

Unless stated otherwise, all terms and abbreviations used herein shall have the same meanings 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. INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF IN DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.** All enquiries concerning the Rights Issue, which is the subject matter of this Abridged Prospectus, should be addressed to our Share Registrar, Aldpro Corporate Services Sdn Bhd at Level 5, Block B, Dataran PHB, Saujana Resort, Section U2, 40150 Shah Alam, Selangor (Tel: +603 7890 0638).

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

The approval for the Rights Issue has been obtained from our shareholders at our EGM held on 28 March 2022. Approvals have been obtained from Bursa Securities via its letter dated 16 February 2022 for the listing and quotation of the new ordinary shares to the Official List of the Main Market of Bursa Securities. However, such admission, listing and quotation are 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. Bursa Securities takes no responsibility for the correctness of any statement made or opinion expressed in the Documents.

The Documents are only despatched to our Entitled Shareholders whose names appear in our Record of Depositors as at 5.00 p.m. on 6 May 2022 at their registered addresses in Malaysia. Entitled Shareholders who do not have a registered address in Malaysia and wish to provide their Malaysian address, should inform their respective stockbrokers or our Share Registrar to effect the change of address by 5.00 p.m. on 6 May 2022. The Documents are not intended to be (and will not be) issued, circulated or distributed in any countries or jurisdictions other than Malaysia. No action has been or will be taken to ensure that the Rights Issue or the Documents comply with the laws of any countries or jurisdictions other than the laws of Malaysia. The Documents do not constitute an offer, solicitation or invitation to subscribe for the Rights Issue in any jurisdiction other than Malaysia or to any person to whom it may be unlawful to make such an offer, solicitation or invitation. It shall be the sole responsibility of the Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia to consult their legal and/or other professional adviser as to whether their acceptance and/or renunciation/ transfer (as the case may be) of their entitlement to the Rights Issue would result in the contravention of any laws of such countries or jurisdictions. Such Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) should note the additional terms and restrictions as set out in Section 9 of this Abridged Prospectus. Neither our Company, TA Securities nor any other professional advisers to the Rights Issue shall accept any responsibility or liability whatsoever to any party in the event that any acceptance and/or renunciation/ transfer (as the case may be) made by the Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in any such countries or jurisdictions in which the said Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) are residents.

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

**FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, PLEASE REFER TO "RISK FACTORS" AS SET OUT IN SECTION 5 OF THIS ABRIDGED PROSPECTUS.**

# AGESON

## AGESON BERHAD

(Registration No. 200201027337 (595000-H))  
(Incorporated in Malaysia)

**RENOUNCEABLE RIGHTS ISSUE OF UP TO 716,335,858 NEW ORDINARY SHARES IN AGESON BERHAD ("SHARES") ("RIGHTS SHARES") ON THE BASIS OF 2 RIGHTS SHARES FOR EVERY 1 EXISTING SHARE HELD AS AT 5.00 P.M. ON 6 MAY 2022 AT AN ISSUE PRICE OF RM0.20 PER RIGHTS SHARE**

*Principal Adviser*

## TA SECURITIES

AN UNWAVERING COMMITMENT

### TA SECURITIES HOLDINGS BERHAD

(Registration No.: 197301001467 (14948-M))  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

#### **IMPORTANT RELEVANT DATES AND TIMES**

Entitlement date	: Friday, 6 May 2022 at 5.00 p.m.
<b>Last day, date and time for:</b>	
Sale of Provisional Allotments	: Friday, 13 May 2022 at 5.00 p.m.
Transfer of Provisional Allotments	: Wednesday, 18 May 2022 at 4.30 p.m.
Acceptance and payment	: Tuesday, 24 May 2022 at 5.00 p.m.
Excess application and payment	: Tuesday, 24 May 2022 at 5.00 p.m.

**This Abridged Prospectus is dated 6 May 2022**

**UNLESS STATED OTHERWISE, ALL TERMS AND ABBREVIATIONS USED HEREIN SHALL HAVE THE SAME MEANINGS 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. OUR BOARD COLLECTIVELY AND INDIVIDUALLY ACCEPTS FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION. HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, OUR BOARD CONFIRMS 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.**

**TA 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 INVESTMENT. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT A 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 THE ABRIDGED PROSPECTUS THAT IS FALSE, MISLEADING, OR FROM WHICH THERE IS A MATERIAL OMISSION, OR FOR ANY MISLEADING OR DECEPTIVE ACT IN RELATION TO THIS ABRIDGED PROSPECTUS OR THE CONDUCT OF ANY OTHER PERSON IN RELATION TO OUR COMPANY.**

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

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

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

## DEFINITIONS

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

### COMPANIES:

“AGESON” or the “Company”	:	AGESON Berhad
“Ageson Development”	:	Ageson Development Sdn Bhd (a former subsidiary of our Company)
“AHSB”	:	Ageson Holdings Sdn Bhd (an indirect 75%-owned subsidiary of our Company)
“Bursa Depository”	:	Bursa Malaysia Depository Sdn Bhd
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“CIMB Bank”	:	CIMB Bank Berhad
“Group”	:	AGESON and its subsidiaries, collectively
“KAF”	:	KAF Investment Bank Berhad
“Maybank”	:	Malayan Banking Berhad
“MBI”	:	Menteri Besar Incorporated (Perak)
“Prinsiptek”	:	Prinsiptek (M) Sdn Bhd (a former wholly-owned subsidiary of our Company)
“RHB Bank”	:	RHB Bank Berhad
“Shuangling”	:	Shuangling Holdings Ltd
“Solidvest”	:	Solidvest Properties Sdn Bhd (an indirect wholly-owned subsidiary of our Company)
“Share Registrar”	:	Aldpro Corporate Services Sdn Bhd
“TA Securities”	:	TA Securities Holdings Berhad
“ZGDEG”	:	Zhejiang Guorong Digital Economy Group Ltd

### GENERAL:

“5D-VWAP”	:	5-day volume weighted average market price
“6M-FPE”	:	6-month financial period ended
“Act”	:	Companies Act 2016
“Adjustments”	:	Adjustments to the conversion price of ICPS, pursuant to the Rights Issue
“Authorised Nominee”	:	A person who is authorised to act as a nominee as defined under the Rules of Bursa Depository
“Base Case Scenario”	:	Up to 207,773,660 Rights Shares to be issued, based on the following: <ul style="list-style-type: none"> <li>(i) none of the outstanding ICPS are converted into new Shares, prior to the entitlement date for the Rights Issue; and</li> <li>(ii) all Entitled Shareholders subscribe in full to their entitlements under the Rights Issue</li> </ul>
“Board”	:	Board of Directors of AGESON
“CDS”	:	Central Depository System
“Circular”	:	Circular to shareholders dated 4 March 2022 in relation to the Corporate Exercises
“Closing Date”	:	Tuesday, 24 May 2022 at 5.00 p.m., being the last date and time for the acceptance of and payment for the Rights Shares

**DEFINITIONS (CONT'D)**

“CMSA”	:	Capital Markets and Services Act, 2007
“Code”	:	Malaysian Code on Take-Overs and Mergers 2016
“Consolidated Share”	:	Shares in our Company following the completion of the Share Consolidation
“Constitution”	:	Constitution of our Company
“Conversion Mode 1”	:	Conversion of ICPS via surrendering 13 ICPS to be converted into 1 new Share
“Conversion Mode 2”	:	A combination of such number of ICPS and cash with an aggregate value equal to RM1.95 (being the conversion price of the ICPS) subject to a minimum of 1 ICPS and paying the difference between the aggregate value of the ICPS surrendered and the conversion price of RM1.95 in cash for 1 new Share
“Corporate Exercises”	:	Share Consolidation and Rights Issue
“Director”	:	A natural person who holds a directorship in our Company, whether in an executive or non-executive capacity, and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the CMSA
“EGM”	:	Extraordinary general meeting of our Company
“Entitlement Date”	:	Friday, 6 May 2022 at 5.00 p.m., being the date and time on which the names of the Entitled Shareholders must appear in the Record of Depositors of our Company in order to be entitled to participate in the Rights Issue
“Entitled Shareholders”	:	Our shareholders whose names appear on the Record of Depositors of our Company on the Entitlement Date
“EPS”	:	Earnings per share
“Excess Rights Shares”	:	Rights Shares which are not taken up or not validly taken up by our Entitled Shareholders and/or their transferee(s) and/or their renounee(s) before the Closing Date
“Excess Rights Shares Application”	:	Application for additional Rights Shares in excess of the Provisional Allotments by the Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable)
“FYE”	:	Financial year ended/ending
“ICPS”	:	254,281,099 outstanding irredeemable convertible preference shares in AGESON, which are expiring on 10 March 2030
“Issue Price”	:	Issue price of RM0.20 per Rights Share
“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities
“LPD”	:	15 April 2022, being the latest practicable date prior to the printing of this Abridged Prospectus
“Market Day”	:	Any day between Monday to Friday (inclusive of both days) (excluding Saturday, Sunday and public holiday) and a day on which Bursa Securities is open for trading in securities
“Maximum Scenario”	:	Up to 716,335,858 Rights Shares to be issued, based on the following: <ul style="list-style-type: none"> <li>(i) all of the outstanding ICPS are converted into new Shares (via Conversion Mode 2); and</li> <li>(ii) all Entitled Shareholders subscribe in full to their entitlements under the Rights Issue.</li> </ul>
“Minimum Scenario”	:	Up to 50,000,000 Rights Shares to be issued, based on the following: <ul style="list-style-type: none"> <li>(i) none of the outstanding ICPS are converted into new Shares, prior to the entitlement date for the Rights Issue; and</li> <li>(ii) Minimum Subscription Level for the Rights Issue</li> </ul>

## DEFINITIONS (*CONT'D*)

“Minimum Subscription Level”	:	Subscription by the Undertaking Shareholders to raise minimum gross proceeds of RM10,000,000 (which entails the subscription of 50,000,000 Rights Shares at the Issue Price of RM0.20 each) from the Rights Issue
“NA”	:	Net assets attributable to the owners of our Company
“NPA”	:	Notice of provisional allotment in relation to the Rights Issue
“Official List”	:	The list specifying all securities listed on Main Market of Bursa Securities
“PAT”	:	Profit after tax attributable to the owners of our Company
“PBT”	:	Profit before tax
“Private Placement”	:	Private placement of 259,727,000 new Shares (in 1 tranche and listed on 29 November 2021) issued at RM0.05 each and raised approximately RM13.0 million, completed on 26 November 2021
“Provisional Allotments”	:	The Rights Shares provisionally allotted to Entitled Shareholders
“Record of Depositors”	:	A record of depositors maintained by Bursa Depository
“Rights Issue”	:	Renounceable rights issue of up to 716,335,858 Rights Shares on the basis of 2 Rights Shares for every 1 Share held on the Entitlement Date
“Rights Shares”	:	Up to 716,335,858 new Shares to be issued pursuant to the Rights Issue
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“RSF”	:	Rights subscription form in relation to the Rights Issue
“Rules”	:	Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the SC
“Rules of Bursa Depository”	:	Rules of Bursa Depository as issued pursuant to the SICDA
“SC”	:	Securities Commission Malaysia
“Share Consolidation”	:	Consolidation of every 15 Shares into 1 Consolidated Share
“Shares”	:	Ordinary shares in our Company
“SICDA”	:	Securities Industry (Central Depositories) Act, 1991
“TEAP”	:	Theoretical ex-all price
“Undertaking”	:	Separate unconditional and irrevocable written undertakings dated 19 January 2022 from the Undertaking Shareholders to, amongst others, to apply and subscribe in full their entitlements of Rights Shares and Excess Rights Shares to the extent such aggregate subscription proceeds amount to RM10,000,000
“Undertaking Shareholders”	:	Dato’ Sri Chin Kok Foong, Dato’ Sri Liew Kok Leong and Ukay One Sdn Bhd, collectively

All references to “our Company” and/or “AGESON” in this Abridged Prospectus are to AGESON. References to “our Group” and/or “AGESON Group” are to AGESON and our subsidiaries and references to “we”, “us” “our” and “ourselves” are to AGESON and where the context does require, shall include our subsidiaries.

All references to “you” or “your” in this Abridged Prospectus are to Entitled Shareholders and/or, where the context requires otherwise, their renounee(s) and/or transferee(s).

Words incorporating the singular shall, where applicable, include the plural and vice versa. Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Abridged Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of a day in this Abridged Prospectus shall be reference to Malaysian time, unless otherwise specified.

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**ADVISERS' DIRECTORY**

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- PRINCIPAL ADVISER** : TA Securities Holdings Berhad  
32<sup>nd</sup> Floor, Menara TA One  
22, Jalan P. Ramlee  
50250 Kuala Lumpur  
  
Tel : 03-2072 1277
- COMPANY SECRETARIES** : Tan Tong Lang  
(MAICSA 7045482) (SSM Practicing No. 202208000250)  
Chong Chew Lo  
(MAICSA 7046627) (SSM Practicing No. 201908002693)  
  
Boardroom.com Sdn. Bhd.  
Level 5, Block B, Dataran PHB  
Saujana Resort, Section U2  
40150 Shah Alam  
Selangor  
  
Ageson Berhad  
No. 19-5, Q Sentral, 2A  
Jalan Stesen Sentral 2  
Kuala Lumpur Sentral  
  
Tel : 03-7890 0638
- DUE DILIGENCE SOLICITORS  
FOR THE RIGHTS ISSUE** : David Lai & Tan  
Level 8-3 & 8-4, Wisma Miramas  
No. 1, Jalan 2/109E  
Taman Desa, Jalan Klang Lama  
58100 Kuala Lumpur  
  
Tel : 03-7972 7968
- SHARE REGISTRAR** : Aldpro Corporate Services Sdn Bhd  
Level 5, Block B, Dataran PHB  
Saujana Resort, Section U2  
40150 Shah Alam  
Selangor  
  
Tel : 03-7890 0638
- STOCK EXCHANGE** : Main Market of Bursa Securities



**SUMMARY OF RIGHTS ISSUE**

**THIS SUMMARY OF RIGHTS ISSUE ONLY HIGHLIGHTS THE KEY INFORMATION FROM OTHER PARTS OF THIS ABRIDGED PROSPECTUS. AS THIS SUMMARY DOES NOT CONTAIN ALL INFORMATION THAT MAY BE IMPORTANT TO YOU, YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE ENTIRE ABRIDGED PROSPECTUS.**

<b>Issue size and basis of allotment</b>	<p>: Up to 716,335,858 Rights Shares on the basis of 2 Rights Shares for every 1 existing Share held by the Entitled Shareholders and/or their renounee(s) or transferee(s) (if applicable) on the Entitlement Date.</p> <p>Any Rights Shares which are not taken up or validly taken up shall be made available for excess applications by other Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable). It is the intention of our Board to reduce the incidence of odd lots and to allocate Excess Rights Shares in a fair and equitable manner and on a basis to be determined by our Board and announced later by our Company.</p> <p>Please refer to <b>Section 2.1</b> of this Abridged Prospectus for further information.</p>																																																																																			
<b>Issue price</b>	<p>: Our Board has fixed the issue price of the Rights Shares at RM0.20 each.</p> <p>Please refer to <b>Section 2.2</b> of this Abridged Prospectus for further information.</p>																																																																																			
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**SUMMARY OF RIGHTS ISSUE (CONT'D)**

- Rationale for the Rights Issue** :
- (i) To repay amount owing to Maybank (which was drawn down between 2003 to 2019 by Prinsiptek for purposes such as general expenses and financing for its construction projects) through proceeds to be raised from the Rights Issue as opposed to internally-generated funds which will provide flexibility in cash flow management as our Group will be able to reserve the available cash and bank balances for our operations and working capital requirements.
  - (ii) To reduce our gearing and result in interest saving of approximately RM4.8 million over the repayment period.
  - (iii) To provide an opportunity for our existing shareholders to increase their equity participation in our Company.

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

- Utilisation of proceeds** : Based on the issue price of RM0.20 per Rights Share, the gross proceeds to be raised from the Rights Issue will be utilised in the following manner:

Purposes	Minimum Scenario		Base Case Scenario		Maximum Scenario <sup>^</sup>		Expected time frame for utilisations*
	RM'000	%	RM'000	%	RM'000	%	
Repayment of amount owing to Maybank	9,570	95.7	40,990	98.6	40,990	28.6	Within 24 months (for Minimum Scenario) and 6 months (for Base Case Scenario and Maximum Scenario)
Funding for future property development and constructions projects, acquisitions and/or investments	-	-	-	-	96,847	67.6	Within 36 months
Working capital	-	-	135	0.4	5,000	3.5	Within 12 months
Estimated expenses for the Corporate Exercises	430	4.3	430	1.0	430	0.3	Immediately
<b>Total</b>	<b>10,000</b>	<b>100.0</b>	<b>41,555</b>	<b>100.0</b>	<b>143,267</b>	<b>100.0</b>	

<sup>^</sup> Under the Maximum Scenario, our Board is of the view that the ICPS are unlikely to be converted prior to the Entitlement Date as the ICPS are currently out-of-money based on the conversion price for the ICPS of RM1.95 and the 5D-VWAP of our Shares up to and including the LPD of RM0.3581.

\* From the completion date of the Rights Issue.

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

- Key risk factors** :
- (i) the continuing impact of the COVID-19 pandemic which may result in future containment and lockdown measures by the Malaysian government as well as disruption to our Group's operations;
  - (ii) our Group's construction and property development segment faces competition amongst industry players and fluctuations in raw material prices which may affect our earnings;
  - (iii) our Group's property development segment faces delay or non-completion of projects, property overhang and/or unsold property of which may materially affect our financial performance; and
  - (iv) the delay or failure to implement the Rights Issue and potential dilution on our shareholders' shareholdings.

Please refer to **Section 5** of this Abridged Prospectus for further information on other risks.

- Procedures for 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 in the RSF and must conform to the terms and conditions contained therein.

The last day, date and time for acceptance of and payment for the Provisional Allotments is on **Tuesday, 24 May 2022 at 5.00 p.m.**

Please refer to **Section 9** of this Abridged Prospectus for further information.

# AGESON

**AGESON BERHAD**

(Registration No. 200201027337 (595000-H))  
(Incorporated in Malaysia)

**Registered Office:**

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

6 May 2022

**Board of Directors**

Tajul Arifin Bin Mohd Tahir (*Independent Non-Executive Chairman*)  
Dato' Sri Liew Kok Leong (*Executive Director*)  
Dato' Sri Chin Kok Foong (*Executive Director*)  
Ng Kok Wah (*Independent Non-Executive Director*)  
Lim Yit Kiong (*Independent Non-Executive Director*)  
Azian Binti Kassim (*Independent Non-Executive Director*)

**To: Entitled Shareholders**

Dear Sir/Madam,

**RIGHTS ISSUE**

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**1. INTRODUCTION**

On 19 January 2022, TA Securities announced on behalf of our Board that our Company had proposed to undertake the Corporate Exercises.

On 17 February 2022, TA Securities announced on behalf of our Board that Bursa Securities, had through its letter dated 16 February 2022 ("**Approval Letter**"), approved the following:

- (i) Share Consolidation; and
- (ii) listing and quotation of up to 716,345,290 new Shares to be issued pursuant to the Rights Issue.

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

	<b>Conditions</b>	<b>Status of compliance</b>
(a)	TA Securities must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Corporate Exercises;	To be complied
(b)	TA Securities to inform Bursa Securities upon the completion of the Corporate Exercises;	To be complied
(c)	TA Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Corporate Exercises are completed; and	To be complied
(d)	TA Securities is required to make the relevant announcements relating to the Share Consolidation pursuant to Paragraph 13.20 of the Listing Requirements.	Complied

On 28 March 2022, our shareholders approved the Corporate Exercises at our EGM.

On 18 April 2022, TA Securities announced, on behalf of our Board, that our Board had resolved to fix the issue price of the Rights Shares at RM0.20 per Rights Share. On the same day, TA Securities announced, on behalf of our Board, the Entitlement Date along with other relevant dates pertaining to the Rights Issue.

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

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

## 2. RIGHTS ISSUE

### 2.1 Details of the Rights Issue

As at the date of this Abridged Prospectus, our Company has 103,886,830 Shares (no treasury shares) and 254,281,099 ICPS.

The Rights Issue involves the issuance of up to 716,335,858 Rights Shares on the basis of 2 Rights Shares for every 1 existing Share held on the Entitlement Date to the Entitled Shareholders and/or their renounee(s) or transferee(s) (if applicable).

The basis of 2 Rights Shares for every 1 existing Share held on the Entitlement Date was arrived at after taking into consideration the following:

- (i) the amount of proceeds to be raised as detailed in **Section 4** of this Abridged Prospectus; and
- (ii) the rationale for the Rights Issue as set out in **Section 3** of this Abridged Prospectus.

The actual number of Rights Shares to be issued would depend on the number of Shares in issue on the Entitlement Date (after taking into consideration any new Shares that may be issued arising from conversion of the ICPS) as well as the eventual subscription level for the Rights Issue.

The Rights Issue will be undertaken on the Minimum Subscription Level basis to raise minimum gross proceeds of RM10.0 million for our Group's intended usage as set out in **Section 4** of this Abridged Prospectus.

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

Any Rights Shares which are not taken up or not validly taken up by our Entitled Shareholders and/or their transferee(s) and/or their renounee(s) before the Closing Date shall be made available for Excess Rights Shares Application in the manner set out in **Section 9.8** of this Abridged Prospectus. Any fractional entitlements under the Rights Issue will be disregarded and shall be dealt with in such manner as our Board shall in its absolute discretion deem fit or expedient to minimise the incidence of odd lots and in the best interest of our Company.

As you are an Entitled Shareholder, you will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such number of Provisional Allotment into your CDS Account, and the RSF to enable you to subscribe for such Provisional Allotments as well as to apply for the Excess Rights Shares if you choose to do so. However, only our Entitled Shareholders who have an address in Malaysia as stated in our Record of Depositors will receive this Abridged Prospectus, together with the NPA and RSF.

Any dealings in our Company's securities will be subject to, amongst others, the provisions of SICDA, 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 of the Rights Shares.

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

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

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

Our Board has fixed the issue price of the Rights Share at RM0.20 each after taking into consideration amongst others and as disclosed in our Circular, the following:

- (i) the TEAP of our Shares of RM0.2527 (computed based on the 5D-VWAP of our Shares up to and including 15 April 2022 (being the LPD as well as the last trading day prior to the price-fixing date on 18 April 2022) of RM0.3581). The issue price of RM0.20 per Rights Share represents a discount of RM0.0527 or 20.9% to the TEAP of our Shares of RM0.2527. The discount of RM0.0527 or 20.9% is computed based on the comparison between the issue price of RM0.20 per Rights Share against the TEAP of our Shares of RM0.2527. The discount of 20.9% is within the range of 20% to 40% (as disclosed in our Circular).
- (ii) amount of proceeds to be raised under the Minimum Subscription Level for purposes as set out in **Section 4** of this Abridged Prospectus; and
- (iii) the rationale for the Rights Issue, as set out in **Section 3** of this Abridged Prospectus.

For information purposes, our Board has also considered the discount range of other rights issue proposals undertaken by other companies listed on Bursa Securities for the past 1 year up to 23 February 2022 (being the latest practicable date prior to the printing of our Circular). Note that these companies may not be identical to our Group in terms of marketability and liquidity of shares as well as risk profile. The approximate discount range are as follows:

	Approximate discount range	
	Lowest	Highest
Main Market	0%	76.7%
ACE Market	0%	44.0%
<b>AGESON</b>	<b>20%</b>	<b>40%</b>

Although our Company is listed on the Main Market of Bursa Securities, our Board had also considered the discount range of other rights issue exercises undertaken by other companies listed on the ACE Market of Bursa Securities to establish the reasonableness of our Group's discount range. Our Group's discount range of between 20% to 40% to the TEAP of our Shares falls within the approximate discount range of 0% to 76.7% announced by other companies listed on the Main Market and ACE Market of Bursa Securities. Premised on the above, our Board is of the view that the discount range of 20% to 40% is reasonable.

### 2.3 Ranking of the Rights Shares

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

### 2.4 Minimum subscription level and undertaking

Our Company intends to raise minimum gross proceeds of RM10,000,000 (which entails the subscription of 50,000,000 Rights Shares at the issue price of RM0.20 each) from the Rights Issue after taking into consideration, amongst others, the funding requirements of our Group as set out in **Section 4** of this Abridged Prospectus. As the Minimum Subscription Level will be fully satisfied via the Undertaking, our Company will not procure any underwriting arrangement for the remaining Rights Shares not subscribed for by other Entitled Shareholders.

In view of the above, our Board has obtained separate Undertaking from the Undertaking Shareholders that they:

- (i) will not dispose of or transfer any of their existing Shares following the date of such undertaking up to the Entitlement Date for the Rights Issue;
- (ii) confirmed that they have sufficient financial means and resources to fulfil their obligations under the Undertaking; and
- (iii) will apply and subscribe in full for their entitlements and Excess Rights Shares to meet the Minimum Subscription Level pursuant to the Rights Issue.

TA Securities has verified the sufficiency of financial resources of the Undertaking Shareholders for the purpose of subscribing for the Rights Shares and Excess Rights Shares pursuant to their Undertaking.

Details of the Undertaking are as follows:

Undertaking Shareholders	Shareholding based on the Record of Depositors as at 14 April 2022		Minimum Rights Shares to be subscribed for pursuant to the Undertaking					Amount (RM) <sup>(5)</sup>
	No. of Shares <sup>(1)</sup>	% <sup>(2)</sup>	Entitlement <sup>(3)</sup>	% <sup>(4)</sup>	Excess shares application	Total	% <sup>(4)</sup>	
Dato' Sri Chin Kok Foong	6,299,686	6.06	12,599,372	25.2	12,400,628	25,000,000	50.0	5,000,000
Dato' Sri Liew Kok Leong	4,693,333	4.52	9,386,666	18.8	10,679,959	20,066,625	40.1	4,013,325
Ukay One Sdn Bhd <sup>(6)</sup>	1,140,020	1.10	2,280,040	4.6	2,653,335	4,933,375	9.9	986,675
<b>Total</b>	<b>12,133,039</b>	<b>11.68</b>	<b>24,266,078</b>	<b>48.6</b>	<b>25,733,922</b>	<b>50,000,000</b>	<b>100.0</b>	<b>10,000,000</b>

Notes:

- (1) Based on their shareholdings in the Record of Depositors as at 14 April 2022.
- (2) Based on the issued share capital of 103,886,830 Shares as at 14 April 2022.
- (3) On the basis of 2 Rights Shares for every 1 Share.
- (4) Based on 50,000,000 Rights Shares available for subscription under the Minimum Scenario.
- (5) Based on the Issue Price.
- (6) Dato' Sri Liew Kok Leong is a controlling shareholder of Ukay One Sdn Bhd.

For illustrative purposes, assuming none of the other Entitled Shareholders subscribe for their entitlement of the Rights Shares, the Undertaking Shareholders will be subscribing for a total of 50,000,000 Rights Shares based on the Issue Price.

The proforma effects of the Rights Issue on the shareholdings of the respective Undertaking Shareholders are as follows:

Undertaking Shareholders	As at 14 April 2022		Minimum Scenario	
	No. of Shares	%	No. of Shares	%
Dato' Sri Chin Kok Foong	6,299,686	6.06	31,299,686	20.34
Dato' Sri Liew Kok Leong	4,693,333	4.52	24,759,958	16.09
Ukay One Sdn Bhd	1,140,020	1.10	6,073,395	3.95

Undertaking Shareholders	Base Case Scenario		Maximum Scenario	
	No. of Shares	%	No. of Shares	%
Dato' Sri Chin Kok Foong	18,899,058	6.06	187,586,862	17.46
Dato' Sri Liew Kok Leong	14,079,999	4.52	140,119,995	13.04
Ukay One Sdn Bhd	3,420,060	1.10	81,679,131	7.60

For the avoidance of doubt, the Undertaking Shareholders will still be obligated to subscribe in full for their entitlements and Excess Rights Shares under the Minimum Scenario and Base Case Scenario pursuant to the Undertaking despite the Minimum Subscription Level is fully met via the subscription by the Entitled Shareholders, excluding the Undertaking Shareholders.

The fulfilment of the Undertaking is not expected to result in any breach of the public shareholding spread requirements by our Company under Paragraph 8.02(1) of the Listing Requirements, which stipulates that a listed corporation must ensure that at least 25% of its total listed shares (excluding any treasury shares) are in the hands of public shareholders. For illustrative purposes, our pro forma public shareholding spread under the Minimum Scenario is as follows:

	Shareholding based on the Record of Depositors as at 14 April 2022		Assuming Minimum Scenario	
	No. of Shares	%	No. of Shares	%
Issued shares	103,886,830	100.0	153,886,830	100.0
<b>Less:</b>				
Treasury shares	-	-	-	-
<u>Directors' shareholdings</u>				
- Dato' Sri Chin Kok Foong	(6,299,686)	(6.1)	(31,299,686)	(20.3)
- Dato' Sri Liew Kok Leong*	(5,833,353)	(5.6)	(30,833,353)	(20.1)
Substantial shareholders' shareholdings	-	-	-	-
Associates' shareholdings	-	-	-	-
<b>Public shareholdings</b>	<b>91,753,791</b>	<b>88.3</b>	<b>91,753,791</b>	<b>59.6</b>

Note:

- \* Inclusive of 1,140,020 Shares held by Ukay One Sdn Bhd whereby Dato' Sri Liew Kok Leong is the shareholder of Ukay One Sdn Bhd.

## 2.5 Take-over implications

Pursuant to the Undertaking, the subscription of Rights Shares by the Undertaking Shareholders will not give rise to any consequences of mandatory general offer obligations pursuant to the Code and the Rules. The Undertaking Shareholders have undertaken to observe and comply at all times with the provisions of the Code and the Rules and will seek from the SC the necessary exemptions from undertaking such mandatory take-over offer, if required.

## 2.6 Details of other corporate exercises

As at the date of this Abridged Prospectus, our Board has confirmed that there are no other corporate exercises which have been approved by the regulatory authorities but pending completion.

## 2.7 Details of previous fund-raising exercises

### (i) Private Placement

On 26 November 2021, our Company completed a private placement of 259,727,000 new Shares (in 1 tranche and listed on 29 November 2021) issued at RM0.05 each and raised approximately RM13.0 million. As at the LPD, the status of use of proceeds raised from the Private Placement is as follows:

Purposes	Proposed utilisation (RM'000)	Amount used (RM'000)	Re-allocation (RM'000)	Balance unutilised (RM'000)	Estimated timeframe for utilisation from listing of placement shares
Repayment of amount owing by our Company to RHB Bank	12,846	(1,250)	-	11,596 <sup>(1)</sup>	Within 6 months
Working capital	-	-	31 <sup>(2)</sup>	31	Within 12 months
Expenses for the Private Placement	140	(109)	(31) <sup>(2)</sup>	-	Immediately
<b>Total</b>	<b>12,986</b>	<b>(1,359)</b>	<b>-</b>	<b>11,627</b>	

Notes:

- (1) In view of the lower amount of funds raised from the Private Placement of RM12.8 million to repay the amount owing to RHB Bank (instead of RM15.2 million), our Company had on 17 February 2022 made a request to RHB Bank to make the full settlement by 5 May 2022 and RHB Bank had on 21 February 2022 agreed to the said request. Our Company had decided to make the full settlement by 5 May 2022 (which is within the 6 months utilisation period) instead of an immediate settlement as our Company is obligated to settle the amount by 5 May 2022 pursuant to our latest settlement arrangement with RHB Bank. Furthermore, the funds raised to repay RHB Bank has to be utilised within 6 months from the listing date of placement shares (i.e. utilised by 28 May 2022). As per the letter from RHB Bank dated 20 April 2022, the latest amount owing was RM14.0 million.

Our Company will therefore fully utilise the funds raised through the Private Placement to repay RHB Bank by 5 May 2022 and any shortfall will be funded via its internally-generated funds. For information purposes, the amount owing to RHB Bank was in respect of the financing drawdown by Ageson Development to undertake a proposed mixed development in Batu Ferringgi (as set out in **Section 6.4(ii)** of this Abridged Prospectus). Our Company is the guarantor for the financing facility granted by RHB Bank.

Pending usage, our Company had deposited the proceeds of RM11.6 million into the Company's interest-bearing current account in CIMB Bank and has received less than RM10,000 in interest income (up to the LPD). The interest earned (on a monthly basis) from the deposit is not sufficient to offset against the interest expense in relation to the amount owing to RHB Bank.

- (2) The balance of RM0.03 million has been re-allocated to the working capital of our Group with the breakdown to be determined later.



**(ii) Proposed rights issue of irredeemable convertible unsecured loan stocks (“Proposed Rights Issue of ICULS”) - Aborted**

On 26 February 2021, KAF announced, on behalf of our Company that our Company proposed to undertake a proposed renounceable rights issue of irredeemable convertible unsecured loan stocks (“ICULS”) to raise up to RM306.77 million.

On 12 August 2021, KAF announced, on behalf of our Company that our Company revised the terms of the Proposed Rights Issue of ICULS to raise up to RM319.55 million to be used by our Group as follows:

	<b>Minimum scenario (RM)</b>	<b>Base case scenario (RM)</b>	<b>Maximum scenario (RM)</b>
Repayment of amount owing by Ageson Development to RHB Bank	9,868,925	15,156,099	15,156,099
Part-financing the funding requirements for the proposed development in Perak	-	62,215,361	302,892,017
To defray related expenses in relation to the corporate exercise	1,505,801	1,505,801	1,505,801
<b>Total</b>	<b>11,374,726</b>	<b>78,877,261</b>	<b>319,553,917</b>

On 20 October 2021, KAF announced, on behalf of our Company that our Company decided to abort the Proposed Rights Issue of ICULS and to explore alternative avenues to raise funds for the operational requirements of our Group. Our Company decided to abort the Proposed Rights Issue of ICULS due to the uncertain timing of completion for the Proposed Rights Issue of ICULS and instead completed the Private Placement on 26 November 2021.

Following the abortion of the Proposed Rights Issue of ICULS at that point, our Company’s intention was to repay the remaining amount owing to RHB Bank via the proceeds raised from the Private Placement. As for the proposed development in Perak, the funding requirements will be met from the sales proceeds of a piece of land measuring approximately 168 acres to ZGDEG at a purchase consideration of approximately RM278.78 million in cash (further information as set out in **Section 6.4(ii)** of this Abridged Prospectus).

**3. RATIONALE FOR THE RIGHTS ISSUE**

On 29 November 2021, our Group completed the Private Placement raising approximately RM13.0 million of which RM12.8 million will be used to repay the amount due to RHB Bank.

Our Board is of the view that the Rights Issue is the most suitable means to raise funds for the following reasons:

- (i) the proceeds from the Rights Issue will improve the cash flow of our Group and their usage are expected to contribute positively to our Group’s future earnings and financial performance (particularly our Group’s gearing) as most of the proceeds to be raised from the Rights Issue (i.e., Minimum Scenario and Base Case Scenario) will be utilised for the repayment of amount owing to Maybank (which was drawn down between 2003 to 2019 by Prinsiptek for purposes such as general expenses and financing for its construction projects) as opposed to internally-generated funds to provide flexibility in cash flow management and is expected to reduce our gearing from 0.17 times (as at the LPD) to 0.10 times (under Minimum Scenario) and 0.01 times (under Base Case Scenario) as well as result in interest saving of approximately RM4.8 million over the repayment period. Our Group intends to reserve the available cash and bank balances for our operations and working capital requirements;
- (ii) the issuance of new Shares via the Rights Issue will not dilute our existing shareholders’ equity interests, assuming all Entitled Shareholders fully subscribe for their respective entitlements;
- (iii) it provides an opportunity for our existing shareholders to increase their equity participation in our Company on a pro rata basis by subscribing to their respective entitlements; and

- (iv) the Undertaking will enable our Company to raise the minimum required funds without incurring any cost in the form of underwriting commission.

#### 4. UTILISATION OF PROCEEDS

Based on the issue price of RM0.20 per Rights Share, the gross proceeds to be raised from the Rights Issue will be utilised in the following manner:

Purposes	Notes	Minimum Scenario		Base Case Scenario		Maximum Scenario*		Expected time frame for utilisation from the completion date of the Rights Issue
		RM'000	%	RM'000	%	RM'000	%	
Repayment of amount owing to Maybank	(i)	9,570	95.7	40,990	98.6	40,990	28.6	Within 24 months (for Minimum Scenario) and 6 months (for Base Case Scenario and Maximum Scenario)
Funding for future property development and constructions projects, acquisitions and/or investments	(ii)	-	-	-	-	96,847	67.6	Within 36 months
Working capital	(iii)	-	-	135	0.4	5,000	3.5	Within 12 months
Estimated expenses for the Corporate Exercises	(iv)	430	4.3	430	1.0	430	0.3	Immediately
<b>Total</b>		<b>10,000</b>	<b>100.0</b>	<b>41,555</b>	<b>100.0</b>	<b>143,267</b>	<b>100.0</b>	

The actual proceeds to be raised from the Rights Issue is dependent on the number of Shares in issue on the Entitlement Date and the subscription level of the Rights Shares. Any additional proceeds raised in excess of RM10.0 million (under the Minimum Scenario) will be utilised in the following order of priority:

- (i) firstly, be used to defray the estimated expenses for the Corporate Exercises;
- (ii) secondly, be used to repay amount owing to Maybank;
- (iii) thirdly, be used to fund future property development and constructions projects, acquisitions and/or investments (under the Maximum Scenario only); and
- (iv) lastly, any surplus of proceeds (after utilisation for (i), (ii) and (iii) above) be allocated for the working capital of our Group.

Notes:

\* Under the Maximum Scenario, our Board is of the view that the ICPS are unlikely to be converted prior to the Entitlement Date as the ICPS are currently out-of-money based on the conversion price for the ICPS of RM1.95 and the 5D-VWAP of our Shares up to and including the LPD of RM0.3581.

- (i) On 12 April 2013, Maybank had, amongst others, granted Blanket Contract Financing facilities to Prinsiptek with an available limit of up to RM321.9 million. On 15 January 2020, the available limit was subsequently reduced to up to approximately RM64.3 million ("**Banking Facilities of Maybank**").

Our Group had undertaken an internal restructuring exercise since 1 July 2019 to reduce administrative expenses and to increase operational efficiency. Following that, Prinsiptek had ceased its business operations and became dormant in July 2019.

On 20 October 2019, Prinsiptek ceased to be a subsidiary of our Company, when our shareholding in Prinsiptek decreased from 100% to 9.09% as a result of the conversion of 1,000,000 preference shares by two preference shareholders, namely Abdul Jalal Bin Kasnan and Muhammad Nasron Bin Kasnan, into 100,000,000 ordinary shares of Prinsiptek. They are not our Company's directors, major shareholders, chief executive or persons connected to them.

Before Prinsiptek ceased to be a subsidiary of our Company, Prinsiptek had drawn down approximately RM37.4 million from the Banking Facilities of Maybank (“**Amount Owing to Maybank**”) between 2003 to 2019 for purposes such as general expenses and financing for its construction projects. Our Company had assumed the payment obligations under its capacity as the corporate guarantor for Prinsiptek while Prinsiptek was still a subsidiary of our Company due to the difficulty on the part of Prinsiptek to continue paying the Amount Owing to Maybank as Prinsiptek had ceased its business operations and became dormant in July 2019.

As at LPD, the total outstanding banking facilities provided to Prinsiptek from Maybank is approximately RM41.2 million (inclusive of interests).

Under the Minimum Scenario, our Group intends to allocate approximately RM9.6 million to partly repay the outstanding Amount Owing to Maybank in accordance with the repayment schedule (as shown in the table below). The remaining balance will be paid via our Group’s internally-generated funds. In view of the lower amount of funds to be raised under the Minimum Scenario, our Group is expected to take 24 months after the completion of the Rights Issue to repay the monthly instalments until RM9.6 million is fully repaid.

Under both the Base Case Scenario and the Maximum Scenario, our Group intends to allocate approximately RM41.0 million to fully repay the outstanding Amount Owing to Maybank as early redemption, instead of observing the repayment schedule (as shown in the table below). On 8 April 2022, our Company submitted an improved settlement proposal to Maybank (refer to Note (c) below). Notwithstanding the above, the outstanding Amount Owing to Maybank would be fully repaid within 6 months from the completion date of the Rights Issue because of the higher amount of funds to be raised under the Base Case Scenario and Maximum Scenario.

As at the LPD, our Group has approximately RM13.5 million in cash and bank balances. Assuming the Rights Issue is completed in June 2022 and the outstanding Amount Owing to Maybank is fully paid in December 2022 (under the Base Case Scenario and Maximum Scenario), the early redemption is expected to result in an interest saving of approximately RM4.8 million over the repayment period (based on the weighted average interest rate of 4.85% per annum).

Depending on the timing of repayment (upon completion of the Rights Issue), the surplus (if any, under the Base Case Scenario and Maximum Scenario) after the full repayment of the outstanding Amount Owing to Maybank will be allocated to our Group’s future property development and constructions projects, acquisitions and/or investments for the reason that the funds allocated to repay the Amount Owing to Maybank is based on the balance as at the LPD.

Pursuant to the letters and correspondences between Maybank and our Company from 17 March 2021 up to 8 April 2022, our Company and Maybank had mutually agreed to the following arrangement:

No.	Due date	Agreed repayment schedule RM	Status of payment as at the LPD
<b>2021</b>			
1.	Upfront payment by 1 April 2021	1,000,000	Paid on 1 April 2021
2.	Upfront payment by 30 April 2021	1,000,000	Paid on 30 April 2021
3.	Instalment for the month of March 2021	253,787	Paid on 1 April 2021
4.	Instalment for the month of April 2021	253,787	Paid on 30 April 2021
5.	Instalment for the month of May 2021	253,787	Paid on 12 May 2021
6.	By the 15 <sup>th</sup> of every month commencing from June 2021 until August 2021	Monthly instalment of RM125,000	The instalment for the month of June 2021 was paid on 26 June 2021.  The instalment for the month of July 2021 was paid on 15 July 2021.  The instalment for the month of August 2021 was paid on 16 August 2021.

No.	Due date	Agreed repayment schedule RM	Status of payment as at the LPD	
7.	By the 15 <sup>th</sup> of every month commencing from September 2021 until December 2021 <sup>(a)</sup>	Monthly instalment of RM300,000	RM125,000 <sup>(a)</sup> was paid on 14 September 2021, 13 October 2021, 15 November 2021 and 14 December 2021.	
<b>2022</b>				
8.	By the 15 <sup>th</sup> of every month commencing from January 2022 until December 2022 <sup>(b)(c)</sup>	Monthly instalment of RM300,000	RM150,000 <sup>(b)</sup> was paid on 14 January 2022.  RM150,000 <sup>(b)</sup> was paid on 12 February 2022.  RM150,000 <sup>(b)</sup> was paid on 9 March 2022.  RM150,000 <sup>(b)</sup> was paid on 15 April 2022.	
<b>2023</b>				
9.	By the 15 <sup>th</sup> of every month commencing from January 2023 until December 2023 <sup>(c)</sup>	Monthly instalment of RM600,000	} Yet to be paid	
<b>2024</b>				
10.	By the 15 <sup>th</sup> of every month commencing from January 2024 until December 2024 <sup>(c)</sup>	Monthly instalment of RM1,200,000		
<b>2025</b>				
11.	By the 15 <sup>th</sup> of every month commencing from January 2025 until December 2025 or until full settlement, whichever is earlier <sup>(c)</sup>	Monthly instalment of RM2,017,959		

Sub-notes:

- (a) Our Company's request to revise the principal repayment amount from RM300,000 to RM125,000 for the months from September 2021 to December 2021 was rejected by Maybank on 25 August 2021. Our Company had requested for the revision for cash flow management reasons as our construction and property development activities were halted due to the restrictions imposed by the government to contain the COVID-19 pandemic whereby our Group was not allowed to operate due to the earlier lockdowns. However, Maybank agreed to withhold legal actions and/or enforcement proceedings against our Company, as the corporate guarantor to Prinsiptek, and the third-party charger, Solidvest until 31 December 2021 subject to the following terms and conditions:
- (1) Monthly instalment payment in the sum of RM125,000 payable by the 15<sup>th</sup> of every month commencing from September 2021 until December 2021; and
  - (2) Our Company was to submit an improved settlement proposal acceptable to Maybank by 10 December 2021 for the consideration of Maybank. Refer to Note (b) below for the proposal submitted to Maybank.

- (b) Our Company's request dated 29 November 2021 to Maybank to revise the principal repayment amount from RM300,000 to RM150,000 for the months of January 2022 to December 2022 in the principal repayment schedule was rejected by Maybank on 20 December 2021. Our Company had requested for the revision for cash flow management reasons as our Group had gradually resumed its operations following the gradual upliftment of restrictions imposed previously by the government to contain the COVID-19 pandemic. The request was intended to allow our Group to plan and allocate cash flows for our business operations which could generate income to pay for our day-to-day operation. However, Maybank agreed to withhold legal actions and/or enforcement proceedings against our Company, as the corporate guarantor to Prinsiptek, and the third-party charger, Solidvest, until 30 April 2022 subject to the following terms and conditions:
- (1) Monthly payment in the sum of RM150,000 payable by the 15<sup>th</sup> of every month commencing from January 2022 until April 2022; and
  - (2) Our Company was to submit an improved settlement proposal acceptable to Maybank by 10 April 2022 for Maybank's consideration (if the Rights Issue is undertaken based on the Minimum Subscription Level, our Group will fund the shortfall via its internally-generated funds). Refer to Note (c) below for the proposal submitted to Maybank.
- (c) On 8 April 2022, our Company had submitted an improved settlement proposal to Maybank as follows:

No.	Due date	Repayment schedule
<b>2022</b>		
1.	By the 15 <sup>th</sup> of every month commencing from May 2022 until December 2022	Monthly instalment of RM300,000
<b>2023</b>		
2.	By the 15 <sup>th</sup> of every month commencing from Jan 2023 until December 2023	Monthly instalment of RM600,000
<b>2024</b>		
3.	By the 15 <sup>th</sup> of every month commencing from Jan 2024 until December 2024	Monthly instalment of RM2,000,000
<b>2025</b>		
4.	By the 15 <sup>th</sup> of every month commencing from Jan 2025 until March 2025	Monthly instalment of RM2,000,000
5.	15 April 2025	Balance of RM789,724.80

As at the LPD, Maybank has yet to revert on its decision on the improved settlement proposal submitted on 8 April 2022. Assuming the Rights Issue is undertaken based on the Minimum Scenario, our Board is of the view that our Group has sufficient internally-generated funds to finance the shortfall on the repayment to Maybank after considering our Group's cash and bank balances of approximately RM13.5 million (as at the LPD) as well as the expected progress payments from our property development project in Perak (expected to commence in FYE 30 June 2023).

Prior to the full settlement of the Amount Owing to Maybank, the interest expenses on the outstanding Amount Owing to Maybank shall be calculated based on the base lending rate of Maybank plus 1.00% to 1.50%. The base lending rate of Maybank is currently at 5.4% per annum.

Our Company has not defaulted in the payment for the Amount Owing to Maybank since it assumed the obligation as the corporate guarantor and had been paying the Amount Owing to Maybank via its internally-generated funds from our Group's operation and proceeds from the conversion of the ICPS.

- (ii) Under the Maximum Scenario, our Group intends to allocate up to RM96.8 million to fund its future property development and constructions projects, acquisitions and/or investment in businesses/assets which are complementary to our existing business. Nevertheless, our Board is of the view that the ICPS are unlikely to be converted prior to the Entitlement Date as the ICPS are currently out-of-money based on the 5D-VWAP of our Shares up to and including the LPD of RM0.3581. In the unlikely event that the Maximum Scenario materialises, our Board is of the view that such usage of funds will contribute positively to our Group's future earnings as our Group intends to shift its focus from the construction segment to the property development segment and focus on high margin property development projects. Our Board has also considered and is of the view that our Group would benefit from the incentives introduced by the government to support the property market (such as allocation of RM1.2 billion to provide housing especially to the low-income group and stamp duty exemptions on loan agreement and instruments of transfer) (as set out in **Section 6.3** of this Abridged Prospectus). Our construction segment consists of trading of construction materials as well as construction projects. Generally, our Group would need to incur higher upfront costs to purchase construction materials (e.g. machineries and plywood) as compared to undertaking a property development project.

As at the LPD, our Group has not identified any such specific project, acquisition and/or investment. Any such acquisitions and/or investments may be undertaken via merger and acquisition of business, key partnership, joint venture and collaboration. Nevertheless, as our Group is involved in the construction and property development business, our Group may acquire/invest in businesses specialising in building information modeling which is expected to improve our Group's construction and property development process.

Our property development segment is spearheaded by Dato' Sri Chin Kok Foong (Executive Director of our Company). He started his career as a contractor and has been involved in the property development industry since 2000. Through his guidance and experience in the property development industry, our Group had secured a property development project in Perak with an estimated gross development value of approximately RM1.24 billion and is expected to commence in FYE 30 June 2023.

Although our Group has yet to secure any construction project and there is no order book for construction contract in hand, our Group intends to allocate up to RM96.8 million to fund and facilitate any future property development and constructions projects, acquisitions and/or investment in businesses/assets whereby the funds can be deployed immediately when such opportunities arise. In the event potential property development or acquisition and/or investment in businesses/assets were identified by our Group, the funds raised from the Rights Issue can be utilised instantly to begin the development works and/or as initial purchase consideration for the business/assets as opposed to only raise funds at a later stage.

As at the LPD, our Group's current property development projects are as follows:

<b>Projects</b>	<b>Sources of funding</b>
Property development project in Perak	Internally-generated funds as well as progress payment from the sales of properties from the project. Further details are set out in <b>Section 6.4</b> of this Abridged Prospectus.
Property development project in Gombak	Internally-generated funds as well as funding from collaboration partner (i.e. Shuangling). Further details are set out in <b>Section 6.4</b> of this Abridged Prospectus.
Property development project in Batu Ferringgi	To be determined as our Group is in the midst of sourcing for joint-venture partner(s) to jointly develop the project. Further details are set out in <b>Section 6.4</b> of this Abridged Prospectus.

If and when our Group enters into any agreement, announcements will be made and approvals will be sought from our shareholders, if required. If such opportunities do not materialise within the expected timeframe, our Group intends to use the proceeds for its working capital and will seek our shareholders' approval for the variation (if required).

- (iii) Our Group intends to allocate up to RM5.0 million for working capital with the following breakdown:

	<b>Base Case Scenario (RM'000)</b>	<b>Maximum Scenario (RM'000)</b>
Professional fees (e.g. audit and tax agent fees)	135	300
Staff cost (e.g. salaries and statutory contributions)	-	3,000
Marketing cost	-	1,200
Rental and upkeep of office equipment	-	500
<b>Total</b>	<b>135</b>	<b>5,000</b>

The working capital will be funded via internally-generated funds under the Minimum Scenario.

- (iv) The breakdown of estimated expenses in relation to the Corporate Exercises are as follows:

	<b>Amount (RM'000)</b>
Professional fees (i.e. principal adviser, solicitor and other professional)	379
Regulatory fees (i.e. Bursa Securities, SC and the Registrar of Companies)	41
Other incidental expenses in relation to the Corporate Exercises (e.g. printing and advertising costs, virtual meeting costs and other ancillary expenses)	10
<b>Total</b>	<b>430</b>

Any surplus or shortfall to the amount allocated for the expenses for the Corporate Exercises (under the Base Case Scenario and Maximum Scenario), will be adjusted against the amount allocated for our Group's working capital. Any shortfall (under the Minimum Scenario) will be funded via our Group's internally generated funds while the surplus will be adjusted against the amount allocated for the repayment to amount owing to Maybank.

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

Pursuant to Paragraph 8.22 of the Listing Requirements, our Company will seek its shareholder's approval if our Company proposes to make a material change (i.e. 25% or more of the total proceeds raised) to the use of proceeds raised from the Rights Issue.

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## 5. RISK FACTORS

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

### 5.1 Risks relating to our Group

#### (a) Impact of containment measures to curb the COVID-19 virus on our Group's business and operations

In the recent years, the COVID-19 pandemic has spread across the world resulting in lockdown or similar measures imposed by governments worldwide to curb the spread of the virus. These have resulted in adverse impact to the performance of the world's economies including Malaysia. Even with the gradual relaxation of lockdown measures, consumer sentiment is expected to remain dampened in the near future as consumers stay cautious in their spending.

Our Group has taken appropriate steps to comply with the standard operating procedures that are in line with the National Security Council and the Ministry of Health's specifications in relation to the COVID-19 infection control measures which include, among others, daily body temperature measurements and symptom screening for employees and clients, registration with the MySejahtera application, practice of social distancing, mandatory mask policy and provision of personal protective equipment to employees according to their work needs.

The temporary halt of construction and property development activities during the MCO period had also affected the progress of our Group's construction and property development projects. As at the LPD, the business operation of our Group is not subject to any COVID-19 restrictions. Despite the control measures implemented by the government, our Group's audited revenue increased by RM72.0 million or 76.4% to RM166.2 million in FYE 30 June 2021 (FYE 30 June 2020: RM94.2 million). However, our Group's gross profit margin decreased from 58.1% to 19.5% in FYE 30 June 2021 as a result of the increase in cost of sales due to higher construction material prices. Our Group's PAT margin decreased from 41.0% to 18.9% in FYE 30 June 2021 as a result of the lower gross profit.

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

#### (b) Dependency on key personnel

Our Group's business sustainability depends largely on the abilities, skills and experience as well as continued efforts of our existing Executive Directors and key management personnel. Our property development and construction segments are spearheaded by Dato' Sri Chin Kok Foong and Dato' Sri Liew Kok Leong (both are Executive Directors of our Company). Dato' Sri Chin Kok Foong has over 20 years of experience in the property development and construction industries. Dato' Sri Liew Kok Leong has over 20 years of experience in the property development and general trading industry. Both of them are supported by key management personnel with relevant experience as well as knowledge in the construction and property development industry. The loss of any Executive Director and/or key management personnel without suitable and timely replacement, or the inability of our Group to attract and retain other qualified personnel, may adversely affect our Group's revenue and profitability. Our Group may not be able to identify, attract and retain skilled personnel from time to time in the future, and any loss of key personnel may not be easily and quickly replaced without major disruption to our Group's operations.



**(c) Political, economic and regulatory considerations**

Our Group conducts business locally in Malaysia. Any adverse changes in political, economic and regulatory conditions or developments, vulnerabilities and volatility of emerging market economies and currencies and severe fluctuation in interest rate which includes but not limited to, changes in political leadership, government's monetary and fiscal policy, taxation rate and policies, change in labour law and other regulatory changes, can affect investors' confidence in the financial and stock markets which, in turn, may have a material adverse impact on our Group's business, results of operations, financial condition and prospects. As a result of globalisation, economic or market instability in a single country or region are increasingly affecting other markets in general. A continuation of these situations could adversely affect global economic conditions and world markets, and in turn, could cause a chain reaction effect and thus may adversely affect our Group's business and financial performance.

While we strive to continue to take precautionary measures such as prudent business, financial and risk management policies, most of the above changes may be beyond our control and may materially and adversely affect the performance of our Group. As a prime example, the COVID-19 pandemic and the resulting movement restriction measures by governments worldwide.

**(d) Financial risk**

Our Group's working capital and capital expenditure requirements are funded by internally-generated funds and/or bank borrowings. As at the LPD, our Group's total borrowings amounted to approximately RM56.6 million. All our bank borrowings are interest-bearing based on variable rates and denominated in RM. As such, any fluctuation in interest rates could have a material effect on our finance costs. As at the LPD, there is no unutilised banking facilities available to the Group.

Our Board is confident of our ability to meet our financial obligations when they become due and payable, after taking into consideration the banking facilities currently available to us and the usage of proceeds to be raised from the Rights Issue and Private Placement. Nevertheless, if significant future fluctuations in interest rates occur, they may adversely and materially affect our Group's performance and profitability.

**5.2 Risks relating to our Group's construction and property development industries**

**(a) Business and operational risks**

Our Group is primarily involved in the construction and property development industry with the construction segment contributing to most of our Group's revenue. Risks inherent in these industries include timely commencement and/or completion of projects, increases in cost of energy, labour and building materials, shortage of skilled workers in the construction sector, adverse weather conditions, natural disasters, accidents and changes in general economic, business and credit conditions. Accordingly, there is no assurance that any changes to these factors, which may be beyond our Group's control, will not materially affect our business operations. For instance, our Group had experienced temporary shutdown of our trading of construction materials activities due to the restrictions imposed by the Malaysian government since mid-March 2020 nationwide arising from the COVID-19 pandemic. Besides, our Group has been also experiencing increases in material prices (i.e. construction and building materials) since the year 2021 which resulted in a decrease in gross profit margin of our Group by 26.1% to 19.3% in FYE 30 June 2021 (FYE 30 June 2020: 45.4%).

**(b) Fluctuation in prices and shortage of raw material**

Due to the nature of construction and property development industry, our Group depends on a continuous supply of raw materials and will constantly source and purchase a wide range of construction services materials which includes but no limited to, steel bars, ready mixed concrete, sand, cement and tile. The market prices and availability of raw materials may fluctuate in response to changes in market supply and demand, economy conditions, inflationary pressure and environment regulations and tariffs.

Any sudden and/ or unexpected shortage of supply may require us to source for suitable replacements. Failure to obtain the replacements in a timely manner may lead to delays in our construction works and as a result thereof, our business operations may be adversely affected. During the FYE 30 June 2021, our Group was affected by the increase in construction material prices which resulted in a decrease in our Group's PAT by RM7.2 million (or 18.5%) to RM31.7 million in FYE 30 June 2021 (FYE 30 June 2020: RM38.9 million). However, there was no significant impact towards our Group's business and financial performance as a result of the fluctuation in raw material prices as our Group has been applying prudent practices to minimise this risk by performing inventory management to monitor and track the past trend purchase prices and inventories movements.

The increase in material prices were mainly due to the supply chain disruption and geo-political concerns and such increase will prolong if these disruption and concerns are not resolved. In the event the material prices continue to increase, the financial performance of our Group will be affected as our Group may need to revise our costing. Nevertheless, there is no assurance that we are able to obtain and maintain sufficient quantities of raw materials for our projects at competitive prices at all times which may in turn affect our financial performance.

**(c) Competition risk**

The Malaysian construction and property development industry is competitive, our Group faces competition from existing players in construction and property development industries who have good reputation with larger pool of resources as well as new entrants to these industries. We will take proactive measures to remain competitive via sales and marketing strategies, conducting market studies before acquiring any property and/or commencement of any construction/development project, close monitoring of the demand of the property market, providing quality services, competitive pricing, seeking new opportunities and differentiate our development to meet the needs of the target markets in the future.

However, there is no assurance that our Group will be able to successfully compete with these competitors and that competitive pressure will not materially and adversely affect our Group's business, operations and results and/or financial conditions. Furthermore, our Board is of the view that our Group's market share in the construction and property development industry is insignificant as compared to its larger peers which consist of listed, non-listed and multinational companies in Malaysia.

**(d) Delay or non-completion of projects**

The construction and property development segments are exposed to the risk that there may be delays in the completion of the construction and/or development projects. Such events include, amongst others, natural disasters, adverse weather conditions, delay in obtaining approvals/permits necessary for the construction and/or development projects, shortage or unavailability of building materials and/or labour workforce and other unforeseen circumstances. There is no assurance that delay in the construction and/or property development projects will not increase the project costs which will materially affect profitability of our Group. Such delays may also affect our Group's reputation which would then adversely affect our Group's ability to successfully bid for other constructions project in the future. As at the LPD, our Group has not encountered any delay or non-completion of projects undertaken by our Group and the last property development project completed by our Group was in 2019.

**(e) Property overhang and/or unsold property**

Our Group faces the risk of property overhang, commonly caused by over-supply and low demand for similar properties and other factors such as economic downturns and unfavourable financial conditions. Property overhang may occur at the time of completion of our property development projects in the future. This would affect the sale and rental of our Group's properties and in turn affect our financial performance. In addition, a prolonged property overhang situation or an increase in the number of unsold properties in the property market may also be due to other factors such as weak response to property launches, location of the properties and changes in consumer preference.

There is no assurance that our Group's projects will achieve a favourable take-up rate or that our Group's property launches will not be affected by property overhang. In the past, our Group had experienced unsold properties. As at the LPD, there is no unsold properties held by our Group.

**(f) Availability of strategic properties for acquisition**

The success of our Group's property development segment is dependent on our Group's ability to identify and acquire suitable properties/land banks in terms of, amongst others, price, location and size for future property development projects. Due to the scarcity of strategic properties/land banks, our Group is expected to face competition from existing players in construction and property development industries who have good reputation with larger pool of resources as well as new entrants to these industries.

Given the competition, properties/land banks may be limited and/or acquired at a higher acquisition cost. Premised on the above, there is no assurance that our Group will be able to continuously identify and acquire suitable properties/land banks at commercially viable prices for our future property development plan, which may have a material adverse effect on the financial performance of our property investment and management in the future.

**(g) Foreign currency exchange risk**

As our Group shifts its focus to the property development segment by exploring into, amongst others, overseas projects, our Group will be exposed to foreign currency exchange risk as most of the transactions and property development cost will be in foreign currencies, while our revenue is mainly denominated in RM. Therefore, any adverse fluctuation to the base currency or the denominated currency will affect our cash flows. There is no assurance that any foreign exchange fluctuation will not have an adverse impact on our Group's financial performance.

**5.3 Risk factors relating to the Rights Issue**

**(a) Delay or failure to implement the Rights Issue**

The Rights Issue is exposed to the risk that they may be delayed or not implemented due to the occurrence of force majeure events or circumstances which are beyond the control of our Company and Adviser arising prior to the implementation of the Rights Issue. Such events or circumstances include, epidemics or pandemics, natural disasters, adverse developments in political, economic and government policies in Malaysia, including changes in inflation and interest rates, global economic downturn, acts of war, acts of terrorism, riots, expropriations and changes in political leadership.

There can be no assurance that the abovementioned events will not occur and cause a delay or failure to implement the Rights Issue. If not implemented, all monies received from the Rights Issue will be refunded without interest to the Entitled Shareholders/subscribers and/or the renouneece(s)/transferee(s) (if applicable).

If such monies are not repaid within 14 days after our Company becomes liable, our Company will repay such monies with interest at the rate of 10% per annum or such other rate as may be prescribed by the SC in accordance with Section 243(2) of the CMSA.

In the event that the Rights Shares have been allotted to the successful Entitled Shareholders and/or their renounee(s)/transferee(s) (if applicable) and the Rights Issue is subsequently cancelled or terminated, a return of monies to the shareholders can only be achieved by way of cancellation of our share capital as provided under the Act. Such cancellation requires the approval of our shareholders by way of special resolution in a general meeting, consent of our creditors (where applicable) and may require 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 or at all under such circumstances.

**(b) Investment and capital market risk**

The market price of the new securities arising from the Rights Issue is influenced by, amongst others, the prevailing market sentiments, the volatility of equity markets, the liquidity of our Shares, the outlook of the industries in which our Group operates, changes in regulatory requirements or market conditions, as well as the financial performance and fluctuations in our Group's operating results.

In addition, the performance of the Malaysian share market (where our Shares are listed) is dependent on the economic and political conditions in Malaysia and overseas as well as external factors such as, amongst others, the performance of the world bourses and flows of foreign funds. In view of this, there can be no assurance that the Right Shares will trade above the issue prices or TEAP upon or subsequent to its listing on the Main Market of Bursa Securities.

Our Group will endeavour to improve its revenue and earnings thereby increasing the likelihood of a positive reflection in the market price of our Shares.

**(c) Potential dilution on our existing shareholders' shareholdings**

Entitled Shareholders who do not subscribe for their entitlements under the Rights Issue will experience dilution of their shareholding percentages as a result of the issuance of the Rights Shares. Consequently, their proportionate entitlements to any dividends, rights, allotments and/or other distributions that our Company may declare, make or pay after completion of the Rights Issue will be correspondingly diluted.

In order to attract the Entitled Shareholders to subscribe for the Rights Issue and mitigate the risk of potential dilution of their shareholdings, our Board has fixed the Issue Price of the Rights Shares at a discount to the TEAP as set out in **Section 2.2** of this Abridged Prospectus.

**(d) Forward-looking statements**

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

Such forward-looking statements contained in this Abridged Prospectus are based on estimates and assumptions made by our Company, unless stated otherwise. Although our Board believes that these forward-looking statements are reasonable at this point in time given the prevailing circumstances, the statements are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. In view of the above, the inclusion of any forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by our Company, the Adviser and/or other advisers in relation to the Rights Issue that the plans and objectives of our Group will be achieved.

## 6. INDUSTRY OUTLOOK AND FUTURE PROSPECTS OF OUR GROUP

Our Group is mainly involved in the construction and property development businesses with both segments contributed approximately 98.4% and 1.6%, respectively, to our Group's revenue for the audited FYE 30 June 2021. As our Group will be focusing on the construction and property development businesses moving forward, the overview and outlook of the construction and property industries are included in this Abridged Prospectus.

### 6.1 Overview and outlook of the Malaysian economy

The Malaysian economy registered a positive growth of 3.6% in the 4<sup>th</sup> quarter of 2021 ("4Q 2021"). Growth was supported mainly by an improvement in domestic demand as economic activity normalised following the easing of containment measures under the National Recovery Plan ("NRP"). The improvement also reflected recovery in the labour market as well as continued policy support. In addition, strong external demand amid the continued upcycle in global technology provided a further lift to growth. On the supply side, all economic sectors recorded improvements in growth, led by the services and manufacturing sectors. On the demand side, growth was driven by higher consumption and trade activity. On a quarter-on-quarter seasonally adjusted basis, the economy registered an increase of 6.6% in 4Q 2021.

All economic sectors recorded an improvement in 4Q 2021. The services sector turned around to expand by 3.2% in 4Q 2021. Consumer-related activities continued to recover amid the reopening of the economy. This was reflected in the higher spending observed within the retail and recreational subsectors. Growth in the information and communication subsector provided further support amid continued demand for data communications services, particularly for e-commerce and e-payment activities.

Growth in the manufacturing sector recorded a marked improvement of 9.1% in 4Q 2021. This was driven by continued strength in export oriented industries such as electrical and electronics ("E&E") and primary related clusters, and recovery in domestic oriented industries such as consumer- and construction-related clusters. Robust demand for E&E products persisted throughout the quarter in line with the continued tech upcycle. Meanwhile, growth in the primary-related cluster was supported by continued demand for refined petroleum, chemical and plastic products. On the domestic front, the relaxation of containment measures and increased consumer confidence amid strong vaccination progress facilitated a recovery in demand for consumer products such as food, clothing and vehicles.

Growth in the construction sector improved with a smaller contraction of 12.2% in 4Q 2021. This was supported by higher construction activity, especially in the non-residential and special trade subsectors, following the reopening of the economy.

The mining sector contracted at a slower pace of 0.9% in 4Q 2021. Despite some facility closures for maintenance purposes during the quarter, growth was supported by higher production from oil and gas fields including the PETRONAS Floating Liquefied Natural Gas DUA (PFLNG2) facility located in offshore East Malaysia.

Domestic demand grew by 2.3% in 4Q 2021. This was driven by the improvement in private sector expenditure following the loosening of restrictions. On the external front, net exports expanded by 2.6% in 4Q 2021 due to higher export growth amid strong external demand. Private consumption growth turned around to register a positive growth of 3.7% in 4Q 2021. The turnaround was mainly supported by the relaxation of containment measures. In particular, spending on discretionary items such as restaurants and hotels as well as recreational services rebounded during the quarter. Labour market conditions also improved during the same period, as evidenced by stronger employment and wage growth. Furthermore, various policy measures provided additional support to consumer spending. Public consumption growth expanded at a slower pace of 4.3% in 4Q 2021, attributable to a moderate growth in supplies and services expenditure. However, government spending remained supported by COVID-related spending and small maintenance and repair works.

(Source: Economic and Financial Developments in the Malaysian Economy in 4Q 2021, Bank Negara Malaysia)

In 2022, the Malaysian economy is expected to strengthen between 5.5% and 6.5%, supported by significant improvement in global trade, stabilised commodity prices, containment of the pandemic, and gradual improvement in consumer and business sentiments.

(Source: Economic Outlook 2022, Ministry of Finance)

## **6.2 Overview and outlook of the construction industry**

With the value of construction projects awarded declining by 22.6% to RM86.7 billion for 2020 compared with RM112 billion for the year before as reported by the Construction Industry Development Board, the construction sector contracted by 19.4% in 2020. Likewise, labour productivity in the sector fell by 15.7% in 2020. Labour productivity in the agriculture sector dropped by 1.8% in 2020, with its growth contracting by 2.2%. The Malaysian Employers Federation cited that the plantation industry reported a shortage of 40,000 workers with RM10 billion losses during the same period despite experiencing a 26% hike in palm oil prices in 2020.

The construction sector registered a strong growth of 8.3% in the first half of 2021, supported by an improvement in specialised construction activities, non-residential buildings and residential buildings subsectors. The better performance was also attributed to the low base effect following a significant drop in construction works during the corresponding period last year. However, the civil engineering subsector contracted due to the temporary suspension of infrastructure projects following stringent COVID-19 virus containment measures. In contrast, the sector is forecast to decline by 8.4% in the second half of the year, weighed down by civil engineering, non-residential buildings and residential building subsectors, despite the resumption of construction activities. Nevertheless, the decline is being cushioned by a rebound in the specialised construction activities subsector. Overall, the sector is expected to record a marginal contraction of 0.8% during the year compared to a double-digit decline in 2020.

The construction sector is projected to turn around by 11.5% in 2022 on account of better performance in all its subsectors. The civil engineering subsector is anticipated to regain its positive growth, following the continuation and acceleration of major infrastructure projects, such as Light Rail Transit Line 3, Mass Rail Transit Line 3, Johor-Singapore Rapid Transit System as well as the Pan Borneo highways in Sabah and Sarawak. Utility projects, including Baleh Hydroelectric, Sarawak Water Supply Grid Programme and Large-Scale Solar 3 plant, are also projected to spur growth. Similarly, the residential buildings subsector is expected to expand further in line with the Government's measures to address the shortage of affordable houses. The measures, among others, are the continuation of the Rent-to-Own scheme and full stamp duty exemptions for first-time home buyers as well as Rumah Mesra Rakyat and People's Housing programmes. In addition, the non-residential buildings subsector is anticipated to improve, backed by ongoing commercial projects, namely Kwasa Damansara, Tun Razak Exchange and KLIA Aeropolis.

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

## **6.3 Overview and outlook of the property industry**

On the financial segment, Bank Negara Malaysia (BNM) decided to maintain the Overnight Policy Rate at 1.75% as at 3 March 2022. This is considered by the Monetary Policy Committee as appropriate and accommodating, which will continue to support economic recovery. On the demand side, loan applications and approvals for residential purchase each increased by more than 30% compared to 2020. Loan approvals recorded a substantial turnaround from last year. Similarly, loan applications and approvals for non-residential purchase increased at a higher 33.9% and 45.7% respectively.

The property market showed signs of recovery following the implementation of various stimulus provided by the government, via Short-term Economic Recovery Plan namely Pelan Jana Semula Ekonomi Negara (“**PENJANA**”) and Prihatin Rakyat Economic Stimulus Package. The stimulus helped to sustain the confidence of the industry and households at large in coping with the impact of pandemic. In addition, initiatives introduced under Budget 2021 remained supportive to the property market. Among the initiatives included:

- (i) An allocation of RM1.2 billion for providing comfortable and quality housing, especially for the low-income group.
- (ii) Full stamp duty exemption on instruments of transfer and loan agreement for first-time home buyers will be extended until 31 December 2025, effective for sale and purchase executed from 1 January 2021 to 31 December 2025.
- (iii) Stamp Duty exemption on loan agreement and instruments of transfer given to rescuing contractors and the original house purchasers is extended for five years. This exemption is effective for loan agreements and instruments of transfer executed from 1 January 2021 to 31 December 2025 for abandoned housing projects certified by Ministry of Housing and Local Government.
- (iv) Collaboration with selected financial institutions to provide a Rent-to-Own Scheme. The program will be implemented until 2022 involving 5,000 units PR1MA houses with a total value of more than RM1 billion.

For PENJANA, the financial initiatives introduced by the government which have helped soften the impact on property market included:

- (i) Re-introduction of Home Ownership Campaign (“**HOC**”) - Stamp duty exemption on the instruments of transfer and loan agreement for the purchase of residential homes priced between RM300,000 to RM2.5 million subject to at least 10% discounts provided by the developer. The exemption on the instrument of transfer is limited to the first RM1 million of the home price while full stamp duty exemption is given on loan agreement effective for sales and purchase agreements signed between 1st June 2020 to 31 May 2021.
- (ii) RPGT exemption for disposal of residential homes from 1st June 2020 to 31 December 2021 (This exemption is limited to the disposal of three units of residential homes per individual).
- (iii) The lifting of the current 70 percent margin of financing limit applicable for the third housing loan onwards for property valued at RM600,000 and above, during the period of the HOC, subject to internal risk management practices of financial institutions.

The property market performance showed a slight improvement in 2021 but has yet to surpass the pre-pandemic level recorded prior to 2020. More than 300,000 transactions worth nearly RM145 billion were recorded, indicating an increase of 1.5% in volume and 21.7% in value compared to last year.

The residential, commercial and industrial sub-sectors saw an increase of 3.9%, 10.7% and 17.6% respectively, while agriculture and development land sub-sectors declined slightly by 7.5% and 7.4% respectively. Value of transactions recorded higher increase for residential, commercial, industrial and development land sub-sectors each at 16.7%, 43.1%, 32.9% and 33.2% whereas agriculture recorded otherwise, decreased by 5.1%.

The residential sub-sector led the overall property market with 66.2% contribution in volume. This was followed by agriculture (18.9%), commercial (7.5%), development land and others (5.6%) and industrial (1.9%). The residential sub-sector again took the lead with 53.1% share, followed by commercial (19.3%), industrial (11.7%), agriculture (8.2%) and development land and others (7.7%).

The property market is expected to regain its momentum in 2022 though the environment remained challenging. The health of the residential sector is paramount to the overall performance of the property market. To ensure the vitality of this sector as well as improving the livelihood of the nation, various initiatives are outlined under Budget 2022.

The 'Transition to Endemic' phase of Covid-19 starting 1st April 2022 will see the lifting of restrictions of business operating hours and reopening of country borders, which is expected to further improve domestic economic activities and entails better prospects for the leisure sector. The transition phase is a much needed boost for this sector as more tourist arrivals are expected, both domestic and international. This will translate into better occupancy of hotels apart from creating employment opportunities to the locals.

As economy is set to be on the right trajectory, the property market performance is expected to be on similar track. The accommodative policies, continuous government support, well execution of all planned measures outlined in Budget 2022 and the proper implementation of strategies and initiatives under RMK12 are expected to support growth in the property sector

(Source: Annual Property Market Report 2021, Valuation and Property Services Department Malaysia, Ministry of Finance Malaysia)

#### 6.4 Prospects of our Group

Our Group recorded a higher audited revenue of RM166.2 million for the FYE 30 June 2021 (FYE 30 June 2020: RM94.2 million) representing an increase of RM72.0 million or 76.4% and mainly contributed by the construction segment which accounted for 98.4% of our Group's revenue. The contribution by each business segment of our Group for the past 3 audited FYE 30 June 2019 to FYE 30 June 2021 are as below:

Segments	Audited					
	FYE 30 June 2019 (RM'000)	%	FYE 30 June 2020 (RM'000)	%	FYE 30 June 2021 (RM'000)	%
<b>Revenue</b>						
Construction <sup>(1)</sup>	94,048	76.9%	76,984	81.7%	163,548	98.4%
Property development	24,936	20.4%	17,258	18.3%	2,700	1.6%
Others <sup>(2)</sup>	3,287	2.7%	-	-	-	-
<b>Total</b>	<b>122,271</b>	<b>100.0%</b>	<b>94,242</b>	<b>100.0%</b>	<b>166,248</b>	<b>100.0%</b>
<b>Profit/(Loss) before tax</b>						
Construction	4,013	72.9%	35,781	87.0%	31,955	100.8%
Property development	2,204	40.0%	5,323	13.0%	(240)	(0.8)%
Others	(712)	(12.9)%	-	-	-	-
<b>Total</b>	<b>5,505</b>	<b>100.0%</b>	<b>41,104</b>	<b>100.0%</b>	<b>31,715</b>	<b>100.0%</b>

Notes:

- (1) Consists of trading of construction materials (for FYE 30 June 2020 onwards) and construction works with the following breakdown (against the revenue from the construction segment):

Construction segment	FYE 30 June 2019 %	FYE 30 June 2020 %	FYE 30 June 2021 %
Trading of construction materials	Not applicable	-	84.0
Construction works	100.0	100.0	16.0

- (2) The others segment principally consists of trading of building materials, corporate secretarial and provision of project management services. For FYE 30 June 2019, trading of building materials contributed 96.0% and corporate secretarial services contributed 4.0% to the revenue from others segment (no revenue from project management services). Subsequent to FYE 30 June 2019, our Group had reclassified all revenue from others segment into the construction segment for the reason that trading of building materials falls within the construction industry while corporate secretarial services has ceased.



**(i) Construction segment**

Our construction segment consists of trading of construction materials as well as construction works (i.e. project management, supervision and coordination of construction projects). The higher revenue from the construction segment for the audited FYE 30 June 2021 was due to the higher revenue from the trading of construction materials as our Group managed to secure construction materials at a lower price for sale which had in turn improved the revenue of our Group. Our Group recognises the opportunities in the trading of construction and building materials and shifted its focus to the trading business which include, but not limited to, plywoods. Such orders are based on ad-hoc basis as and when the needs of our Group's customers required.

The average profit margin for the trading of construction materials of our Group is approximately 20%. Currently, the trading of construction materials is undertaken via Ageson Power Sdn Bhd (a wholly-owned indirect subsidiary of our Company which commenced operation in March 2021) and Ageson SMSGMBH Sdn Bhd (a wholly-owned indirect subsidiary of our Company which commenced operation in May 2021). Our Group's PBT margin from the construction segment increased by 42.2% to 46.5% in FYE 30 June 2020 (FYE 30 June 2019: 4.3%) due to the application of technology into the operations of the construction segment which results in a higher PBT margin. However, our Group's PBT margin from construction segment decreased by 27.0% to 19.5% in FYE 30 June 2021 (FYE 30 June 2020: 46.5%) mainly due to the lower gross profit margin in order to retain our customer base.

In the near term, our Board believes that the prospects of the trading business (under the construction segment) appear positive and will continue to generate profitability to our Group as our Company expects there will be rising demand of construction and building materials once the construction industry starts to gradually pick up and eventually, when the construction in Malaysia operates at full capacity.

As at the LPD, our Group has yet to secure any construction project and there is no order book for construction contract in hand as our Group does not have the relevant licenses to undertake the construction works. Currently, the construction works undertaken by our Group does not require relevant licenses. Nevertheless, our Group has personnel with relevant skills and expertise in construction works and will apply for the relevant licenses prior to tendering for any construction projects. Notwithstanding the above, our Group has been constantly looking for opportunities to grow its construction segment which include direct negotiation with government agencies on projects involving the construction of building and infrastructure works.

**(ii) Property development segment****Property development project in Perak**

AHSB had on 31 December 2020 entered into a development rights agreement with MBI ("**DRA**") to develop a land measuring approximately 475 acres located in Wilayah Sungai Kelian Baru, Mukim Batang Padang, Daerah Batang Padang, Perak ("**Perak Development Land**") into a mixed development project ("**Perak Development**"). Pursuant to the DRA, MBI appoints and exclusively grants AHSB the development rights on the Perak Development Land to be developed by AHSB pursuant to the DRA and AHSB accepts the development rights to carry out and complete the proposed development on the Perak Development Land. MBI is the legal and beneficial owner of the Perak Development Land.

Subject to the approvals of the relevant authorities, the Perak Development is expected to be undertaken through the following phases:

Phase	Components	Expected commencement and completion of the proposed development
1	33 units of industrial lots	Expected to commence in FYE 30 June 2023 and complete within 3 years
2	(i) 1 unit of District Council office; (ii) 1 unit of District and Land Offices; (iii) 1 unit of District Health Department office; and (iv) 1 unit of Community Development Department Tapah office	Expected to commence in FYE 30 June 2024 and complete within 6 years
3	(i) 365 units of shop offices; (ii) 1,038 units of terrace houses; (iii) 332 units of semidetached houses; and (iv) 191 units of detached houses	Expected to commence in FYE 30 June 2029 and complete within 8 years

The details of the Perak Development are follows:

Land size	475 acres
Land tenure	Master title yet to be issued and the application for issuance of master title shall be prepared by AHSB and submitted by MBI
Estimated gross development value (“GDV”)	RM1.24 billion
Estimated gross development cost (“GDC”)	RM1.17 billion
Expected commencement date	1 <sup>st</sup> half of 2022
Expected completion date	Within 15 years from the commencement date (by phases)

The estimated GDV and GDC are subject to changes depending on AHSB obtaining the approved development order from the relevant authorities (e.g. Majlis Daerah Tapah) for the Perak Development. AHSB had on 29 July 2021 submitted the application for development order to Majlis Daerah Tapah and as at the LPD, our Group has yet to obtain the approval for the development order. Our Board expects to obtain the approval by the 2<sup>nd</sup> quarter of 2022 and be able to commence the proposed development of Phase 1 in FYE 30 June 2023 (subject to any terms imposed by Majlis Daerah Tapah on the development order, if any). Our Board is of the view that the Perak Development is expected to contribute positively to our shareholders’ value, financial performance as well as the earnings of our Group over the 15 years development period through the sales of properties in Phase 1 and Phase 3. Properties under Phase 2 will be transferred to the local council upon its completion.

In order for our Company to raise the funds to part finance the development costs of the Perak Development, on 21 October 2021, AHSB had entered into a sale and development agreement (“**Sale and Development Agreement**”) with ZGDEG for the sale of a piece of land measuring approximately 168 acres (“**Industrial Land**”) (which is phase 1 of the Perak Development) for a sale consideration of approximately RM278.8 million in cash (“**Sale and Development**”).

Pursuant to the Sale and Development Agreement, ZGDEG shall enter into a sales and purchase agreement (“SPA”) with AHSB and/or MBI to purchase the Industrial Land at approximately RM278.8 million (derived based on the gross selling price of 33 units of industrial lots under Phase 1) within 30 days upon AHSB obtaining the approvals including but not limited to the planning approval (i.e. development order and layout plan), infrastructure approval and the approvals of the authorities with respect to the provision and/or supply of public utilities and/or services from the relevant authorities and any other relevant approvals required for the construction works.

ZGDEG had paid RM1.0 million to AHSB as deposit upon signing of the Sale and Development Agreement while the stages of payment for the remaining consideration will be finalised in the SPA. The Sale and Development would provide the required funding for AHSB to finance the costs of the construction for Phase 1 via the progress payments from the sales of the industrial lots to ZGDEG. The funding for Phase 2 and Phase 3 will be via our Group’s internally-generated funds as well as progress payment from the sales of the properties from Phase 3.

**Property development project in Gombak**

Solidvest had on 22 October 2021 entered into a collaboration agreement with Shuangling (“**Collaboration Agreement**”) to undertake a proposed residential development project comprising 56 units of semi-detached houses and 4 units of bungalows on a piece of land measuring approximately 5 acres held at Lot 9348, Mukim Batu, Daerah Gombak, Selangor (“**Gombak Development**”).

Pursuant to the Collaboration Agreement, Shuangling shall be responsible to fund, finance and/or secure the funding for the proposed development of up to RM50.0 million and procure potential purchasers and recommend purchasers for all the units in the Gombak Development.

Solidvest shall, amongst others, submit all applications and procure the approvals from the relevant authorities, appoint relevant consultants and contractors to undertake the Gombak Development and execute all sale and purchase agreements, memorandum of transfer and relevant documents.

In consideration of the above, Shuangling will be entitled to 49% of the net profit from the proposed development while Solidvest will be entitled to 51%.

The details of the Gombak Development are follows:

Type of development	Residential development project comprising 56 units of semi-detached houses and 4 units of bungalows on a piece of land measuring approximately 5 acres held at Lot 9348, Mukim Batu, Daerah Gombak, Selangor
Land size	5 acres
Land tenure	Freehold
GDV	RM95.2 million
GDC	RM79.2 million
Expected commencement date	Within 3 months from the date of the approvals (for the building plans, infrastructure, developer license and advertising and sales permit) are obtained by Solidvest. As at the LPD, Solidvest has not submitted the building approvals and it is expected to be submitted in the 2 <sup>nd</sup> half of 2022.
Expected completion date	Within 2 years from the commencement date

Through the Collaboration Agreement, our Group would be able to kick-start the Gombak Development which will be funded by Shuangling and therefore, mitigate any instances of significant capital outlay from our Group which can be instead used for our Group’s operations including other property development projects. Upon commencement of the construction, the Gombak Development is expected to contribute positively to our Group’s earnings through the sales of properties.

**Property development project in Batu Ferringgi**

On 31 January 2020, our shareholders approved the acquisition of a freehold parcel of development land measuring approximately 7,395 square metres located in Bandar Batu Ferringgi, Daerah Timor Laut, Pulau Pinang (“**Land**”). The Land acquisition was completed on 7 April 2020 based on the completion clause in the agreement dated 3 September 2019.

Our Group is currently engaged in a litigation, which the Land is the subject matter. Further details of the litigation are set out in **Section 9 of Appendix I** of this Abridged Prospectus.

Notwithstanding the on-going litigation, our Group is allowed to source for joint-venture partner(s). As at the LPD, our Group is in the midst of sourcing for joint-venture partner(s) to jointly develop the Land and, subject to the outcome of the litigation above, will only submit a revised development order to the relevant authorities upon finalisation of the revised developments details with the potential joint-venture partner(s). The commencement date for the development project in Batu Ferringgi will be determined once our Group has identified and set out the details of the development with the potential joint-venture partner(s).

Moving forward, our Group intends to shift its focus from construction segment to property development segment amid the challenging construction industry. Our Group plans to focus on high margin property development projects by participating in public-private partnership project in Malaysia and tap on overseas projects by exploring potential business collaboration with strategic business partners. The focus on high margin property development projects is part of our Group’s strategy to mitigate its reliance on construction segment (particularly the trading of construction materials) as undertaking property development projects would ensure sustainability in income due to the nature and period of development. In this regard, our Company will continue to explore an asset-light strategy to collaborate with potential government bodies and/or parties to secure more landbanks to undertake property development projects.

Despite our Group’s focus in high margin property development projects, our Group will also undertake other property development projects to ensure sustainability in income. As such, our Group will also focus on building affordable housing at strategic locations in an effort to support the Government’s initiatives to boost home ownership as well as to meet the current market demand and pent-up demand. Therefore, our Group has purchased the Industrial Building Systems with internet of things component solution in 2021 which is expected to reduce the construction costs by minimising inefficient working hours through internet of things monitoring and subsequently, improved our profit margins. The building of affordable housing will be assisted by the Industrial Building Systems as well as through collaboration with strategic business partners.

Premised on the above as well as the potential risks (as set out in **Sections 5.1 and 5.2** of this Abridged Prospectus) and the outlook of the Malaysian economy, construction industry and property development industry (as set out in **Sections 6.1, 6.2 and 6.3** of this Abridged Prospectus), our Board takes cognisance of the business strategy and the future prospects of our Group.

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## 7. EFFECTS OF THE RIGHTS ISSUE

### 7.1 Share capital

The pro forma effects of the Rights Issue on the share capital of our Company are as follows:

	Minimum Scenario		Base Case Scenario		Maximum Scenario	
	No. of Shares	RM	No. of Shares	RM	No. of Shares	RM
As at the LPD	103,886,830	202,182,046	103,886,830	202,182,046	103,886,830	202,182,046
To be issued assuming full conversion of ICPS	-	-	-	-	254,281,099	495,848,143 <sup>(1)</sup>
	103,886,830	202,182,046	103,886,830	202,182,046	358,167,929	698,030,189
To be issued pursuant to the Rights Issue	50,000,000	10,000,000 <sup>(2)</sup>	207,773,660	41,554,732 <sup>(2)</sup>	716,335,858	143,267,172 <sup>(2)</sup>
<b>Enlarged share capital</b>	<b>153,886,830</b>	<b>212,182,046</b>	<b>311,660,490</b>	<b>243,736,778</b>	<b>1,074,503,787</b>	<b>841,297,361</b>

Notes:

(1) Assuming that:

- (i) all 254,281,099 ICPS are converted based on Conversion Mode 2 (by way of 1 ICPS and RM1.80 in cash) into 254,281,099 new Shares at the conversion price of RM1.95 for each new Share; and
- (ii) reversal of ICPS reserve account into share capital upon conversion of all ICPS.

(2) Based on the issue price of RM0.20 per Rights Share.

## 7.2 NA and gearing

The pro forma effect of the Rights Issue on the NA and gearing of our Group are as follows:

### Minimum Scenario

	(Unaudited) As at 31 December 2021 RM	(I) After subsequent events up to the LPD RM	(II) After (I) and the Rights Issue RM
Share capital	202,182,046	202,182,046 <sup>(2)</sup>	212,182,046 <sup>(2)</sup>
ICPS	38,142,265	38,142,265	38,142,265
Reserves	(65,380,145)	(65,380,145)	(65,380,145)
Retained profits	172,582,967	172,582,967	172,152,967 <sup>(3)</sup>
<b>Shareholders' fund / NA</b>	<b>347,527,133</b>	<b>347,527,133</b>	<b>357,097,133</b>
No. of Shares	1,558,363,173	103,886,830 <sup>(1)</sup>	153,886,830
NA per Share	0.22	3.35	2.32
Total borrowings	59,400,266	59,400,266	38,234,266 <sup>(4)</sup>
Gearing (times)	0.17	0.17	0.11

Notes:

- (1) Taking into consideration the completion of the Share Consolidation on 13 April 2022.
- (2) Based on the issue price of RM0.20 per Rights Share.
- (3) After deducting estimated expenses of RM430,000 in relation to the Corporate Exercises.
- (4) After accounting for the use of proceeds amounting to RM9.6 million (from the Rights Issue) to repay the amount owing to Maybank and RM11.6 million (from the Private Placement) to repay the amount owing to RHB Bank.

**Base Case Scenario**

	(Unaudited) As at 31 December 2021 RM	(I) After subsequent events up to the LPD RM	(II) After (I) and the Rights Issue RM
Share capital	202,182,046	202,182,046	243,736,778 <sup>(2)</sup>
ICPS	38,142,265	38,142,265	38,142,265
Reserves	(65,380,145)	(65,380,145)	(65,380,145)
Retained profits	172,582,967	172,582,967	172,152,967 <sup>(3)</sup>
<b>Shareholders' fund / NA</b>	<b>347,527,133</b>	<b>347,527,133</b>	<b>388,651,865</b>
No. of Shares	1,558,363,173	103,886,830 <sup>(1)</sup>	311,660,490
NA per Share	0.22	3.35	1.25
Total borrowings	59,400,266	59,400,266	6,814,266 <sup>(4)</sup>
Gearing (times)	0.17	0.17	0.02

Notes:

- (1) Taking into consideration the completion of the Share Consolidation on 13 April 2022.
- (2) Based on the issue price of RM0.20 per Rights Share.
- (3) After deducting estimated expenses of RM430,000 in relation to the Corporate Exercises.
- (4) After accounting for the use of proceeds amounting to RM41.0 million (from the Rights Issue) to repay the amount owing to Maybank and RM11.6 million (from the Private Placement) to repay the amount owing to RHB Bank.

**Maximum Scenario**

	(Unaudited) As at 31 December 2021 RM	(I) After subsequent events up to the LPD RM	(II) After (I) and assuming full conversion of ICPS RM	(III) After (III) and the Rights Issue RM
Share capital	202,182,046	202,182,046	698,030,189 <sup>(2)</sup>	841,297,361 <sup>(3)</sup>
ICPS	38,142,265	38,142,265	-	-
Reserves	(65,380,145)	(65,380,145)	(65,380,145)	(65,380,145)
Retained profits	172,582,967	172,582,967	172,582,967	172,152,967 <sup>(4)</sup>
<b>Shareholders' fund / NA</b>	<b>347,527,133</b>	<b>347,527,133</b>	<b>805,233,011</b>	<b>948,070,183</b>
No. of Shares	1,558,363,173	103,886,830 <sup>(1)</sup>	358,167,929 <sup>(2)</sup>	1,074,503,787
NA per Share	0.22	3.35	2.25	0.88
Total borrowings	59,400,266	59,400,266	59,400,266	6,814,266 <sup>(5)</sup>
Gearing (times)	0.17	0.17	0.07	0.01

Notes:

- (1) Taking into consideration the completion of the Share Consolidation on 13 April 2022.
- (2) Assuming that:
  - (i) all 254,281,099 ICPS are converted based on Conversion Mode 2 (by way of 1 ICPS and RM1.80 in cash) into 254,281,099 new Shares at the conversion price of RM1.95 for each new Share; and
  - (ii) reversal of ICPS reserve account into share capital upon conversion of all ICPS.
- (3) Based on the issue price of RM0.20 per Rights Share.
- (4) After deducting estimated expenses of RM430,000 in relation to the Corporate Exercises.
- (5) After accounting for the use of proceeds amounting to RM41.0 million (from the Rights Issue) to repay the amount owing to Maybank and RM11.6 million (from the Private Placement) to repay the amount owing to RHB Bank.



### **7.3 Earnings and EPS**

The Rights Issue is not expected to have an immediate effect on the earnings and EPS of our Group for FYE 30 June 2022 as the proceeds to be raised are only expected to be utilised within 36 months from the date of completion of the Rights Issue (which is expected to be completed within 6 months from the date of the listing application is approved by Bursa Securities).

The potential effects of the Rights Issue on the future earnings and EPS of our Group will depend on, amongst others, any additional contribution to the earnings that may derived from the utilisation of proceeds raised from the Rights Issue (as detailed in **Section 4** of this Abridged Prospectus). Our Group's earnings are expected to improve upon full repayment of the amount owing to Maybank (via the proceeds raised from the Rights Issue) and full repayment of the amount owing to RHB Bank by 5 May 2022 (via the proceeds raised from the Private Placement).

Assuming that the earnings of our Group remain unchanged, the EPS of our Group will be diluted as a result of the increase in the number of Shares in issue following the issuance of the Rights Shares and any new Shares arising from the conversion of ICPS. Nevertheless, the funds raised from the Rights Issue is expected to contribute positively to the future earnings and EPS of our Group as and when the benefits of the utilisation of proceeds are realised.

### **7.4 Convertible securities**

Save for the 254,281,099 ICPS, our Company does not have any other convertible securities as at the LPD.

The Rights Issue will give rise to the Adjustments. The Adjustments will only be finalised on the Entitlement Date and will be effective on the next Market Day following the Entitlement Date. A notice which sets out the actual Adjustments will be issued by our Company at a later date.

## **8. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES, MATERIAL COMMITMENTS AND MATERIAL TRANSACTIONS**

### **8.1 Working capital and sources of liquidity**

Our business has been financed by a combination of internal and external sources of funds. The internal sources are funds from shareholders and cash generated from our operations. As at the LPD, our Group has cash and bank balances of RM13.5 million.

The external sources are from bank borrowings from local banks and a financial institution (i.e., term loans) which bear average annual interest rates ranging from 6.64% to 8.95% and credit terms granted by our suppliers. The credit period granted by our suppliers to our Group ranges from 60 to 150 days.

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

Our Board is of the opinion that our Group will have sufficient working capital for our operations in the next 12 months commencing from the date of this Abridged Prospectus after taking into consideration the proceeds from the Rights Issue, existing cash in hand, funds generated from our operations and available banking facilities.

## 8.2 Borrowings

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

	<b>Total (RM'000)</b>
<b><u>Long-term borrowings</u></b>	
Term loans	41,081
Lease liabilities	86
<b><u>Short-term borrowings</u></b>	
Term loans	15,496
Lease liabilities	56
<b>Total</b>	<b>56,719</b>

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

## 8.3 Contingent liabilities

Save as disclosed below and the litigation cases (as disclosed in **Section 9 of Appendix I** of this Abridged Prospectus), as at the LPD, our Board is not aware of any contingent liabilities incurred or known to be incurred by our Group and/or our Company, which upon becoming enforceable, may have a material impact on the financial position of our Group and/or our Company:

	<b>Company level As at the LPD (RM'000)</b>
Secured bank guarantees given by our Group in the ordinary course of business to:	
(i) Authority (extended to Housing Development Authority ("HDA") for the purpose of opening a HDA account for a property development project undertaken by Jeram Perwira Sdn Bhd (a former subsidiary)); and	670
(ii) Financier (extended to the local authorities in Thailand for a property development project undertaken by Prinsiptek International Limited (a former subsidiary))	1,677
<b>Total</b>	<b>2,347</b>

The amount of contingent liabilities expected to arise from the material litigation as disclosed in **Section 9, Appendix I** of this Abridged Prospectus is RM9,102,154.98.

## 8.4 Material commitments

As at the LPD, our Board confirms that there is no material commitment incurred or known to be incurred by our Group, which upon becoming enforceable, may have material impact on the financial position of our Group.

## 8.5 Material transactions

Save for the Corporate Exercises, our Board has confirmed that there are no other transactions which may have a material effect on our Group's operations, financial position and results since our Group's most recent announced audited financial statements for the FYE 30 June 2021.

## 9. INSTRUCTIONS FOR ACCEPTANCE AND PAYMENT

Full instructions for the acceptance of and payment for the Provisional Allotments as well as Excess Rights Shares Applications and the procedures to be followed should you and/or your transferees and/or your renounees (if applicable) wish to sell or transfer all or any part of your/his rights entitlement are set out in this Abridged Prospectus and the RSF. You and/or your transferee(s) and/or your renounees (if applicable) are advised to read this Abridged Prospectus, the RSF and the notes and instructions printed therein carefully. In accordance with Section 232(2) of the CMSA, the RSF must not be circulated unless accompanied by this Abridged Prospectus. Acceptance of and/or payment for the Provisional Allotments which do not conform strictly to the terms of this Abridged Prospectus, the RSF or the notes and instructions printed therein or which are illegible may be rejected at the absolute discretion of the Board.

### 9.1 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 that you have been provisionally allotted to apply for Excess Rights Shares if you choose to do so. This Abridged Prospectus and the RSF are also available at the registered office of the Company, the Share Registrar's website at <https://www.aldpro.com.my> or on Bursa Securities' website at <https://www.bursamalaysia.com>.

### 9.2 NPA

The Provisional Allotments are prescribed securities under Section 14(5) of the SICDA and therefore, all dealings in NPA will be by book entries through the CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository. As an Entitled Shareholder, you and/or your transferees and/or your renounees (if applicable) are required to have valid and subsisting CDS Accounts when making the applications.

### 9.3 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the Provisional Allotments and the Excess Application is 5.00 p.m. on Tuesday, 24 May 2022. An announcement shall be made on the outcome of the Rights Issue after the Closing Date.

### 9.4 Methods of acceptance and application

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

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

## **9.5 Procedure for full acceptance and payment**

### **9.5.1 By way of RSF**

Acceptance and payment for the Provisional Allotment to you as an Entitled Shareholder and/or your renounees and/or your transferees (if applicable) must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF. Acceptances which do not conform to the terms of this Abridged Prospectus, NPA or RSF or the notes and instructions contained in these documents or which are illegible may not be accepted at the absolute discretion of the 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 AND/ OR YOUR TRANSFEREES (IF APPLICABLE) WISH TO SELL/ TRANSFER ALL OR ANY PART OF YOUR ENTITLEMENTS ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS PRINTED THEREIN. IN ACCORDANCE WITH SECTION 232(2) OF THE CMSA, THE RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THE ABRIDGED PROSPECTUS.**

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

You and/ or your renounees and/ or transferees (if applicable) accepting the Provisional Allotments are required to complete Part I(A) and Part II of the RSF in accordance with the notes and instructions provided therein. Each completed RSF together with the relevant payment must be despatched by ORDINARY POST, COURIER or DELIVERED BY HAND using the envelope provided (at your own risk) to the Share Registrar at the following address:-

**Aldpro Corporate Services Sdn Bhd**

Level 5, Block B, Dataran PHB

Saujana Resort, Section U2

40150 Shah Alam

Selangor.

Telephone number: +603 7890 0638

Fax number : +603 7890 1032

so as to arrive **not later than 5.00 p.m. on Tuesday, 24 May 2022**, being the last date and time for acceptance and payment, or such extended time and date as may be determined and announced by the Board.

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

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

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

If acceptance and payment for the Rights Shares provisionally allotted to you and/or your renounees and/or your transferees (if applicable) is not received by the Share Registrar by 5.00 p.m. on Tuesday, 24 May 2022, being the last date and time for acceptance and payment, or such extended date and time as may be determined and announced by the Board at their discretion, you and/or your renounees and/or your transferees (if applicable) will be deemed to have declined the Provisional Allotments made to you and/or your renounees and/or your transferees (if applicable) and it will be cancelled. Such Rights Shares not taken up will be allotted to the applicants applying for Excess Rights Shares.

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

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

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

**NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY THE COMPANY OR THE SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE ISSUED AND DESPACHED BY ORDINARY POST TO YOU AND/OR YOUR RENOUNEES / TRANSFEREES (IF APPLICABLE) AT YOUR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN 8 MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE.**

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

**WHERE AN APPLICATION IS NOT ACCEPTED OR ACCEPTED ONLY IN PART, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE MADE BY ONLINE PAYMENT/ ISSUANCE OF CHEQUE AND SHALL BE DESPACHED TO YOU WITHIN 15 MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK.**

**ALL RIGHTS SHARES TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE WILL BE ALLOTTED BY WAY OF CREDITING THE RIGHTS SHARES INTO THE CDS ACCOUNTS OF THE ENTITLED SHAREHOLDERS AND/OR THEIR RENOUNCES / TRANSFEREES (IF APPLICABLE). NO PHYSICAL SHARE CERTIFICATE WILL BE ISSUED. APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.**

**THE BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY APPLICATION OR TO ACCEPT ANY APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON.**

**9.5.2 By way of electronic submission of the e-RSF**

The electronic submission of the e-RSF is available to you upon your login to the Share Registrar's Investor Portal at <https://www.aldpro.com.my>. You are advised to read the instructions as well as the terms and conditions of the electronic submission of the e-RSF.

The electronic submission of the e-RSF is available to all Entitled Shareholders.

Entitled Shareholders who wish to subscribe for the Rights Shares and apply for the Excess Rights Shares by way of electronic submission of the e-RSF, shall take note of the following:-

- (a) the electronic submission of the e-RSF will be closed at 5.00 p.m on Tuesday, 24 May 2022. All valid electronic submission of the e-RSF received by the Share Registrar is irrevocable and cannot be subsequently withdrawn;
- (b) the electronic submission of the e-RSF must be made in accordance with the procedures and terms and conditions of the electronic submission of the e-RSF, this Abridged Prospectus and the notes and conditions contained in the RSF. Any incomplete or incorrectly completed e-RSF submitted via the Share Registrar's Investor Portal may or may not be accepted at the absolute discretion of the Board.
- (c) your application for the Rights Shares and Excess Rights Shares must be accompanied by the remittance in RM via internet bank transfer, the bank account details as follows:-

Name of bank : CIMB Islamic Bank Berhad  
Name of account : AGESON BERHAD RIGHTS ISSUE ACCOUNT  
Bank account no. : 8604760514

You are required to pay an additional fee of RM15.00 being the stamp duty and handling fee for each electronic submission of the e-RSF.

**[The rest of this page has been intentionally left blank]**

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

(i) Procedures

	<b>Procedures</b>	<b>Action</b>
<b>User registration</b>		
1.	Register as a user with the Investor Portal	<ul style="list-style-type: none"> <li>• Access the website at <a href="https://www.aldpro.com.my">https://www.aldpro.com.my</a>. Click Investor Portal. Refer to the online help tutorial for assistance.</li> <li>• Read and agree to the terms and conditions and confirm the declaration.</li> <li>• Upon submission of your registration, your account will be activated within one working day.</li> <li>• If you have already registered an account with Investor Portal, you are not required to register again.</li> </ul>
<b>Electronic submission of e-RSF</b>		
2.	Sign in to Investor Portal	<ul style="list-style-type: none"> <li>• Login with your user ID and password for electronic submission of the e-RSF before the Closing Date.</li> </ul>
3.	Complete the submission of e-RSF	<ul style="list-style-type: none"> <li>• Open the corporate exercise “RIGHTS ISSUE FOR AGESON BERHAD”.</li> <li>• Key in your full name, CDS account number, contact number, the number of units for acceptance of your Rights Shares and Excess Rights Shares (if you choose to apply for additional Rights Shares).</li> <li>• Proceed for the payment via online banking and please indicate the details with the last 9 digits of your CDS account number and name when payment is made.</li> <li>• Download the payment advice once the payment is successfully transferred.</li> <li>• Upload the proof of payment(s) and print your e-RSF for your reference and record.</li> <li>• Ensure all information in the form is accurate and then submit the form.</li> </ul>

If you encounter any problems during the registration or submission, please email the Share Registrar at [admin@aldpro.com.my](mailto:admin@aldpro.com.my) for assistance.

(ii) Terms and conditions of the electronic submission of the e-RSF

By submitting your acceptance of the Rights Shares and application of the Excess Rights Shares (if applicable) by way of electronic submission of the e-RSF:-

- (A) You acknowledge that your submission by way of electronic submission of the e-RSF is subject to the risks of electrical, electronic, technical, transmission, communication and computer related faults and breakdowns, fires and other events beyond the control of the Company or the Share Registrar and irrevocably agree that if:-

- (i) the Company or the Share Registrar does not receive your submission of the e-RSF; or
- (ii) data on the e-RSF is wholly or partially lost, corrupted or inaccessible, or not transmitted,

your submission of the e-RSF will be deemed as failed and not to have been made. The Company and the Share Registrar will not be held liable for any delays, failures or inaccuracies in the processing of your electronic submission of the e-RSF due to the above reasons and you further agree that you may not make any claims whatsoever against the Company or the Share Registrar for any loss, compensation or damage in relation to the unsuccessful or failure of your electronic submission of the e-RSF.

- (B) You will ensure that all information provided by you in the e-RSF is identical with the information in the records of Bursa Depository and further agree and confirm that in the event the said information differs from the records of Bursa Depository, your application by way of electronic submission of the e-RSF may be rejected at the absolute discretion of the Board without assigning any reason.
- (C) You agree that your application shall not be deemed to have been accepted by reason of the remittance have been made.
- (D) You agree that all the Rights Shares to be issued pursuant to the Rights Issue will be allotted by way of crediting the Rights Shares into your CDS account. No physical share certificate will be issued.
- (E) You agree that the Company and the Share Registrar reserve the right to reject your application which does not conform to these terms and conditions.
- (F) If your application is successful, a notice of allotment will be issued and despatched by ordinary post to the address as shown in the Record of Depositors provided by Bursa Depository at your own risk within 8 Market Days from the Closing Date.
- (G) Where your application is not accepted or accepted only in part, the full amount or the balance of the application monies, as the case may be, shall be refunded without interest by issuance of cheque/ online payment within 15 Market Days from the Closing Date and will be despatched by ordinary post to the address as shown in the Record of Depositors provided by Bursa Depository at your own risk.

## 9.6 Procedures for part acceptance

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

You must complete both Part I(A) of the RSF by specifying the number of Rights Shares which you are accepting and Part II of the RSF and deliver the completed and signed RSF together with the relevant payment to the Share Registrar in the same manner as set out in **Section 9.5** of this Abridged Prospectus.

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



## 9.7 Procedures for sale or transfer of Provisional Allotments

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

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

If you have sold or transferred only part of the Provisional Allotments, you may still accept the balance of the Provisional Allotments by completing Parts I(A) and II of the RSF and delivering the RSF together with the full amount payable on the balance of the Rights Shares applied for to the Share Registrar. Please refer to **Section 9.5** of this Abridged Prospectus for the procedures for acceptance and payment

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

## 9.8 Procedures for the Excess Rights Shares Application

### 9.8.1 By way of RSF

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). A combined remittance for the Excess Rights Shares can be made together with your entitlements as mentioned in **Section 9.5.1** of this Abridged Prospectus. The completed RSF together with the payment must be received by the Share Registrar no later than 5.00 p.m. on Tuesday, 24 May 2022, being the last time and date for Excess Rights Shares Applications and payment.

The payment must be made for the exact amount payable for the Excess Rights Shares Applications. Any excess or insufficient payment may be rejected at the absolute discretion of the Board. Cheques or other mode(s) of payment not prescribed in **Section 9.5.1** of this Abridged Prospectus are not acceptable.

### 9.8.2 By way of e-RSF

You may apply for the Excess Rights Shares via e-RSF in addition to your Provisional Allotments. If you wish to do so, you may apply for the Excess Rights Shares by following the steps as set out in **Section 9.5.2** of this Abridged Prospectus. The e-RSF for Excess Rights Shares will be made on, and subject to, the same terms and conditions appearing in **Section 9.5.2** of this Abridged Prospectus.

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

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

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

Notwithstanding the foregoing, the Board reserves the right to allot any Excess Rights Shares applied for under Part I(B) of the RSF in such manner as it deems fit and expedient and in the best interests of the Company subject always to such allocation being made on a fair and equitable basis, and that the intention of the Board as set out in **Section 9.8** (i), (ii), (iii) and (iv) above is achieved. The Board also reserves the right at its absolute discretion not to accept any application for Excess Rights Shares, in full or in part, without assigning any reason thereto.

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

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

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

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

### **9.9 Procedures to be followed by transferees and/or renounees**

As a transferee and/or renounee, the procedures for acceptance, selling or transferring of Provisional Allotments, applying for the Excess Rights Shares and/or payment is the same as that which is applicable to the Entitled shareholders as described in **Sections 9.3 to 9.8** of this Abridged Prospectus. Please refer to the relevant sections for the procedures to be followed.

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

**TRANSFEREES AND/OR RENOUNCEES ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF.**

### **9.10 CDS Account**

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

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

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

### **9.11 Notice of allotment**

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

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

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

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

## 9.12 Foreign-Addressed Shareholders

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

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

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

As a result, this Abridged Prospectus, the NPA and the RSF have not been (and will not be) sent to Foreign-Addressed Shareholders. However, Foreign-Addressed Shareholders may collect this Abridged Prospectus, the NPA and the RSF from the Share Registrar, Aldpro Corporate Services Sdn Bhd at Level 5, Block B, Dataran PHB, Saujana Resort, Section U2, 40150 Shah Alam, Selangor, who will be entitled to request such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting this Abridged Prospectus, the NPA and the RSF.

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

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

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

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

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

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

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

## **10. 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.

**11. FURTHER INFORMATION**

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

Yours faithfully,  
For and on behalf of our Board  
**AGESON BERHAD**



**DATO SRI LIEW KOK LEONG**  
Executive Director

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

As at the LPD, the issued share capital of our Company is RM202,182,046 comprising 103,886,830 Shares (no treasury shares).

**2. BOARD OF DIRECTORS**

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

<b>Name</b>	<b>Age</b>	<b>Designation</b>	<b>Address</b>	<b>Nationality</b>
Tajul Arifin Bin Mohd Tahir	55	Independent Non-Executive Chairman	10E-2-1-4, Sri Kinabalu, Section 10, Jalan 4/27E, Wangsa Maju, 53300 Kuala Lumpur	Malaysian
Dato' Sri Liew Kok Leong	49	Executive Director	No.17-02, Q Sentral 2A, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur	Malaysian
Dato' Sri Chin Kok Foong	45	Executive Director	A-10-01, Waldorf Tower, Jalan Hartamas, Sri Hartamas, 50480 Kuala Lumpur	Malaysian
Ng Kok Wah	44	Independent Non-Executive Director	No. 25, Jalan SG 9/11, Taman Sri Gombak, 68100 Batu Caves, Selangor	Malaysian
Lim Yit Kiong	46	Independent Non-Executive Director	No. 3043, Jalan Kuhara, Peti Surat 61963, 91000 Tawau, Sabah	Malaysian
Azian Binti Kassim	55	Independent Non-Executive Director	50 Jalan Impian Gemilang 2/1, Impian Golf & Country Resort, 43000 Kajang, Selangor	Malaysian

**INFORMATION ON OUR GROUP (CONT'D)**

**3. DIRECTORS' SHAREHOLDINGS**

Save for those disclosed below, none of the other Directors have any direct and/or indirect shareholding in our Company as at the LPD. The pro forma effects of the Rights Issue on the shareholdings of our Directors based on the Record of Depositors as at 14 April 2022 are as follows:

**Minimum Scenario**

Name	As at 14 April 2022				(I) After Rights Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Sri Chin Kok Foong <sup>(1)</sup>	6,299,686	6.06	-	-	31,299,686	20.34	-	-
Dato' Sri Liew Kok Leong <sup>(2)</sup>	4,693,333	4.52	1,140,020 <sup>(3)</sup>	1.10	24,759,958	16.09	6,073,395	3.95
Ng Kok Wah	-	-	-	-	-	-	-	-
Lim Yit Kiong	-	-	-	-	-	-	-	-
Tajul Arifin Bin Mohd Tahir	-	-	-	-	-	-	-	-
Azian Binti Kassim	-	-	-	-	-	-	-	-

**Base Case Scenario**

Name	As at 14 April 2022				(I) After Rights Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Sri Chin Kok Foong <sup>(1)</sup>	6,299,686	6.06	-	-	18,899,058	6.06	-	-
Dato' Sri Liew Kok Leong <sup>(2)</sup>	4,693,333	4.52	1,140,020 <sup>(3)</sup>	1.10	14,079,999	4.52	3,420,060	1.10
Ng Kok Wah	-	-	-	-	-	-	-	-
Lim Yit Kiong	-	-	-	-	-	-	-	-
Tajul Arifin Bin Mohd Tahir	-	-	-	-	-	-	-	-
Azian Binti Kassim	-	-	-	-	-	-	-	-



**INFORMATION ON OUR GROUP (CONT'D)**

**Maximum Scenario**

Name	As at 14 April 2022			(I) Assuming full conversion of ICPS		
	Direct		Indirect	Direct		Indirect
	No. of Shares	%		No. of Shares	%	
Dato' Sri Chin Kok Foong <sup>(1)</sup>	6,299,686	6.06	-	62,528,954	17.46	-
Dato' Sri Liew Kok Leong <sup>(2)</sup>	4,693,333	4.52	1,140,020 <sup>(3)</sup>	46,706,665	13.04	27,226,377
Ng Kok Wah	-	-	-	-	-	-
Lim Yit Kiong	-	-	-	-	-	-
Tajul Arifin Bin Mohd Tahir	-	-	-	-	-	-
Azian Binti Kassim	-	-	-	-	-	-

Name	(II) After (I) and Rights Issue		
	Direct		Indirect
	No. of Shares	%	
Dato' Sri Chin Kok Foong	187,586,862	17.46	-
Dato' Sri Liew Kok Leong	140,119,995	13.04	81,679,131
Ng Kok Wah	-	-	-
Lim Yit Kiong	-	-	-
Tajul Arifin Bin Mohd Tahir	-	-	-
Azian Binti Kassim	-	-	-

Notes:

- (1) As at the LPD, Dato' Sri Chin Kok Foong owns 56,229,268 ICPS.
- (2) As at the LPD, Dato' Sri Liew Kok Leong owns 42,013,332 ICPS.
- (3) Deemed interest through his shareholding in Ukay One Sdn Bhd. As at the LPD, Ukay One Sdn Bhd owns 26,086,357 ICPS.

**INFORMATION ON OUR GROUP (CONT'D)**

**4. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS**

The proforma effects of the Rights Issue on the substantial shareholders' shareholdings in our Company based on the Record of Depositors as at 14 April 2022 are as follows:

**Minimum Scenario**

Name	As at 14 April 2022				(I) After Rights Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Sri Chin Kok Foong <sup>(1)</sup>	6,299,686	6.06	-	-	31,299,686	20.34	-	-
Dato' Sri Liew Kok Leong <sup>(2)</sup>	4,693,333	4.52	1,140,020 <sup>(3)</sup>	1.10	24,759,958	16.09	6,073,395	3.95

**Base Case Scenario**

Name	As at 14 April 2022				(I) After Rights Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Sri Chin Kok Foong <sup>(1)</sup>	6,299,686	6.06	-	-	18,899,058	6.06	-	-
Dato' Sri Liew Kok Leong <sup>(2)</sup>	4,693,333	4.52	1,140,020 <sup>(3)</sup>	1.10	14,079,999	4.52	3,420,060	1.10

**INFORMATION ON OUR GROUP (CONT'D)**

Maximum Scenario

Name	As at 14 April 2022			(I) Assuming full conversion of ICPS		
	Direct		Indirect	Direct		Indirect
	No. of Shares	%	No. of Shares	No. of Shares	%	No. of Shares
Dato' Sri Chin Kok Foong <sup>(1)</sup>	6,299,686	6.06	-	62,528,954	17.46	-
Dato' Sri Liew Kok Leong <sup>(2)</sup>	4,693,333	4.52	1,140,020 <sup>(3)</sup>	46,706,665	13.04	27,226,377
						7.60

Name	(II) After (I) and Rights Issue		
	Direct		Indirect
	No. of Shares	%	No. of Shares
Dato' Sri Chin Kok Foong	187,586,862	17.46	-
Dato' Sri Liew Kok Leong	140,119,995	13.04	81,679,131
			7.60

Notes:

- (1) As at the LPD, Dato' Sri Chin Kok Foong owns 56,229,268 ICPS.
- (2) As at the LPD, Dato' Sri Liew Kok Leong owns 42,013,332 ICPS.
- (3) Deemed interest through his shareholding in Ukay One Sdn Bhd. As at the LPD, Ukay One Sdn Bhd owns 26,086,357 ICPS.

**INFORMATION ON OUR GROUP (CONT'D)****5. HISTORICAL FINANCIAL INFORMATION**

The following tables set out our Group's key financial information based on our consolidated statements of comprehensive income, statements of financial positions and statements of cash flows for the financial years/period under review:

**Historical financial performance**

	Audited			Unaudited	
	FYE 30 June 2019 (RM'000)	FYE 30 June 2020 (RM'000)	FYE 30 June 2021 (RM'000)	6M-FPE 31 December 2020 (RM'000)	6M-FPE 31 December 2021 (RM'000)
Revenue	122,271	94,242	166,248	66,186	133,229
Gross Profit	14,389	54,753	32,477	13,372	24,857
Other income	1,145	1,227	11,482	11,422	173,574
Administrative expenses	(2,082)	(4,051)	(5,867)	(2,780)	(1,960)
Other expenses	(5,827)	(9,160)	(6,075)	(3,256)	(169,826)
Finance costs	(2,120)	(12)	(4)	-	(678)
<b>PBT</b>	<b>5,505</b>	<b>42,757</b>	<b>32,013</b>	<b>18,758</b>	<b>25,967</b>
Share of results of associate company	-	(1,653)	(298)	(5)	-
	5,505	41,104	31,715	18,753	25,967
Income tax expense	(2,143)	(2,456)	(277)	(1,297)	(332)
<b>PAT</b>	<b>3,362</b>	<b>38,648</b>	<b>31,438</b>	<b>17,456</b>	<b>25,635</b>
PAT attributable to:					
Owners of our Company	2,717	38,909	31,652	17,456	25,636
Non-controlling interests	645	(261)	(214)	-	(1)
<b>PAT</b>	<b>3,362</b>	<b>38,648</b>	<b>31,438</b>	<b>17,456</b>	<b>25,635</b>
Weighted average number of Shares in issue ('000)	350,977	518,745	2,047,852	918,301	1,385,212
No. of Shares in issue ('000)	376,553	844,101	1,262,036	1,041,320	1,558,363
Basic EPS (sen)	0.8	7.5	1.5	1.9	1.9
Gross Profit margin (%)	11.8	58.1	19.5	20.2	18.7
PBT margin (%)	4.5	45.4	19.3	28.3	19.5
PAT margin (%)	2.7	41.0	18.9	26.4	19.2

**INFORMATION ON OUR GROUP (CONT'D)****Historical financial position**

	Audited			Unaudited
	FYE 30 June 2019 (RM'000)	FYE 30 June 2020 (RM'000)	FYE 30 June 2021 (RM'000)	6M-FPE 31 December 2021 (RM'000)
Total non-current assets	98,392	147,509	265,483	495,067
Total current assets	255,367	178,021	136,388	84,114
<b>Total assets</b>	<b>353,759</b>	<b>325,530</b>	<b>401,871</b>	<b>579,181</b>
Share capital	52,977	130,106	184,438	202,182
ICPS	-	42,688	38,508	38,142
Preference Shares	-	5,400	5,400	-
Reserves	79,063	(63,812)	(66,918)	(65,380)
Retained profit	74,834	113,744	147,544	172,582
<b>Shareholders' funds / NA attributable to the owners of our Company</b>	<b>206,874</b>	<b>228,126</b>	<b>308,972</b>	<b>347,526</b>
Non-controlling interests	2,400	(603)	35	36
<b>Total equity</b>	<b>209,274</b>	<b>227,523</b>	<b>309,007</b>	<b>347,562</b>
Total non-current liabilities	22,245	-	38,607	149,442
Total current liabilities	122,240	98,007	54,257	82,177
<b>Total liabilities</b>	<b>144,485</b>	<b>98,007</b>	<b>92,864</b>	<b>231,619</b>
<b>Total equity and liabilities</b>	<b>353,759</b>	<b>325,530</b>	<b>401,871</b>	<b>579,181</b>
NA per Share (sen)	54.9	27.0	24.5	22.3

**Historical cash flows**

	Audited			Unaudited
	FYE 30 June 2019 (RM'000)	FYE 30 June 2020 (RM'000)	FYE 30 June 2021 (RM'000)	6M-FPE 31 December 2021 (RM'000)
Net cash (used in)/generated from operating activities	(3,253)	33,080	(76,448)	34,806
Net cash generated from/(used in) investing activities	25	(49,215)	(6,058)	(31,273)
Net cash generated from/(used in) financing activities	3,874	58,850	84,199	(4,203)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>646</b>	<b>42,715</b>	<b>1,693</b>	<b>(670)</b>
Effect of exchange translation differences on cash and cash equivalents	3,551	737	(3,106)	-
Cash and cash equivalents at beginning of financial years	(37,177)	(32,980)	10,472	9,059
<b>Cash and cash equivalents at the end of financial years</b>	<b>(32,980)</b>	<b>10,472</b>	<b>9,059</b>	<b>8,389</b>

(Source: Annual reports of our Company for the financial years under review.)

**INFORMATION ON OUR GROUP (CONT'D)****Overview of the financial performance****(i) 6M-FPE 31 December 2021 vs 6M-FPE 31 December 2020**

Our Group's revenue increased by RM67.0 million (or 101.2%) to RM133.2 million in 6M-FPE 31 December 2021 (6M-FPE 31 December 2020: RM66.2 million) mainly due to higher billing recognised from trading of construction material of RM133.4 million (6M-FPE 31 December 2020: RM63.5 million) as our Group managed to secure construction materials from suppliers with established business relationship which enabled our Group to continue sourcing for construction materials with competitive prices. Nevertheless, our financial performance will be affected in the event the suppliers are unable to offer competitive prices to our Group. The construction segment was the sole contributor to our Group's revenue as the property development segment was still impacted by the low market sentiments mainly affected by the spread of COVID-19.

Our Group's PAT improved by RM8.1 million (or 46.3%) to RM25.6 million in 6M-FPE 31 December 2021 (6M-FPE 31 December 2020: RM17.5 million) mainly due to higher gross profit of RM24.9 million (6M-FPE 31 December 2020: RM13.4 million) as a result of the increase in revenue as mentioned above.

However, it is mitigated by the increase of other operating expenses of RM169.8 million in 6M-FPE 31 December 2021 (6M-FPE 31 December 2020: RM3.3 million) due to the impairments on the receivables (from the construction and property development segments) as a result of the provisions made to address the impact of COVID-19 pandemic and the resulting extensive MCO imposed by the Malaysian Government.

Our Group' cash and cash equivalents decreased by RM13.4 million (or 61.5%) to RM8.4 million as at 6M-FPE 31 December 2021 (6M-FPE 31 December 2020: RM21.8 million) mainly due to:

- (a) higher net cash used in investing activities of RM31.3 million (6M-FPE 31 December 2020: Net cash generated from investing activities of RM0.6 million) as a result of purchase of property, plant and equipment amounting to RM31.2 million (6M-FPE 31 December 2020: RM1.5 million) being the Industrial Building Systems with internet of things component solution which is being offered to our customers in the construction industry with the sole aim of reducing their construction cost through planning and internet of things monitoring. Such solution can also be used to plan and design our future property development projects; and
- (b) higher net cash used in financing activities of RM4.2 million (6M-FPE 31 December 2020: Net cash generated from financing activities of RM22.2 million) due to:
  - (i) redemption of preference shares which were issued by Solidvest to ARBIOT Sdn Bhd amounting to RM5.4 million; and
  - (ii) repayment of bank borrowings amounting to RM16.2 million.

However, the above was partially mitigated by:

- (i) proceeds raised from the private placement of approximately RM13.0 million; and
- (ii) proceeds raised from the conversion of ICPS amounting to RM4.4 million.

**INFORMATION ON OUR GROUP (CONT'D)****(iii) FYE 30 June 2021 vs FYE 30 June 2020**

Our Group's revenue increased by RM72.0 million (or 76.4%) to RM166.2 million in FYE 30 June 2021 (FYE 30 June 2020: 94.2 million) mainly due to higher billing recognised from trading of construction materials of RM163.5 million in FYE 30 June 2021 (FYE 30 June 2020: RM77.0 million) as our Group managed to secure construction materials at a lower price for sale. The increase is partially offset by the decrease in revenue from the property development segment of RM2.7 million in FYE 30 June 2021 (FYE 30 June 2020: RM17.3 million) due to the MCO imposed by the Malaysian Government since mid-March 2020 nationwide which led to shutdown of construction sites.

Despite the increase in revenue, our Group's PAT decreased by RM7.2 million (or 18.5%) to RM31.7 million in FYE 30 June 2021 (FYE 30 June 2020: RM38.9 million) mainly due to:

- (a) higher depreciation cost of RM3.9 million in FYE 30 June 2021 (FYE 30 June 2020: RM1.0 million) mainly due to the consolidation of property, plant and equipment from the new subsidiaries acquired during the second half of FYE 30 June 2020; and
- (b) lower profit margin from the trading of construction materials during the year as a result of the higher cost incurred by our Group to purchase construction materials of which the selling prices have increased in year 2021.

Our Group's cash and cash equivalents decreased by RM1.4 million (or 13.3%) to RM9.1 million as at FYE 30 June 2021 (FYE 30 June 2020: RM10.5 million) mainly due to higher net cash used in operating activities of RM76.4 million in FYE 30 June 2021 (FYE 30 June 2020: net cash generated of RM33.1 million). The higher net cash used in operating activities was due to the increase in payments of trade and other payables of approximately RM38.9 million as a result of higher payments to vendors.

However, the above was partially mitigated by:

- (a) lower net cash used in investing activities of RM6.1 million (FYE 30 June 2020: RM49.2 million) due to the one-off other investment amounting to RM44.8 million in FYE 30 June 2020; and
- (b) higher net cash generated from financing activities of RM84.2 million (FYE 30 June 2020: RM58.9 million) mainly due to the proceeds raised from the issuance of Shares of RM50.2 million (FYE 30 June 2020: RM15.9 million).

**(iv) FYE 30 June 2020 vs FYE 30 June 2019**

Our Group's revenue decreased by RM28.1 million (or 23.0%) to RM94.2 million in FYE 30 June 2020 (FYE 30 June 2019: RM122.3 million) mainly due to the decrease in revenue from the construction segment of RM77.0 million in FYE 30 June 2020 (FYE 30 June 2019: RM94.0 million) and the decrease in revenue from the property development segment of RM17.3 million in FYE 30 June 2020 (FYE 30 June 2019: RM25.0 million) as a result of lower progress billings as most projects had been completed during the FYE 30 June 2020.

However, our Group's PAT improved by RM36.2 million (or 1,340.7%) to RM38.9 million in FYE 30 June 2020 (FYE 30 June 2019: RM2.7 million) mainly due to higher profit margin during the year arising from the application of technology (i.e., building information modelling) on the on-going projects in the construction segment which resulted in the decrease in cost of sales in the construction segment.

**INFORMATION ON OUR GROUP (CONT'D)**

Our Group's cash and cash equivalents increased by RM43.5 million to RM10.5 million as at FYE 30 June 2020 (FYE 30 June 2019: Net decrease of RM33.0 million) mainly due to higher net cash generated from financing activities of RM58.9 million (FYE 30 June 2019: RM3.9 million) due to the drawdown of bank borrowings amounting to RM45.5 million and proceeds raised from issuance of Shares of RM15.9 million.

However, the above was partially mitigated by higher net cash used in investing activities of RM49.2 million (FYE 30 June 2019: Net cash generated of RM25,000) mainly due to the investment in subsidiaries of RM13.6 million (i.e. Prinsiptek Thai Ltd, Ageson Land Sdn Bhd and Ageson Enterprise Sdn Bhd) and other investments of RM44.8 million in Tanah Perangsang Sdn Bhd for it to undertake development works.

**6. OPTION TO SUBSCRIBE FOR SHARES**

As at the LPD, no option to subscribe for any securities in our Company has been granted or is entitled to be granted to any person, save for the Provisional Allotments and Excess Rights Shares.

**7. HISTORICAL SHARE PRICES**

The monthly highest and lowest transacted market prices of our Shares for the past 12 months are as follows:

	Highest* (RM)	Lowest* (RM)
<b>2021</b>		
April	2.100	1.875
May	1.950	1.800
June	1.950	1.350
July	1.575	1.425
August	1.500	1.350
September	1.500	1.050
October	1.350	1.050
November	1.125	0.600
December	0.825	0.600
<b>2022</b>		
January	0.750	0.300
February	0.450	0.300
March	0.450	0.300
Last transacted market price of our Shares on 17 January 2022 (being the last trading date before the Announcement)	RM0.045 <sup>^</sup>	
Last transacted market price of our Shares on the LPD	RM0.345	
Last transacted market price of our Shares on 29 April 2022 (being the last trading date prior to the ex-date for the Rights Issue)	RM0.255	

(Source: Bloomberg)

Notes:

\* Adjusted pursuant to Share Consolidation which was completed on 13 April 2022.

<sup>^</sup> Not adjusted for the Share Consolidation



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**INFORMATION ON OUR GROUP (CONT'D)**

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**8. MATERIAL CONTRACT**

Save as disclosed below, neither our Company nor any of our subsidiaries have entered into any material contracts (not being contracts entered into in the ordinary course of business of our Group) within the 2 years immediately preceding the date of this Abridged Prospectus:

- (i) Restructuring agreement dated 16 March 2021 entered into between RHB Bank and Ageson Development and our Company ("**Restructuring Agreement**") to modify the existing repayment terms and conditions of the term loan facility of up to an initial maximum aggregate principal amount of RM21,450,000 granted by RHB Bank to Ageson Development, whereby our Company is acting as a corporate guarantor.

Vide a letter from RHB Bank dated 17 August 2021, RHB Bank had accepted Ageson Development's request to revise the payment schedule set out in the Restructuring Agreement ("**Revised Repayment Schedule**"). Pursuant to the Revised Repayment Schedule, no instalment was required to be repaid by 5 November 2021 and that the final repayment instalment required to be paid by 5 February 2024 was revised to RM3,591,100.68 (excluding interest, other cost and expenses). As at the date hereof, the balance repayment sum owing by Ageson Development to RHB Bank is RM14,006,439.55 (together with all interest, other costs and expenses) ("**Outstanding Sum**") which shall be settled by 5 May 2022, pursuant to RHB Bank's letter dated 20 April 2022.

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**INFORMATION ON OUR GROUP (CONT'D)**

**9. MATERIAL LITIGATION, CLAIMS AND ARBITRATION**

Save as disclosed below, as at the LPD, there are no material litigation, claims and/or arbitration either as plaintiff or defendant, which has a material effect on the financial position of our Group and our Board is not aware of any proceedings, pending or threatened or of any facts likely to give rise to any proceedings, which might materially and adversely affect the business or financial position of our Group. The contingent liabilities arising from the following material litigation, claims and/or arbitration either as plaintiff or defendant have been reflected in **Section 8.3** of this Abridged Prospectus.

- (i) **Kuala Lumpur High Court Suit No.** : WA-23NCvC-71-07/2021  
**Plaintiff** : AGESON  
**Defendants** : (i) Lim Pang Kiam (“**1<sup>st</sup> Defendant**”);  
(ii) Yap Chee Kheng (“**2<sup>nd</sup> Defendant**”);  
(iii) PNL Capital Sdn Bhd;  
(iv) PNL Business Services Sdn Bhd;  
(v) PNL Trading Sdn Bhd;  
(vi) Subang Industry Park Sdn Bhd; and  
(vii) Tian An Trading Sdn Bhd

A suit was commenced at the Kuala Lumpur High Court of Malaysia vide the suit no.: WA-22NCC-142-03/2021 by PNL Capital Sdn Bhd, PNL Business Services Sdn Bhd, PNL Trading Sdn Bhd, Subang Industry Park Sdn Bhd and Tian An Trading Sdn Bhd, (collectively known as “**PNL Companies**”) against the defendants namely, Loh Teck Wah, Stephen Ong Ching Jen, Ong Shin Joe, Lam Jing Tyng, Beverly Ng Sze May, Michelle Mah Siew Luan, Wawa Trading Sdn Bhd, W Capital Sdn Bhd and Pinnacle Valley Sdn Bhd (“**Suit 142**”).

The statement of claim filed under the Suit 142 (“**Suit 142 Statement of Claim**”) contains a paragraph which mentioned AGESON’s previous name, being “Prinsiptek Corporation Berhad”, wherein the PNL Companies suggested that AGESON had previously engaged the PNL Companies for their services in assisting AGESON to apply for bank loans, and that AGESON has an outstanding amount payable to PNL Companies.

On 13 July 2021, AGESON had commenced an action under the suit no. WA-23NCvC-71-07/2021 (“**Suit 71**”) against the Defendants, for, inter alia, an order that these parties to forthwith withdraw or cause the withdrawal of AGESON’s name, details and/or any statement concerning AGESON from the Suit 142 Statement of Claim, and that the said Defendants do publish a statement of apology in English language, Chinese language and Malay language newspapers respectively.

As such, AGESON had pleaded, amongst others, that such statement made by the PNL Companies is false and constitutes a grave libel on AGESON as the words in their natural and ordinary meaning, mean or are understood to mean, inter alia, that AGESON had failed to pay the purported outstanding amount to the PNL Companies.

On 12 August 2021, the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant filed notice of application (Enclosure 12) and all the Defendants filed an application (Enclosure 13) to respectively to strike out Suit 71 on the basis that there is no reasonable cause of action.

**INFORMATION ON OUR GROUP (CONT'D)**

As at the LPD, a hearing for Enclosures 12 and 13 has been fixed on 1 July 2022.

The solicitors representing AGESON are of the view that AGESON has a fair chance of success in the Suit 71.

In the event AGESON fails to resist the application for Enclosures 12 and 13 or in the event of an unsuccessful prosecution of the Suit 71, the maximum exposure/consequence to AGESON is set out as follows:

- (1) in event AGESON fails to resist the applications for Enclosures 12 and 13, the costs payable by AGESON will most likely range from RM5,000.00 to RM10,000.00;
- (2) in the event AGESON is unsuccessful in Suit 71, the costs payable by AGESON will most likely range from RM30,000.00 to RM50,000.00; and
- (3) the legal fees up to full trial stage (excluding tax and disbursements) payable by AGESON will be around RM50,000.00.

Other than the above, there is no material impact to AGESON's business operations in the event AGESON fails to resist the application for Enclosures 12 and 13 or it is unsuccessful in Suit 71.

- (ii) **Shah Alam High Court Suit No.** : BA-22NCvC-382-09/2020  
**Plaintiff** : Unique Budget Sdn Bhd  
**Defendant** : AGESON

The Plaintiff had commenced legal action against AGESON at the Shah Alam High Court for recovering the sum of RM1,870,407.75, being the total amount due and payable by Prinsiptek (the former subsidiary of AGESON) to the Plaintiff for the sub-contract works undertaken by the Plaintiff under certain projects. AGESON had allegedly provided a guarantee to indemnify and guarantee all the debts due from Prinsiptek to the Plaintiff ("**said Guarantee**"). Prinsiptek was subsequently wound up which triggered the said Guarantee against AGESON.

The Plaintiff had, on 28 October 2020, obtained a judgement in default ("**JID**") against AGESON and AGESON had, on 15 December 2020, filed a notice of application to set aside the JID ("**AGESON's Application**"). The hearing for AGESON's Application was held on 14 April 2021 and the honourable court had granted in favour of AGESON's Application on 21 May 2021.

On 21 July 2021, AGESON had filed a counter claim against the Plaintiff and its directors on, inter alia, the basis that the Plaintiff have conspired with the former directors of AGESON (i.e., Foo Chu Pak and Foo Chu Jong) to injure the interest of AGESON. In the alternative, AGESON seeks indemnification from the said directors on the alleged guaranteed sum as the purported guarantee was given without the knowledge of the board of AGESON.

The Plaintiff had then filed a summary judgment against AGESON which was dismissed by the honourable court on 27 October 2021.

**INFORMATION ON OUR GROUP (CONT'D)**

On 24 January 2022, the solicitors representing Foo Chu Jong and Foo Chu Pak filed an application to amend their statement of defence with leave of the honourable court on 26 January 2022. On 26 January 2022, the honourable court directed AGESON to file its affidavit in reply by 16 February 2022 (wherein extension to file such affidavit in reply had been sought until 2 March 2022), Foo Chu Pak Jong and Foo Chu Pak to file affidavit in reply by 9 March 2022, all parties to file submission on or before 29 March 2022 and all parties to file submission in reply by 12 April 2022. Further thereto, the honourable court had fixed a hearing of the application on 22 April 2022.

As at the LPD, the trial of this matter has been fixed on 3 October 2023 to 5 October 2023.

The solicitors representing AGESON are of the view that AGESON has a fair chance of defending the suit and succeeding at the aforesaid counter-claim.

In the event AGESON loses the aforesaid counter-claim, the maximum exposure/ consequence to AGESON is the payment of the judgement sum of RM1,870,407.75 together with legal fees for its solicitors and/or legal fees incurred by the counter-party, such other costs and interests as well as damages as may be awarded by the Honourable Court in favour of the Plaintiff.

- (iii) **Kuala Lumpur High Court Suit No.** : WA-22NCvC-723-11/2020  
**Plaintiff** : QSE Construction Sdn Bhd  
**Defendants** : (i) AGESON (“**1<sup>st</sup> Defendant**”); and  
(ii) Agezon Enterprise Sdn Bhd (“**2<sup>nd</sup> Defendant**”);

The Plaintiff had commenced legal action against the Defendants for losses that were allegedly suffered by the Plaintiff due to the Defendants’ failure in complying with the terms and conditions of a joint venture agreement entered into between the Plaintiff and 1<sup>st</sup> Defendant dated 19 September 2019 in connection with a construction project for the development of a water treatment plant and water reticulation system in Selangor/ Wilayah Persekutuan Kuala Lumpur for an original contract sum amounting to RM24,900,000.00 (“**JVA**”).

The Plaintiff alleged that the 1<sup>st</sup> Defendant had failed to comply with the terms of the JVA including, but not limited to, failure to provide performance bond, failure to obtain permission to commence works from the local authorities hence causing delay in commencement of physical works at project site, and failure to make the necessary payments for preliminary costs, to sub-contractors and for site management which cause delay to progress works.

The Plaintiff is claiming for, amongst others, the following against the Defendants:

- (i) that the 1<sup>st</sup> Defendant and/or the 2<sup>nd</sup> Defendant pay to the Plaintiff the sum of RM3,031,747.23 (being the losses suffered by the Plaintiff) or alternatively, any other sums that the honourable court deems fit; and
- (ii) interest at the rate of 5% per annum and cost.

**INFORMATION ON OUR GROUP (CONT'D)**

On 13 July 2021, the 1<sup>st</sup> Defendant had filed a notice of application to amend the pleadings to include the Plaintiff and several other individuals as parties to the said suit for committing fraudulent activities and conspiring to injure the Defendants. Subsequently, the honourable court fixed the hearing of the application to amend the pleadings on 15 October 2021 and the pre-trial case management on the same day. The honourable court then dismissed the 1<sup>st</sup> Defendant's application to amend the pleadings.

As at the LPD, the matter has been set down for trial from 8 May 2023 to 11 May 2023.

The solicitors representing the Defendants are of the view that the Plaintiff's claim is unsustainable, without basis and baseless as the alleged joint venture agreement entered between the Plaintiff and the 2<sup>nd</sup> Defendant is a merely a memorandum of understanding with no obligation on the respective parties.

In the event the Defendants lose this legal suit, the maximum exposure/ consequence to the Defendants is the payment of legal fees for its solicitors and/or legal fees incurred by the counter-party, judgment sum of RM3,031,747.23 together with other cost and interest, as well as any other damages as may be granted by the Honourable Court in favour of the Plaintiff.

- (iv) **Kuala Lumpur High Court Suit No.** : WA-22NCC-116-03/2021  
**Plaintiff** : AGESON  
**Defendants** : (i) Dato Foo Chu Jong (“1<sup>st</sup> Defendant”);  
(ii) Foo Chu Pak (“2<sup>nd</sup> Defendant”);  
(iii) MH Maju Holdings Sdn Bhd (“3<sup>rd</sup> Defendant”);  
(iv) FAB Builders Sdn Bhd (“4<sup>th</sup> Defendant”);  
(v) Rapi Mulia Sdn Bhd (“5<sup>th</sup> Defendant”);  
(vi) Fatimah Binti Kamaluddin (“6<sup>th</sup> Defendant”); and  
(vii) Zairul Hasnan Binti Md Ariffin (“7<sup>th</sup> Defendant”)

On 16 March 2021, AGESON filed a legal action against the Defendants.

Ferrier Hodgson M H Sdn Bhd (“FHM”) was engaged by AGESON to perform and carry out a comprehensive audit exercise on the costs incurred by Prinsiptek, which was in 2016, awarded a construction contract for a proposed development comprising 44-storey apartment block together with car park podium and amenities in Sentul, Kuala Lumpur.

Based on the audit exercise carried out by FHM, it was alleged that Prinsiptek has made numerous bogus and/or dubious payments to certain consultants and third parties amounting to a total sum of RM24,175,000.00.

AGESON pleaded that these payments were disguised in an elaborate scheme to siphon money out of Prinsiptek to the detriment and loss of AGESON, AGESON also pleaded that the main perpetrators of this illegal scheme are the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant with the complicity of the 3<sup>rd</sup> Defendant to the 7<sup>th</sup> Defendant acting in accordance with 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant.

**INFORMATION ON OUR GROUP (CONT'D)**

AGESON alleged that the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant had breached their duties as directors and fiduciary duties owed to AGESON, as such, in this suit, AGESON is claiming, amongst others, the following against the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant:

- (i) an order that the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant to make restitution to the Plaintiff in the sum of RM23,767,614.41; and
- (ii) such other equitable remedies, reliefs and damages as may be deemed fit by the honourable court;

Further to the above, AGESON is also claiming, amongst others, the following against the 3<sup>rd</sup> Defendant to the 7<sup>th</sup> Defendant:

- (i) an order that the 3<sup>rd</sup> Defendant make restitution to AGESON for the sum of RM3,492,293.37;
- (ii) an order that the 4<sup>th</sup> Defendant make restitution to AGESON for the sum of RM12,678,358.02;
- (iii) an order that the 5<sup>th</sup> Defendant make restitution to AGESON for the sum of RM6,282,463.02; and
- (iv) such other equitable remedies, reliefs and damages as may be deemed fit by the honourable court.

A striking out application was filed by the 3<sup>rd</sup> and 5<sup>th</sup> Defendant on 20 August 2021. Subsequently, the 1<sup>st</sup> and 2<sup>nd</sup> Defendant had also filed their striking out application on 23 August 2021.

On 21 January 2022, the honourable court had allowed such striking out applications.

On 17 February 2022, AGESON had filed a notice of appeal against such decision awarded by the honourable court to the Court of Appeal (“COA”) under the following new legal suits no.:

- (i) **COA Civil Appeal No. W-02(IM)(NCC)-354-02/2022 (“Appeal 1”)**

Appellant : AGESON  
Respondents : 1<sup>st</sup> Defendant & 2<sup>nd</sup> Defendant

- (ii) **COA Civil Appeal No. W-02(IM)(NCC)-353-02/2022 (“Appeal 2”)**

Appellant : AGESON  
Respondent : 3<sup>rd</sup> Defendant

- (iii) **COA Civil Appeal No. W-02(IM)(NCC)-333-02/2022 (“Appeal 3”)**

Appellant : AGESON  
Respondent : 5<sup>th</sup> Defendant



**INFORMATION ON OUR GROUP (CONT'D)**

As at the LPD, a Record of Appeal had been filed for each of the aforesaid appeals on 14 April 2022. In respect of Appeal 1 and Appeal 2, a case management was fixed on 11 May 2022 respectively, whereas for Appeal 3, a case management was fixed on 10 May 2022.

The solicitors representing AGESON is of the opinion that AGESON has a fair chance to succeed in the aforesaid appeals filed by AGESON.

In the event AGESON loses the aforesaid appeals, the maximum exposure/ consequences to AGESON are that they are required to pay legal fees for its solicitors and/or legal fees incurred by the counter-party. AGESON may no longer be able to maintain an action against the 1<sup>st</sup> Defendant, 2<sup>nd</sup> Defendant, 3<sup>rd</sup> Defendant and the 5<sup>th</sup> Defendant. In summary, AGESON would not be able:-

- (1) to recover the judgement sum of RM23,767,614.41 or any other damages from the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant;
- (2) to recover the judgement sum of RM3,492,293.37 or any other damages from the 3<sup>rd</sup> Defendant; and
- (3) to recover the judgement sum of RM6,282,463.02 and any other damages from the 5<sup>th</sup> Defendant.

Consequently, the claim against the rest of the Defendants would fail as the cause of action of this matter is mainly premised upon the tort of conspiracy.

- (v) **Kuala Lumpur High Court Suit No.** : PA-22NCvC-61-03/2021  
**Plaintiff** : Fivestar Luxury Sdn Bhd  
**Defendants** : (i) Ageson Place (*formerly known as Daya Intelek Usahasama Sdn Bhd*) (“**1<sup>st</sup> Defendant**”); and  
(ii) Ageson Development Sdn Bhd (“**2<sup>nd</sup> Defendant**”);

The Plaintiff had commenced legal action against the Defendants on 19 March 2021.

The 1<sup>st</sup> Defendant is the registered landowner of the Land. The Land is the subject land and matter in this suit.

On 15 May 2012, the 1<sup>st</sup> Defendant contracted and agreed for the 2<sup>nd</sup> Defendant to develop the Land.

On 16 May 2012, pursuant to an agreement, the 1<sup>st</sup> Defendant granted a power of attorney to the 2<sup>nd</sup> Defendant that has been duly registered with the Kuala Lumpur High Court on 20 September 2012.

The relationship between the Plaintiff and the Defendants was established via an Agreement to Sell dated 6 March 2017 (“**ATS**”) pursuant to which the Defendants had allegedly agreed with the Plaintiff for the selling, developing and/or dealing of the Land. The development project consists of a 4-star rated hotel block and a service apartment. The ATS is the subject matter of this suit.

It was alleged that the new management team in the Defendants (around 2019) had delayed, exhibited disinterest, regressed, and neglected from their commercial and contractual obligations under the ATS.

**INFORMATION ON OUR GROUP (CONT'D)**

The Plaintiff is of the view that monetary damages solely would not be an appropriate remedy in view of the Plaintiff's right of specific relief and specific performance of the ATS. The Plaintiff further alleged that based on circumstances of the case, the balance of convenience lies in favour of a grant of prohibitory injunction reliefs against the Defendants over the project and the Land.

The Plaintiff also seek for including, but not limited to, the following:

- (i) refund of the deposit paid amounting to RM4,200,000.00;
- (ii) an order for specific performance for the ATS against the Defendants to be commenced;
- (iii) that the private caveat lodged on 9 October 2019 on the Land by the 2<sup>nd</sup> Defendant be removed and struck out from the Registry of Titles of the Land Office; and
- (iv) any other relief deem fit and necessary by the Honourable Court.

On 19 March 2021, the Plaintiff had filed a notice of application for injunctive reliefs ("**Injunction Application**").

On 1 June 2021, the Defendants had filed a defence and counter-claim against the Plaintiff, one Foo Chu Jong and one Foo Chu Pak with 17 others to declare that the ATS is invalid and the Plaintiff, Foo Chu Jong and Foo Chu Pak had conspired to injure the Defendants by creating liability in them and had showed no intention to carry out the ATS.

The Defendants had filed a notice of application for discovery to discover the relevant documents ("**Discovery Application**") that would assist both the Defendants in proving their counter-claims ("**Counter-Claim**").

The Plaintiff and its directors had filed a notice of application to strike out the counter-claims filed against them ("**Striking Out Application 1**").

On 3 November 2021, the 7<sup>th</sup>, 8<sup>th</sup> and 11<sup>th</sup> to 20<sup>th</sup> defendants to the Counter Claim filed an application to strike out the Counter Claim ("**Striking Out Application 2**").

As at the LPD, the honourable court had fixed a hearing of the Injunction Application, Discovery Application, Striking Out Application 1 and Striking Out Application 2, respectively, on 19 May 2022.

The solicitors representing the Defendants are of the view that there is a fair chance of the Defendants succeeding in the Counter-Claim.

In the event the Defendants lose in the Counter-Claim, the maximum exposure/ consequence to the Defendants are as follows:

- (1) to comply with the order of specific performance sought by the Plaintiff;
- (2) to comply with the order to strike out the private caveat so lodged as aforementioned; and/or
- (3) the payment of judgement sum of RM4,200,000.00 together with other costs and interest, as well as any other damages that may be ordered by the Honourable Court in favour of the Plaintiff.



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**ADDITIONAL INFORMATION**

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**1. CONSENTS**

The Adviser, company secretaries, solicitors for the Rights Issue, share registrar and Bloomberg have each given and have not subsequently withdrawn their written consents to the inclusion in this Abridged Prospectus of their names and all references thereto in the form and context in which they appear in this Abridged Prospectus.

**2. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at our Registered Office at Level 5, Block B, Dataran PHB, Saujana Resort, Section U2, 40150 Shah Alam, Selangor during normal business hours from 9.00 a.m. to 5.00 p.m. from Monday to Friday (excluding public holidays) for the period of at least 6 months from the date of this Abridged Prospectus:

- (i) our Constitution;
- (ii) the Undertaking;
- (iii) the material contract referred to in **Section 8 of Appendix I** of this Abridged Prospectus;
- (iv) the relevant cause papers referred to in **Section 9 of Appendix I** of this Abridged Prospectus; and
- (v) the letters of consent referred to in **Section 1** above.

**3. RESPONSIBILITY STATEMENT**

Our Board has seen and approved this Abridged Prospectus together with its accompanying documents and they collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement herein false or misleading.

TA 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.

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