportunity to ask such questions to the Parties and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the Rights Shares; and
- (vi) the foreign Entitled Shareholders and/or their renounees/transferees, if applicable, have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights Shares, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Rights Shares.

Persons receiving the Documents (including without limitation, custodians, nominees and trustees) must not, in connection with the offer, distribute or send the Documents into any foreign jurisdiction where to do so would or might contravene local securities, exchange control or relevant laws or regulations. If the Documents are received by any persons in such jurisdictions, or by the agent or nominee of such a person, he must not seek to accept the offer unless he has complied with and observed the laws of the relevant country or jurisdiction in connection therewith.

Any person who does forward the Documents to any such jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this section and we reserve the right to reject a purported acceptance of the Rights Shares from any such application by foreign Entitled Shareholders and/or their renounees/transferees, if applicable, in any jurisdiction other than Malaysia.

We reserve the right, in our absolute discretion, to treat any acceptance of the Rights Shares as invalid if we believe that such acceptance may violate applicable legal or regulatory requirements.

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

## **12. TERMS AND CONDITIONS**

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

## **13. FURTHER INFORMATION**

Please refer to the attached appendix for further information.

Yours faithfully  
For and on behalf of the Board of  
**TA WIN HOLDINGS BERHAD**



**DATO' SRI NGUI TIENG UNG, JP**  
Managing Director

**INFORMATION ON OUR COMPANY**

**1. SHARE CAPITAL**

As at the LPD, our Company's issued share capital is RM142,955,351.03 comprising 849,549,154 Ta Win Shares.

**2. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS**

The pro forma effects of the Rights Issue on our substantial shareholders' shareholdings based on our Record of Depositors as at the LPD are as follows:

Minimum Scenario	(i)						
	As at the LPD			After the Rights Issue			
	Direct	Indirect		Direct	Indirect		
Substantial shareholder	No. of Shares	%	No. of Shares	%	No. of Shares	%	
Triad Capital Sdn Bhd	86,641,331	10.2	-	193,782,662	18.8	-	-
Asia Poly Holdings Berhad	53,000,000	6.2	(1)3,100,000	53,000,000	5.2	(1)3,100,000	0.3
Timur Enterprise Sdn Bhd	44,171,900	5.2	-	97,161,900	9.4	-	-
Dato' Yeo Boon Leong, JP	7,000,000	0.8	(2)142,741,331	7,000,000	0.7	(2)249,882,662	24.3
Dato' Sri Ngu Tieng Ung, JP	-	-	(3)154,237,831	-	-	(3)333,593,762	32.4
Mr. Tan Poo Chuan	-	-	(4)86,641,331	-	-	(4)193,782,662	18.8
Asia Capital Assets Limited	-	-	(5)44,171,900	-	-	(5)97,161,900	9.4



**INFORMATION ON OUR COMPANY (Cont'd)**

**Maximum Scenario**

Substantial shareholder	As at the LPD				<sup>(i)</sup> Assuming all the outstanding ICPS and Warrants are converted/exercised				<sup>(ii)</sup> After <sup>(i)</sup> and the Rights Issue			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Triad Capital Sdn Bhd	86,641,331	10.2	-	-	86,641,331	8.4	-	-	346,565,324	8.4	-	-
Asia Poly Holdings Berhad	53,000,000	6.2	<sup>(1)</sup> 3,100,000	0.4	53,000,000	5.1	<sup>(1)</sup> 3,100,000	0.3	212,000,000	5.1	<sup>(1)</sup> 12,400,000	0.3
Timur Enterprise Sdn Bhd	44,171,900	5.2	-	-	44,171,900	4.3	-	-	176,687,600	4.3	-	-
Dato' Yeo Boon Leong, JP	7,000,000	0.8	<sup>(2)</sup> 142,741,331	16.8	7,000,000	0.7	<sup>(2)</sup> 142,741,331	13.8	28,000,000	0.7	<sup>(2)</sup> 570,965,324	13.8
Dato' Sri Ngu Tieng Ung, JP	-	-	<sup>(3)</sup> 154,237,831	18.2	-	-	<sup>(3)</sup> 154,237,864	14.9	-	-	<sup>(3)</sup> 616,951,456	14.9
Mr. Tan Poo Chuan	-	-	<sup>(4)</sup> 86,641,331	10.2	-	-	<sup>(4)</sup> 86,641,331	8.4	-	-	<sup>(4)</sup> 346,565,324	8.4
Asia Capital Assets Limited	-	-	<sup>(5)</sup> 44,171,900	5.2	-	-	<sup>(5)</sup> 44,171,900	4.3	-	-	<sup>(5)</sup> 176,687,600	4.3

Notes:

- (1) Deemed interested by virtue of its interest via Asia Poly Venture Sdn Bhd, a subsidiary of Asia Poly Holdings Berhad.
- (2) Deemed interested by virtue of his interest via Triad Capital Sdn Bhd, Asia Poly Holdings Berhad and Asia Poly Venture Sdn Bhd, a subsidiary of Asia Poly Holdings Berhad.
- (3) Deemed interested by virtue of his interest via Triad Capital Sdn Bhd, Heritage Winners Sdn Bhd and Timur Enterprise Sdn Bhd.
- (4) Deemed interested by virtue of his interest via Triad Capital Sdn Bhd.
- (5) Deemed interested by virtue of its interest in Timur Enterprise Sdn Bhd.
- (6) Assuming all the outstanding ICPS and Warrants are converted and exercised into new Shares as follows:
  - (i) 26,590,146 outstanding ICPS are fully converted into 26,590,146 new Shares at the conversion price of RM0.10 by combination of surrendering 1 ICPS and paying the difference between the issue price of RM0.025 per ICPS surrendered and the conversion price in cash (i.e. RM0.075) for 1 new Share; and
  - (ii) 159,227,757 outstanding Warrants are fully exercised into 159,227,757 new Shares at the exercise price of RM0.20.

**INFORMATION ON OUR COMPANY** (Cont'd)**3. DIRECTORS**

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

<b>Name</b>	<b>Designation</b>	<b>Age</b>	<b>Address</b>	<b>Nationality</b>
Dato' Yeo Boon Leong, JP	Chairman, Non-Independent Non-Executive Director	55	41, Jalan SS 22A/3 Damansara Jaya 47400 Petaling Jaya Selangor Darul Ehsan	Malaysian
Dato' Sri Ngu Tieng Ung, JP	Managing Director	54	No. 22, Jalan Setiabakti 5 Damansara Heights 50490 Kuala Lumpur Wilayah Persekutuan	Malaysian
Mr. Tan Poo Chuan	Executive Director	64	5, Lorong 8A Taman Mewah 08000 Sungai Petani Kedah Darul Aman	Malaysian
Dato' Paduka Dr. Hii King Hiong	Independent Non-Executive Director	76	No. 1-A, Jalan Pelai Persiaran Brooke 96000 Sibu Sarawak	Malaysian
Datin Seri Azreen binti Abu Noh	Independent Non-Executive Director	52	No. 15, Lorong Melati Permai Pinggiran Rahman Putra Off Bukit Rahman Putra 48050 Sungai Buloh Selangor Darul Ehsan	Malaysian
Datuk Zakaria bin Sharif	Independent Non-Executive Director	64	No. 8, Jalan PJU 7/20 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan	Malaysian
Mr. Lim Boon Shen	Non-Independent Non-Executive Director	33	57 Jalan Kuda Kepang 10/KU5 Bandar Bukit Raja 41050 Klang Selangor Darul Ehsan	Malaysian

**INFORMATION ON OUR COMPANY (Cont'd)**

The pro forma effects of the Rights Issue on our Directors' shareholdings based on our Record of Depositors as at the LPD are as follows:

Minimum Scenario	As at the LPD						(I) After the Rights Issue					
	Direct		Indirect				Direct		Indirect			
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Yeo Boon Leong, JP	7,000,000	0.8	(1)142,741,331	16.8	7,000,000	0.7	(1)249,882,662	24.3				
Dato' Sri Ngu Tieng Ung, JP	-	-	(2)154,237,831	18.2	-	-	(2)333,593,762	32.4				
Mr. Tan Poo Chuan	-	-	(3)86,641,331	10.2	-	-	(3)193,782,662	18.8				
Dato' Paduka Dr. Hii King Hiong	-	-	-	-	-	-	-	-				
Datin Seri Azreen binti Abu Noh	-	-	-	-	-	-	-	-				
Datuk Zakaria bin Sharif	-	-	-	-	-	-	-	-				
Mr. Lim Boon Shen	-	-	-	-	-	-	-	-				
Maximum Scenario	As at the LPD						(II) (4)Assuming all the outstanding ICPS and Warrants are converted/exercised					
Director	Direct		Indirect				Direct		Indirect			
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Yeo Boon Leong, JP	7,000,000	0.8	(1)142,741,331	16.8	7,000,000	0.7	(1)142,741,331	13.8	28,000,000	0.7	(1)570,965,324	13.8
Dato' Sri Ngu Tieng Ung, JP	-	-	(2)154,237,831	18.2	-	-	(2)154,237,864	14.9	-	-	(2)616,951,456	14.9
Mr. Tan Poo Chuan	-	-	(3)86,641,331	10.2	-	-	(3)86,641,331	8.4	-	-	(3)346,565,324	8.4
Dato' Paduka Dr. Hii King Hiong	-	-	-	-	-	-	-	-	-	-	-	-
Datin Seri Azreen binti Abu Noh	-	-	-	-	-	-	-	-	-	-	-	-
Datuk Zakaria bin Sharif	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Lim Boon Shen	-	-	-	-	-	-	-	-	-	-	-	-

**INFORMATION ON OUR COMPANY** (Cont'd)

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Notes:

- (1) Deemed interested by virtue of his interest via Triad Capital Sdn Bhd, Asia Poly Holdings Berhad and Asia Poly Venture Sdn Bhd, a subsidiary of Asia Poly Holdings Berhad.
- (2) Deemed interested by virtue of his interest via Triad Capital Sdn Bhd, Heritage Winners Sdn Bhd and Timur Enterprise Sdn Bhd.
- (3) Deemed interested by virtue of his interest via Triad Capital Sdn Bhd.
- (4) Assuming all the outstanding ICPS and Warrants are converted and exercised into new Shares as follows:
  - (i) 26,590,146 outstanding ICPS are fully converted into 26,590,146 new Shares at the conversion price of RM0.10 by combination of surrendering 1 ICPS and paying the difference between the issue price of RM0.025 per ICPS surrendered and the conversion price in cash (i.e. RM0.075) for 1 new Share; and
  - (ii) 159,227,757 outstanding Warrants are fully exercised into 159,227,757 new Shares at the exercise price of RM0.20 and after accounting for the reversal of the warrant reserve.

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**INFORMATION ON OUR COMPANY (Cont'd)****4. HISTORICAL FINANCIAL INFORMATION**

Our Group's historical financial performance for the FYE 31 December 2017, 18-month FPE 30 June 2019 and FYE 30 June 2020 as well as the 6-month FPE 31 December 2020 are summarised as follows:

**4.1 Historical Financial Performance**

	Audited			Unaudited	
	FYE 31 Dec 2017	18-month FPE 30 Jun 2019	FYE 30 Jun 2020	6-month FPE 31 Dec 2019	6-month FPE 31 Dec 2020
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	401,516	563,130	251,779	154,070	209,068
Cost of sales	(396,043)	(563,401)	(251,320)	(150,395)	(203,903)
<b>Gross Profit</b> ("GP")/(Gross loss)	<b>5,473</b>	<b>(271)</b>	<b>459</b>	<b>3,675</b>	<b>5,165</b>
Other income	6,074	20,869	1,727	401	315
Distribution expenses	(1,520)	(2,606)	(1,646)	(980)	(874)
Administrative expenses	(4,135)	(9,400)	(8,596)	(5,727)	(8,078)
Other operating expenses	-	(1,718)	(3,642)	-	-
Finance cost	(2,208)	(4,890)	(2,458)	(1,465)	(1,069)
<b>PBT/(LBT)</b>	<b>3,684</b>	<b>1,984</b>	<b>(14,156)</b>	<b>(4,096)</b>	<b>(4,541)</b>
Taxation	(934)	(1,096)	(301)	(152)	(153)
<b>PAT/(LAT)</b>	<b>2,750</b>	<b>888</b>	<b>(14,457)</b>	<b>(4,248)</b>	<b>(4,694)</b>
PAT/(LAT) attributable to:					
Owners of our Company	2,750	1,156	(13,721)	(3,963)	(4,256)
Non-controlling interests	-	(268)	(736)	(285)	(438)
	<b>2,750</b>	<b>888</b>	<b>(14,457)</b>	<b>(4,248)</b>	<b>(4,694)</b>
GP margin (%)	1.4	*	0.2	2.4	2.5
PAT/(LAT) margin (%)	0.7	0.2	(5.7)	(2.8)	(2.2)
Weighted average no. of Shares ('000)	64,286	106,152	336,390	357,391	475,588
Basic EPS/(LPS) (sen)	4.28	1.09	(3.84)	(0.42)	(0.45)
Diluted EPS (sen)	-	-	(1)	(1)	(1)

**INFORMATION ON OUR COMPANY** (Cont'd)

Notes:

\* less than 0.0%

- (1) The calculation of diluted EPS is based on profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all diluted potential ordinary shares. The diluted EPS is not presented as the effects are anti-dilutive.

**4.2 Historical Financial Position**

	Audited		Unaudited	
	As at 31 Dec 2017	As at 30 Jun 2019	As at 30 Jun 2020	As at 31 Dec 2020
	RM'000	RM'000	RM'000	RM'000
Non-current assets	22,299	44,999	53,417	77,356
Current assets	100,389	132,734	127,601	151,313
<b>Total assets</b>	<b>122,688</b>	<b>177,733</b>	<b>181,018</b>	<b>228,669</b>
Share capital	66,084	73,725	104,708	113,573
Reserves	3,921	12,808	19,188	18,043
Accumulated losses	(2,718)	(1,562)	(15,307)	(19,564)
<b>Equity attributable to owners of our Company</b>	<b>67,287</b>	<b>84,971</b>	<b>108,589</b>	<b>112,052</b>
Non-controlling interests	-	2,182	2,046	1,608
<b>Total equity</b>	<b>67,287</b>	<b>87,153</b>	<b>110,635</b>	<b>113,660</b>
Non-current liabilities	2,435	5,266	5,477	7,699
Current liabilities	52,966	85,314	64,906	107,310
<b>Total liabilities</b>	<b>55,401</b>	<b>90,580</b>	<b>70,383</b>	<b>115,009</b>
<b>Total equity and liabilities</b>	<b>122,688</b>	<b>177,733</b>	<b>181,018</b>	<b>228,669</b>

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## INFORMATION ON OUR COMPANY (Cont'd)

## 4.3 Historical Cash Flows

	Audited			Unaudited
	FYE 31 Dec 2017	18-month FPE 30 Jun 2019	FYE 30 Jun 2020	6-month FPE 31 Dec 2020
	RM'000	RM'000	RM'000	RM'000
Net cash from/(used in):				
Operating activities	10,310	(4,859)	8,693	(25,682)
Investing activities	(5,858)	(26,559)	(11,182)	(20,248)
Financing activities	(8,868)	43,786	12,605	33,128
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(4,416)</b>	<b>12,368</b>	<b>10,116</b>	<b>(12,802)</b>
Cash and cash equivalents at beginning of the financial year / period	11,264	6,857	19,216	29,467
Effects of exchange rate changes on the balance of cash held in foreign currencies	9	(9)	135	-
<b>Cash and cash equivalents at end of the financial year / period</b>	<b>6,857</b>	<b>19,216</b>	<b>29,467</b>	<b>16,665</b>

## 4.4 Financial Commentaries

## (a) FYE 31 December 2017

For the FYE 31 December 2017, our Group recorded a revenue of RM401.5 million as compared to RM339.8 million achieved in the FYE 31 December 2016, representing an increase of RM61.7 million or 18.2%. The higher revenue was mainly due to higher sales volume from India, coupled with higher average selling prices of enamelled copper wires and copper rods as compared to the previous financial year. The average spot price of copper traded in the London Metal Exchange (LME) in 2017 was USD6,171 per MT, representing an increase of approximately 26.7% from USD4,867 per MT in the previous year.

The GP margin of 1.4% for the FYE 31 December 2017 was fairly consistent with the GP margin of 1.2% for the FYE 31 December 2016.

Our Group turned around our financial performance from loss making in the FYE 31 December 2016 to profits in the FYE 31 December 2017. We reported a PBT of RM3.7 million in the FYE 31 December 2017 as compared to a LBT of RM1.7 million in the FYE 31 December 2016, representing an improvement of RM5.4 million or 313.7%. This was mainly attributable to higher net realised foreign exchange gain of RM4.8 million as compared to RM1.9 million in the previous financial year, mainly as a result of settlement of goods with suppliers when the Ringgit Malaysia appreciated against the USD.

**INFORMATION ON OUR COMPANY** (Cont'd)**(b) 18-month FPE 30 June 2019**

On 30 November 2018, our Company announced to change our financial year end from 31 December to 30 June. Thus, the financial results for the period subsequent to the FYE 31 December 2017 comprised of 18 months from 1 January 2018 to 30 June 2019.

For the 18-month FPE 30 June 2019, our Group recorded a revenue of RM563.1 million as compared to RM401.5 million achieved in the FYE 31 December 2017, representing an increase of RM161.6 million or 40.2%. The increase of RM161.6 million in revenue was mainly due to the additional 6 months results, following the change in the financial year end from 31 December to 30 June. The revenue on an annualised basis for the 18-month FPE 30 June 2019 was RM375.4 million, representing a decrease of RM26.1 million or 6.5% as compared to the FYE 31 December 2017. The decrease in revenue on an annualised basis was mainly due to lower sales volume as a result of discontinuation of an unprofitable production line with effect from September 2018.

Our Group recorded a PBT of RM1.9 million as compared to a PBT of RM3.7 million in the FYE 31 December 2017, representing a decline of RM1.8 million or 48.6%. The decrease in PBT was mainly due to:

- (i) gross loss margin of 0.05% as compared to a GP margin of 1.4% recorded in the FYE 31 December 2017. The gross loss margin was mainly caused by
  - (a) lower economies of scale due to lower sales volume;
  - (b) higher expenses incurred as a result of the repair cost of one of our Group's copper melting furnace due to major breakdown amounting to approximately RM0.3 million (FYE 31 December 2017: nil); and
  - (c) higher purchase cost of materials from 3<sup>rd</sup> parties to ensure our customers' orders would be fulfilled on time during the major breakdown period of approximately 2 weeks in the 18-month FPE 30 June 2019;
- (ii) higher staff costs of RM5.9 million mainly as a result of hiring of new staffs and new management personnel for a new division which the primary focus is on our Group's expansion plans and strategies (FYE 31 December 2017: RM3.4 million); and
- (iii) higher finance cost of RM4.9 million arising from the additional drawdowns of trade facilities (FYE 31 December 2017: RM2.2 million),

which were partly offset by the gain on disposal of 2 sets of drawing machine and 1 set of vertical wire enamelling machine amounting to RM8.7 million (FYE 31 December 2017: RM23,000).



**INFORMATION ON OUR COMPANY (Cont'd)**

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**(c) FYE 30 June 2020**

For the FYE 30 June 2020, our Group recorded a revenue of RM251.8 million as compared to RM563.1 million achieved in the 18-month FPE 30 June 2019, representing a decrease of RM311.3 million. The decrease of RM311.3 million was mainly due to the additional 6 months results for the 18-month FPE 30 June 2019, following the change in the financial year end from 31 December to 30 June. The revenue for the FYE 30 June 2020 was RM251.8 million as compared to RM375.4 million in the annualised 18-month FPE 30 June 2019, representing a decrease of RM123.6 million or 32.9%. The decrease in revenue was mainly due to outbreak of COVID-19 which has severely disrupted global logistic, supply chain and trades and the imposition of anti-subsidy duty by India for a period of 5 years on copper wire rods from Indonesia, Malaysia, Thailand and Vietnam.

Our Group recorded a GP margin of 0.2% as compared to a gross loss margin of 0.05% recorded in the FYE 31 December 2018. The GP margin was mainly attributable to the absence of major repair cost of one of our Group's copper melting furnace.

Our Group recorded a LBT of RM14.2 million as compared to a PBT of RM2.0 million in the 18-month FPE 30 June 2019, representing a decline of RM16.2 million. The LBT recorded for the FYE 30 June 2020 was mainly due to lower one-off gain on the disposal of property, plant and equipment as well as consumables in the FYE 30 June 2020 of RM18,000 (18-month FPE 30 June 2019: RM 16.1 million).

**(d) 6-month FPE 31 December 2020**

Our Group recorded a revenue of RM209.1 million for the 6-month FPE 31 December 2020 as compared to RM154.1 million for the 6-month FPE 31 December 2019, representing an increase of RM55.0 million or 35.7%. The increase in revenue was mainly due to the commencement of our trading in copper scraps in August 2020 and increase in copper price. For information purpose, the average spot price of copper in the 6-month FPE 31 December 2020 ranging between USD5,377 per MT and USD7,964 per MT, as opposed to between USD5,536 per MT and USD6,210 per MT in the 6-month FPE 31 December 2019.

The GP margin of 2.5% for the 6-month FPE 31 December 2020 was fairly consistent with the GP margin of 2.4 for the 6-month FPE 31 December 2019.

Our Group recorded a LBT of RM4.5 million for the 6-month FPE 31 December 2020 as compared to RM4.1 million for the 6-month FPE 31 December 2019, representing an increase of RM0.4 million or 9.8%. The increase in LBT was mainly due to the realised loss from the derivative contracts and unrealised foreign currency translation loss.

## INFORMATION ON OUR COMPANY (Cont'd)

**5. HISTORICAL SHARE PRICES**

The monthly highest and lowest market prices of our Shares as traded on Bursa Securities for the past 12 months up to and including March 2021 (being the last full trading month prior to the date of this Abridged Prospectus) are as follows:

	<u>High</u>	<u>Low</u>
	RM	RM
<b>2020</b>		
April	0.090	0.040
May	0.120	0.060
June	0.110	0.075
July	0.275	0.085
August	0.240	0.160
September	0.190	0.120
October	0.135	0.105
November	0.180	0.115
December	0.245	0.160
<b>2021</b>		
January	0.205	0.145
February	0.395	0.145
March	0.445	0.290
Last transacted market price on LTD		0.145
Last transacted market price on the LPD		0.400
Last transacted market price on 4 May 2021, being the last Market Day prior to the ex-date for the Rights Issue		0.360

(Source: Bloomberg)

**6. OPTION TO SUBSCRIBE FOR TA WIN SHARES**

As at the LPD, save as disclosed below and the Provisional Allotments and Excess Rights Shares, no option to subscribe for our Shares has been granted or is entitled to be granted to any person:

- (i) under the ESOS, our Company may grant ESOS option to subscribe for new Ta Win Shares up to 15% of our Company's total issued Ta Win Shares at any point in time during the 5 years duration from the effective date of the ESOS Scheme of 13 April 2018. As at the LPD, our Company does not have any outstanding ESOS options and our Board has resolved not to grant any new ESOS options before the Entitlement Date.
- (ii) 159,227,757 outstanding Warrants, each carrying the right to subscribe for 1 new Share at the exercise price of RM0.20 and expiring by 5 August 2022. The Warrants are free detachable warrants issued pursuant to our Company's rights issue exercise which was completed on 13 August 2019.

## INFORMATION ON OUR COMPANY (Cont'd)

## 7. MATERIAL CONTRACTS

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

- (i) On 11 April 2019, Cyprium Capital Sdn Bhd (“CCSB”), our wholly-owned subsidiary had entered into a joint venture cum shareholders agreement with Justin Wong Chen Feng, Wong Ah Piaw and Latitude Technology Sdn Bhd (“LTSB”) whereby the parties agree to jointly invest in, setting up and operating a new cable manufacturing business using a patented technology registered to Justin Wong Chen Feng and Wong Ah Piaw. The joint venture will be carried out vide CWT, a company incorporated in Malaysia on 15 April 2019 as a wholly-owned subsidiary of CCSB. The parties shall in the proportion of their agreed shareholdings, contribute up to RM3,000,000.00 to the capital of the company within 30 days from the date of the agreement or such other date as may be acceptable by the parties. The agreed shareholdings of the parties in CWT are as follows:

CCSB – 80%;  
Justin Wong Chen Feng – 5%;  
Wong Ah Piaw – 5%; and  
LTSB – 10%.

The joint venture is for a period 5 years or such other longer period as may be acceptable by the parties. Any net profits or net losses accrued to the joint venture shall be borne, held (for investment or expenditure purposes), and/or distribute (in the form of dividends) to the parties of the joint venture in accordance to their shareholding in the company. For information purposes, the shareholding structure has changed pursuant to the completion of the recent subscription agreement dated 12 March 2021 as disclosed in Section 7(ix) of Appendix I of this Abridged Prospectus.

- (ii) TWI had on 26 August 2019 entered into 4 sales contracts with Li Wei Trading Co., a company incorporated in Hong Kong, for the purchase of the following machineries and equipment:

Description	Unit	Purchase price	
		USD	( <sup>1</sup> )RM
450/13 copper rod breakdown machine (with individuals motor traverse)	1	1,200,000.00	5,057,160.00
LW22D-2 Dual wire fine wire drawing machine with annealer	10	900,000.00	3,792,870.00
LW250-17-2 Dual wire intermediate wire drawing machine with annealer + dual high speed take-up	1	245,000.00	1,032,503.50
SB-22 Micro wire drawing machine	10	287,500.00	1,211,611.25
40HQ CNF Port Kelang	12	14,400.00	60,685.92
<b>Total</b>		<b>2,646,900.00</b>	<b>11,154,830.67</b>

Note:

- (1) Translated at the foreign currency exchange rate of USD1: RM4.2143 as per Ta Win's bookkeeping record.

As at the LPD, 3 out of the 4 sales contracts are pending completion.

## INFORMATION ON OUR COMPANY (Cont'd)

- (iii) On 9 July 2020, our Company had entered into the SSA with Lim Aik Gee for the Acquisition. The SSA has been completed on 8 March 2021.
- (iv) On 9 July 2020, our Company had entered into a conditional Subscription Agreement with Lim Aik Gee and Sin Line Tek for the Subscription. The Subscription Agreement has been completed on 8 March 2021.
- (v) On 9 July 2020, our Company had entered into a shareholders agreement (as supplemented by supplemental letters dated 6 November 2020 and 23 December 2020) with Lim Aik Gee and Lim Wai Keong to regulate their respective rights as shareholders in Sin Line Tek upon completion of the Investment in Sin Line Tek.
- (vi) On 29 July 2020, our Company had entered into the with PMINT whereby the parties have agreed for the joint venture to be carried out by incorporation of a joint venture company namely, Ta Win Copper Ecocycle Sdn Bhd ("**TWCESB**"). Subsequently, on 11 February 2021, the parties have entered into the Supplemental JVA. Pursuant to the JVA and the Supplemental Agreement, our Company shall subscribe for 800,000 new ordinary shares in TWCESB for the subscription consideration of RM1,000,000.00 while TWCESB shall allot and issue 200,000 new ordinary share to PMINT with a subscription price of RM200,000.00 to be paid by our Company within 30 days from the execution of the Supplemental JVA. TWCESB has been incorporated on 13 August 2020 and the subscription and/or allotment of TWCESB shares to our Company and PMINT have been completed on 11 March 2021.
- (vii) On 14 December 2020, Ta Win Copper Biohealth Sdn Bhd ("**TWCBSB**"), a wholly-owned subsidiary of our Company, had entered into a share sale agreement with Poly Laboratories Sdn Bhd ("**Poly Laboratories**") to acquire 2,736,449 ordinary shares in Royce Pharma Manufacturing Sdn Bhd ("**Royce Pharma**"), representing approximately 22.8% of the enlarged issued share capital of Royce Pharma upon completion of the said acquisition and Subscription in Royce Pharma (as defined below) ("**Investment in Royce Pharma**") from Poly Laboratories at a consideration price of RM14,460,000.00. The share sale agreement has been completed on 24 December 2020.
- (viii) On 14 December 2020, TWCBSB had entered into a subscription agreement with Royce Pharma, Poly Laboratories and Jelita Serbaneka Sdn Bhd to subscribe for 1,160,748 ordinary shares in Royce Pharma, representing approximately 9.7% of the enlarged issued share capital of Royce Pharma upon completion of the Investment in Royce Pharma at the aggregate sum of RM6,210,000.00. The subscription agreement has been completed on 24 December 2020 ("**Subscription in Royce Pharma**").
- (ix) On 12 March 2021, CCSB and CWT had entered into a subscription agreement with Elextron Hitec Sdn Bhd, LTSB, Wong Ah Piaw and Justin Wong Chen Feng (collectively the "**Subscribers**") whereby the Subscribers have agreed to subscribe to 1,705,900 new ordinary shares of CWT for the total consideration of RM3,991,806.00 as follows:

<b>Subscriber</b>	<b>No. of shares</b>	<b>%</b>	<b>Consideration (RM)</b>
Elextron Hitec Sdn Bhd	1,364,700	80.0	3,193,398.00
LTSB	170,600	10.0	399,204.00
Wong Ah Piaw	85,300	5.0	199,602.00
Justin Wong Chen Feng	85,300	5.0	199,602.00
<b>Total</b>	<b>1,705,900</b>	<b>100.0</b>	<b>3,991,806.00</b>

The subscription agreement has been completed on 12 March 2021. Out of the 1,364,700 ordinary shares of CWT to be issued to Elextron Hitec Sdn Bhd as set out in the subscription agreement, Elextron Hitec Sdn Bhd has nominated ALT Precision Sdn Bhd and Meadowhub Sdn Bhd to receive 352,943 and 117,647 ordinary shares in CWT respectively.

**INFORMATION ON OUR COMPANY** (Cont'd)

The shareholding structure of CWT upon completion of the subscription agreement is as follows:

<b>Shareholder</b>	<b>No. of shares</b>	<b>%</b>
CCSB	2,400,000	51.0
Elextron Hitec Sdn Bhd	894,110	19.0
LTSB	470,600	10.0
ALT Precision Sdn Bhd	352,943	7.5
Wong Ah Piaw	235,300	5.0
Justin Wong Chen Feng	235,300	5.0
Meadowhub Sdn Bhd	117,647	2.5
<b>Total</b>	<b>4,705,900</b>	<b>100.0</b>

**8. MATERIAL LITIGATION**

Save as disclosed below, as at the LPD, our Group is not engaged in any material litigation, claims and/or arbitration either as plaintiff or defendant which may have a material effect on the financial position or business of our Group, and our Board is not aware of any proceedings, pending or threatened, or of any fact likely to give rise to any proceedings which may materially and adversely affect the financial position or business of our Group.

On 16 June 2020, the Customs has issued two bills of demand of even date to our wholly-owned subsidiary, TWI, claiming for alleged unpaid import duty and import sales tax of RM1,588,390.30 and RM141,966.42 respectively for the period 1 July 2017 to 30 June 2019.

TWI believes it has strong reasonable grounds to object the basis of the Customs Claims. On 14 September 2020, TWI filed an application (bearing application no. MA-25-5-09/2020) to the High Court in Melaka for leave to commence judicial review on the Customs Claims. The said application was heard on 4 November 2020 before the Honourable High Court Judge of Melaka. However, the Honourable High Court Judge of Melaka did not grant TWI's application for leave to commence judicial review. On 16 November 2020, TWI filed an appeal bearing Appeal No. M-01(IM)-614-11/2020 to the Court of Appeal, Putrajaya against the decision of the Honourable High Court Judge of Melaka to set aside TWI's application for leave to commence judicial review. The case management for the said appeal has been fixed on 27 May 2021 by way of e-Review. TWI's solicitors is unable to provide its opinion on the probable outcome of the appeal at this juncture as the Honourable High Court Judge of Melaka who set aside TWI's application to seek leave to commence judicial review has yet to provide his grounds of judgement.

If the Customs succeeds in their claims, the estimated maximum liability to our Group is RM1,730,356.72. TWI does not admit liability on the Customs Claims and TWI is taking the appropriate measures to address these matters. Notwithstanding, TWI has made the provision for the estimated maximum liability of RM1,730,356.72 in its financial statements for the FYE 30 June 2020. Ta Win will make the necessary announcement on any material development relating to the Customs Claims, as and when appropriate.

**INFORMATION ON OUR COMPANY (Cont'd)**

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**9. CONSENTS**

- (i) The written consents of our Principal Adviser, Solicitors, Independent Valuer and Share Registrar for the Rights Issue for the inclusion in this Abridged Prospectus of their name 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 our Independent Market Researcher for the Rights Issue for the inclusion in this Abridged Prospectus of its name, extract of the IMR Report and all references thereto in the form and context in which it appears has been given before the issuance of this Abridged Prospectus and has not been subsequently withdrawn.
- (iii) 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 our registered office at Unit 26-11 & 26-12, Level 26, Q Sentral, Jalan Stesen Sentral 2, 50470 Kuala Lumpur, Wilayah Persekutuan during normal business hours from Mondays to Fridays (except public holidays) for a period of 6 months from the date of this Abridged Prospectus:

- (i) our Constitution;
- (ii) letters of undertaking by the Undertaking Shareholders;
- (iii) IMR Report;
- (iv) material contracts referred to in Section 7 of this Appendix;
- (v) the relevant cause paper in respect of the material litigation as referred in Section 8 of this Appendix; and
- (vi) letters of consent as referred to in Section 9 of this Appendix.

**11. RESPONSIBILITY STATEMENT**

Our Board has seen and approved this Abridged Prospectus, together with the NPA and RSF in the Documents. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries and to the best of their knowledge and belief, they confirmed that there is no false or misleading statement or other facts, which if omitted, would make any statement in the Documents false or misleading.

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