

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

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

THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF IN DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY. All enquiries concerning the Rights Issue with Warrants, which is the subject matter of this Abridged Prospectus, should be addressed to our Share Registrar, ShareWorks Sdn Bhd at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia (Tel: +603 - 6201 1120).

This Abridged Prospectus, together with the NPA and RSF (collectively, the “Documents”), will be despatched only to our Entitled Shareholders whose names appear on our Record of Depositors as at 5.00 p.m. on 8 February 2023 at their registered address in Malaysia or who have provided our Share Registrar with a registered address in Malaysia in writing by 5.00 p.m. on 8 February 2023. The Documents are not intended to (and will not be made to) comply with the laws of any country or jurisdiction other than Malaysia and are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue with Warrants complies with the laws of any country or jurisdiction other than the laws of Malaysia. Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal adviser and other professional advisers as to whether the acceptance or renunciation (as the case may be) of their entitlements to the Rights Issue with Warrants, application for Excess Rights Shares with Warrants B, or the subscription, offer, sale, resale, pledge or other transfer of the new securities arising from the Rights Issue with Warrants would result in the contravention of any law of such countries or jurisdictions. We, Malacca Securities and/or the advisers named herein shall not accept any responsibility or liability in the event that any acceptance and/or renunciation (as the case may be) of entitlements, application for Excess Rights Shares with Warrants B or the subscription, offer, sale, resale, pledge or other transfer of the new securities arising from the Rights Issue with Warrants made by any Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions in which Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) are residents.

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

Approval for the Rights Issue with Warrants has been obtained from our shareholders at our EGM convened on 16 August 2022. Approval has been obtained from Bursa Securities via its letter dated 15 July 2022 for the admission of the Warrants B to the Official List as well as the listing and quotation of the Rights Shares, Warrants B and the new Shares to be issued upon exercise of the Warrants B on the Main Market of Bursa Securities (subject to the conditions specified in the said letter), which will commence after, among others, receipt of confirmation from Bursa Depository that all the CDS Accounts of successful Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) have been duly credited with the Rights Shares and Warrants B allotted to them and notices of allotment have been despatched to them. However, such admission, listing and quotation are not an indication that Bursa Securities recommends the Rights Issue with Warrants and are not to be taken as an indication of the merits of the Rights Issue with Warrants.

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

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



BSL CORPORATION BERHAD

Registration No. 200401012615 (651118-K)

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

RENOUNCEABLE RIGHTS ISSUE OF UP TO 2,354,494,986 NEW ORDINARY SHARES IN BSL CORPORATION BERHAD (“BSLCORP” OR “COMPANY”) (“BSLCORP SHARES” OR “SHARES”) (“RIGHTS SHARES”) AT AN ISSUE PRICE OF RM0.055 PER RIGHTS SHARE TOGETHER WITH UP TO 981,039,577 FREE DETACHABLE WARRANTS IN THE COMPANY (“WARRANTS B”) ON THE BASIS OF 12 RIGHTS SHARES TOGETHER WITH 5 FREE WARRANTS B FOR EVERY 2 EXISTING SHARES HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY AT 5.00 P.M. ON 8 FEBRUARY 2023

Principal Adviser

MALACCA SECURITIES SDN BHD

Registration No. 197301002760 (16121-H)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIMES

Entitlement Date	: Wednesday, 8 February 2023 at 5.00 p.m.
Last date and time for:	
Sale of Provisional Allotments	: Tuesday, 21 February 2023 at 5.00 p.m.
Transfer of Provisional Allotments	: Thursday, 23 February 2023 at 4.30 p.m.
Acceptance and payment	: Wednesday, 1 March 2023 at 5.00 p.m.
Excess Rights Shares with Warrants B Application and payment	: Wednesday, 1 March 2023 at 5.00 p.m.

This Abridged Prospectus is dated 8 February 2023

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

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

MALACCA SECURITIES, BEING THE PRINCIPAL ADVISER FOR THE RIGHTS ISSUE WITH WARRANTS, ACKNOWLEDGES THAT BASED ON ALL AVAILABLE INFORMATION AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS ABRIDGED PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE RIGHTS ISSUE WITH WARRANTS.

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

INVESTORS SHOULD NOTE THAT THEY MAY SEEK RECOURSE UNDER SECTIONS 248, 249 AND 357 OF THE CAPITAL MARKETS AND SERVICES ACT 2007 (“CMSA”) FOR BREACHES OF SECURITIES LAWS INCLUDING ANY STATEMENT IN THE ABRIDGED PROSPECTUS THAT IS FALSE, MISLEADING, OR FROM WHICH THERE IS A MATERIAL OMISSION; OR FOR ANY MISLEADING OR DECEPTIVE ACT IN RELATION TO THE ABRIDGED PROSPECTUS OR THE CONDUCT OF ANY OTHER PERSON IN RELATION TO THE COMPANY.

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

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

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

DEFINITIONS

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

Abridged Prospectus	- This abridged prospectus dated 8 February 2023 in relation to the Rights Issue with Warrants
AmBank	- AmBank (M) Berhad
Act	- Companies Act, 2016 of Malaysia, as amended from time to time and any re-enactment thereof
Additional Warrants A	- Additional Warrants A to be issued arising from the Adjustments
Adjustments	- Adjustments to the exercise price and number of Warrants A as a result of the Rights Issue with Warrants in accordance with provisions of the Deed Poll A
Base Case Scenario	- Assuming: - <ul style="list-style-type: none"> (i) none of the treasury shares held by the Company as at the LPD are resold to the market; (ii) none of the outstanding Warrants A as at the LPD are exercised into new Shares; and (iii) none of the ESOS Options which may be granted pursuant to the maximum allowable amount under the ESOS as at the LPD are granted and exercised into new Shares, <p>prior to the Entitlement Date and all the Entitled Shareholders and/or their renouncee(s) fully subscribe for their respective entitlements under the Rights Issue with Warrants</p>
Bloomberg	- Bloomberg Finance Singapore L.P. and its affiliates
BMW	- BMW Credit (Malaysia) Sdn Bhd
Board	- Board of Directors of the Company
BSLCORP or the Company	- BSL Corporation Berhad
BSLCORP Group or the Group	- Collectively, the Company and its subsidiaries
BSLCORP Shares or the Shares	- Ordinary shares in the Company
Bursa Depository	- Bursa Malaysia Depository Sdn Bhd
Bursa Securities	- Bursa Malaysia Securities Berhad
By-Laws	- By-laws governing the ESOS
CAGR	- Compound annual growth rate
CDS	- Central Depository System, the system established and operated by Bursa Depository for the central handling of securities deposited with Bursa Depository

DEFINITIONS (CONT'D)

CDS Account	- Securities account established by Bursa Depository for a depositor pursuant to the SICDA and the Rules of Bursa Depository for the recording of deposits of securities and dealings in such securities by the depositor
Circular	- Circular to Shareholders in relation to the Rights Issue with Warrants dated 1 August 2022
Closing Date	- 1 March 2023 at 5.00 p.m., being the last date and time for the acceptance of and payment for the Rights Shares with Warrants B and the Excess Rights Shares with Warrants B
CMSA	- Capital Markets and Services Act, 2007, as amended from time to time and any re-enactment thereof
Code	- Malaysian Code on Take-Overs and Mergers, 2016, as amended from time to time
Convertible Securities	- Collectively, the Warrants A and ESOS Options
COVID-19	- Coronavirus disease 2019
Deed Poll A	- Deed poll constituting the Warrants A dated 27 October 2021
Deed Poll B	- Deed poll constituting the Warrants B dated 17 January 2023
Directors	- Directors of the Company
E&E	- Electrical and electronic
EGM	- Extraordinary general meeting of the Company
Entitled Shareholders	- Shareholders whose names appear in the Record of Depositors of the Company as at 5.00 p.m. on the Entitlement Date in order to be entitled to participate in the Rights Issue with Warrants
Entitlement Date	- 8 February 2023, at 5.00 p.m., being the date and time on which the names of Shareholders must appear in the Record of Depositors of the Company in order to be entitled to participate in the Rights Issue with Warrants
EPS	- Earnings per Share
ESOS	- Existing employees' share options scheme of the Company which took effect on 23 November 2021 for a period of 5 years
ESOS Options	- Options granted under the ESOS pursuant to the By-Laws where each option holder can subscribe for 1 new Share for every 1 ESOS Option held
EUR	- Euro, the official currency of the European Union
Excess Rights Shares with Warrants B	- Rights Shares with Warrants B which are not taken up or not validly taken up by Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) by the Closing Date
Excess Rights Shares with Warrants B Application	- Application for additional Rights Shares with Warrants B in excess of the Provisional Allotments by the Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable)

DEFINITIONS (CONT'D)

Exercise Period	- Any time within a period of 3 years commencing from and including the date of issue of the Warrants B to the close of business at 5.00 p.m. on the Market Day immediately preceding the date which is the 3rd anniversary from the date of issue of the Warrants B. Any Warrants B not exercised during the Exercise Period will thereafter lapse and cease to be valid
Exercise Price	- RM0.055, being the price at which 1 Warrant B is exercisable into 1 new Share, subject to adjustments in accordance with the provisions of the Deed Poll B
Foreign-Addressed Shareholders	- Shareholders who have not provided to the Company a registered address or an address in Malaysia for the service of documents which will be issued in connection with the Rights Issue with Warrants
FPE	- Financial period ended
FYE	- Financial year ended/ending, as the case may be
GDP	- Gross Domestic Product
GP	- Gross profit
Hap Seng	- Hap Seng Credit Sdn Bhd
IMR Report	- Independent market research report dated 16 January 2023 prepared by SMITH ZANDER
IT	- Information technology
kWp	- Kilowatt peak
Listing Requirements	- Main Market Listing Requirements of Bursa Securities, as amended from time to time
LPD	- 11 January 2023, being the latest practicable date prior to the date of this Abridged Prospectus
LTD	- 16 January 2023, being the last trading day prior to the date of fixing the issue price of the Rights Shares and the Exercise Price
Malacca Securities or the Principal Adviser	- Malacca Securities Sdn Bhd
Market Day	- Any day on which Bursa Securities is open for trading in securities

DEFINITIONS (CONT'D)

Maximum Scenario	- Assuming: - <ul style="list-style-type: none"> (i) all the treasury shares held by the Company as at the LPD are resold to the market; (ii) all the outstanding Warrants A as at the LPD are exercised into new Shares; and (iii) all the ESOS Options which may be granted pursuant to the maximum allowable amount under the ESOS as at the LPD are granted and exercised into new Shares, <p>prior to the Entitlement Date and all the Entitled Shareholders and/or their renouncee(s) fully subscribe for their respective entitlements under the Rights Issue with Warrants</p>
MBB	- Malayan Banking Berhad
MCO	- Movement Control Order issued by the Government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967
Mercury Securities	- Mercury Securities Sdn Bhd
MIDF	- Malaysian Industrial Development Finance Berhad
Minimum Scenario	- Assuming: - <ul style="list-style-type: none"> (i) none of the treasury shares held by the Company as at the LPD are resold to the market; (ii) none of the outstanding Warrants A as at the LPD are exercised into new Shares; and (iii) none of the ESOS Options which may be granted pursuant to the maximum allowable amount under the ESOS as at the LPD are granted and exercised into new Shares, <p>prior to the Entitlement Date and the Rights Issue with Warrants is undertaken on the Minimum Subscription Level</p>
Minimum Subscription Level	- Minimum subscription level of 181,818,182 Rights Shares based on an issue price of RM0.055 per Rights Share to arrive at RM10.00 million
NA	- Net assets
NPA	- Notice of provisional allotment in relation to the Rights Issue with Warrants
Official List	- Official list of the Main Market of Bursa Securities
PAT	- Profit after tax
PBT	- Profit before tax
Private Placement 2022 – 30%	- Private placement exercise previously undertaken by the Company which involved the issuance of 57,981,500 new Shares (representing 30% of the then existing total number of issued Shares before the private placement), raised a total of RM12.71 million and was completed on 28 March 2022

DEFINITIONS (CONT'D)

Provisional Allotments	- The Rights Shares with Warrants B provisionally allotted to Entitled Shareholders
Record of Depositors	- A record of securities holders established by Bursa Depository under the Rules of Bursa Depository
Rights Issue with Warrants	- Renounceable rights issue of up to 2,354,494,986 Rights Shares together with up to 981,039,577 free detachable Warrants B on the basis of 12 Rights Shares together with 5 free Warrants B for every 2 existing Shares held by the Entitled Shareholders on the Entitlement Date
Rights Shares	- New Shares to be allotted and issued pursuant to the Rights Issue with Warrants
RM and Sen	- Ringgit Malaysia and sen respectively
RSF	- Rights subscription form in relation to the Rights Issue with Warrants
Rules of Bursa Depository	- Rules of Bursa Depository as issued pursuant to the SICDA, as amended from time to time
Rules	- Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the SC pursuant to Section 377 of the CMSA, as amended from time to time
SC	- Securities Commission Malaysia
Shareholders	- Registered holders of the Shares
Share Registrar	- ShareWorks Sdn Bhd
SICDA	- Securities Industry (Central Depositories) Act, 1991 of Malaysia, as amended from time to time and any re-enactment thereof
SMITH ZANDER	- Smith Zander International Sdn Bhd, an independent market researcher
TEAP	- Theoretical ex-all price
Undertakings	- The irrevocable and unconditional written undertakings from the Undertaking Shareholders dated 28 June 2022, details of which are set out in Section 3 of this Abridged Prospectus
Undertaking Shareholders	- Hoo Wai Keong (Executive Director of the Company) and Chew Khai Liong (Non-Independent Non-Executive Director of the Company)
USD	- United States Dollar
VWAP	- Volume-weighted average market price
Warrants A	- Outstanding BSLCORP warrants 2021/2024 issued by the Company pursuant to the Deed Poll A and expiring on 11 November 2024
Warrants B	- Free detachable warrants in the Company to be allotted and issued pursuant to the Rights Issue with Warrants

DEFINITIONS (CONT'D)

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

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

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

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

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

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

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ADVISERS' DIRECTORY

- COMPANY SECRETARIES** : Chin Wai Yi (SSM PC NO. 202008004409) (MAICSA 7069783)
Florence Toh Sue Mei (SSM PC NO. 202108000143) (MAICSA 7074778)
GAP Advisory Sdn Bhd
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50400 Kuala Lumpur
Malaysia
Tel : +603 – 2181 0516
Fax : +603 – 2181 0516
- PRINCIPAL ADVISER** : Malacca Securities Sdn Bhd
BO1-A-13A, Level 13A, Menara 2
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KL Eco City
59200 Kuala Lumpur
Malaysia
Tel : +603 – 2201 2100
- SOLICITORS** : Messrs. Ching, Elaine & Co
Advocates & Solicitors
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Persiaran Tropicana, PJU 13
47410 Petaling Jaya
Selangor Darul Ehsan
Tel : +603 – 7886 9289
- SHARE REGISTRAR** : ShareWorks Sdn Bhd
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Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan
Tel : +603 – 6201 1120
Fax : +603 – 6201 3121
- REPORTING ACCOUNTANTS** : Messrs ChengCo PLT
LLP0017004-LCA & AF 0886
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58200 Kuala Lumpur
Wilayah Persekutuan
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Fax : +603 – 7984 4402
- INDEPENDENT MARKET RESEARCHER** : Smith Zander International Sdn Bhd
15-01, Level 15, Menara MBMR
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58000 Kuala Lumpur
Wilayah Persekutuan
Tel : +603 – 2732 7537

Director: Stephanie Ng Ee Munn
(Bachelor of Science (Hons) (major in Chemistry) from Tunku Abdul Rahman University, Malaysia)
- STOCK EXCHANGE LISTING** : Main Market of Bursa Securities

SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS

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

Key information	Summary																																																			
(i) Number of Rights Shares to be issued and basis of allotment	<p>Basis: 12 Rights Shares together with 5 free Warrants B for every 2 existing Shares held by the Entitled Shareholders. Please refer to Section 2.1 of this Abridged Prospectus for further information.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Minimum Scenario</th> <th style="text-align: center;">Base Case Scenario</th> <th style="text-align: center;">Maximum Scenario</th> </tr> </thead> <tbody> <tr> <td>Number of Rights Shares to be issued</td> <td style="text-align: center;">181,818,182</td> <td style="text-align: center;">1,655,568,432</td> <td style="text-align: center;">2,354,494,986</td> </tr> <tr> <td>Number of Warrants B attached</td> <td style="text-align: center;">75,757,574</td> <td style="text-align: center;">689,820,180</td> <td style="text-align: center;">981,039,577</td> </tr> </tbody> </table> <p>The Rights Shares with Warrants B which are not taken up or not validly taken up by the Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) prior to the Closing Date shall be made available for Excess Rights Shares with Warrants B Applications. It is the intention of the Board to allot the Excess Rights Shares with Warrants B, if any, in a fair and equitable manner in the priority as set out in Section 10.8 of this Abridged Prospectus.</p>					Minimum Scenario	Base Case Scenario	Maximum Scenario	Number of Rights Shares to be issued	181,818,182	1,655,568,432	2,354,494,986	Number of Warrants B attached	75,757,574	689,820,180	981,039,577																																				
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Number of Warrants B attached	75,757,574	689,820,180	981,039,577																																																	
(ii) Pricing	<p>Issue price of the Rights Shares : RM0.055 per Rights Share Exercise Price for the Warrants B : RM0.055 per Warrant B (payable for every 1 new Share)</p> <p>Please refer to Section 2.2 of this Abridged Prospectus for further information.</p>																																																			
(iii) Undertakings	<p>The Rights Issue with Warrants will be undertaken on the Minimum Subscription Level to raise a minimum of RM10.00 million. To meet the Minimum Subscription Level, the Company has procured the Undertakings from the Undertaking Shareholders, details of which are as follows: -</p> <p>Undertaking Shareholders and undertaking amount : (i) Hoo Wai Keong (Executive Director of the Company): RM5.00 million (ii) Chew Khai Liong (Non-Independent Non-Executive Director of the Company): RM5.00 million</p> <p>Minimum Rights Shares to be subscribed for : 181,818,182 Rights Shares (representing 10.98% of the total number of 1,655,568,432 Rights Shares available for subscription under the Base Case Scenario) if none of the other Entitled Shareholders and/or their transferees and/or their renounees subscribe for the Rights Shares</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="text-align: left;">Undertaking Shareholders</th> <th colspan="2" style="text-align: center;">Existing direct shareholding as at the LPD</th> <th colspan="2" style="text-align: center;">Total Rights Shares with Warrants B to be subscribed pursuant to the Undertakings</th> </tr> <tr> <th style="text-align: center;">No. of Shares</th> <th style="text-align: center;">%</th> <th style="text-align: center;">No. of Rights Shares</th> <th style="text-align: center;">No. of Warrants B</th> </tr> </thead> <tbody> <tr> <td>Hoo Wai Keong</td> <td style="text-align: center;">40,000</td> <td style="text-align: center;">0.01</td> <td style="text-align: center;">90,909,091</td> <td style="text-align: center;">37,878,787</td> </tr> <tr> <td>Chew Khai Liong</td> <td style="text-align: center;">20,000</td> <td style="text-align: center;">0.01</td> <td style="text-align: center;">90,909,091</td> <td style="text-align: center;">37,878,787</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">60,000</td> <td style="text-align: center;">0.02</td> <td style="text-align: center;">181,818,182</td> <td style="text-align: center;">75,757,574</td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="text-align: left;">Undertaking Shareholders</th> <th colspan="4" style="text-align: center;">Assuming none of the other Entitled Shareholders and/or their renounee(s) subscribe for their Rights Shares</th> </tr> <tr> <th style="text-align: center;">No. of Shares held after the Rights Issue with Warrants</th> <th style="text-align: center;">%</th> <th style="text-align: center;">No. of Shares held after the Rights Issue with Warrants and assuming full exercise of the Warrants B</th> <th style="text-align: center;">%</th> </tr> </thead> <tbody> <tr> <td>Hoo Wai Keong</td> <td style="text-align: center;">90,949,091</td> <td style="text-align: center;">19.87</td> <td style="text-align: center;">128,827,878</td> <td style="text-align: center;">24.15</td> </tr> <tr> <td>Chew Khai Liong</td> <td style="text-align: center;">90,929,091</td> <td style="text-align: center;">19.86</td> <td style="text-align: center;">128,807,878</td> <td style="text-align: center;">24.14</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">181,878,182</td> <td style="text-align: center;">39.73</td> <td style="text-align: center;">257,635,756</td> <td style="text-align: center;">48.29</td> </tr> </tbody> </table> <p>For avoidance of doubt, the Undertaking Shareholders are not obliged to subscribe for the Rights Shares pursuant to the Undertakings if the Minimum Subscription Level has been achieved via subscription by all other Entitled Shareholders and/or their renounees.</p> <p>However, while the Undertaking Shareholders are not obliged to subscribe for the Rights Shares in such event, the Undertaking Shareholders may still choose to do so at their own discretion. At this juncture, the Undertaking Shareholders have not decided on whether they will subscribe for the Rights Shares in the event that the Minimum Subscription Level has been achieved.</p> <p>Please refer to Section 3 of this Abridged Prospectus for further information.</p>				Undertaking Shareholders	Existing direct shareholding as at the LPD		Total Rights Shares with Warrants B to be subscribed pursuant to the Undertakings		No. of Shares	%	No. of Rights Shares	No. of Warrants B	Hoo Wai Keong	40,000	0.01	90,909,091	37,878,787	Chew Khai Liong	20,000	0.01	90,909,091	37,878,787	Total	60,000	0.02	181,818,182	75,757,574	Undertaking Shareholders	Assuming none of the other Entitled Shareholders and/or their renounee(s) subscribe for their Rights Shares				No. of Shares held after the Rights Issue with Warrants	%	No. of Shares held after the Rights Issue with Warrants and assuming full exercise of the Warrants B	%	Hoo Wai Keong	90,949,091	19.87	128,827,878	24.15	Chew Khai Liong	90,929,091	19.86	128,807,878	24.14	Total	181,878,182	39.73	257,635,756	48.29
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SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS (CONT'D)

Key information	Summary																																																																													
(iv) Rationale for the Rights Issue with Warrants	<p>(i) To raise funds mainly for expansion of the Group's manufacturing business, upgrading of existing facilities and technologies, funding for raw materials, repayment of borrowings and working capital as set out in Section 5 of this Abridged Prospectus;</p> <p>(ii) To provide an opportunity for the Entitled Shareholders to participate in the equity offering of the Company on a pro-rata basis without diluting their shareholdings;</p> <p>(iii) To provide the Entitled Shareholders with the option to either increase/maintain their equity participation in the Company or to monetize their ordinary rights in the open market;</p> <p>(iv) Other alternative means of fund-raising such as private placements are smaller in scale and dilutive as compared to a rights issue; and</p> <p>(v) To raise funds without incurring additional interest expense from borrowings, thus allowing the Group to preserve its cash flow for reinvestment and/or operational purposes.</p> <p>Please refer to Section 4 of this Abridged Prospectus for further information.</p>																																																																													
(v) Utilisation of proceeds	<p>The gross proceeds to be raised from the Rights Issue with Warrants are intended to be utilised as follows: -</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2"></th> <th rowspan="2">Intended timeframe for utilisation from completion of the Rights Issue with Warrants</th> <th colspan="2">Minimum Scenario</th> <th colspan="2">Base Case Scenario</th> <th colspan="2">Maximum Scenario</th> </tr> <tr> <th>RM'000</th> <th>%</th> <th>RM'000</th> <th>%</th> <th>RM'000</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>(i) Manufacturing Expansion (as defined in Section 5 of the Abridged Prospectus)</td> <td>Within 24 months</td> <td>10,000</td> <td>100.0</td> <td>26,000</td> <td>28.6</td> <td>26,000</td> <td>20.1</td> </tr> <tr> <td>(ii) Upgrading of existing facilities and technologies</td> <td>Within 24 months</td> <td>-</td> <td>-</td> <td>17,500</td> <td>19.2</td> <td>17,500</td> <td>13.5</td> </tr> <tr> <td>(iii) Funding for raw materials</td> <td>Within 24 months</td> <td>-</td> <td>-</td> <td>14,500</td> <td>15.9</td> <td>14,500</td> <td>11.2</td> </tr> <tr> <td>(iv) Repayment of borrowings</td> <td>Within 24 months</td> <td>-</td> <td>-</td> <td>3,000</td> <td>3.3</td> <td>3,000</td> <td>2.3</td> </tr> <tr> <td>(v) Working capital</td> <td>Within 24 months</td> <td>-</td> <td>-</td> <td>29,206</td> <td>32.1</td> <td>67,647</td> <td>52.2</td> </tr> <tr> <td>(vi) Estimated expenses for the Rights Issue with Warrants</td> <td>Immediate</td> <td>-</td> <td>-</td> <td>850</td> <td>0.9</td> <td>850</td> <td>0.7</td> </tr> <tr> <td>Total</td> <td></td> <td>10,000</td> <td>100.0</td> <td>91,056</td> <td>100.0</td> <td>129,497</td> <td>100.0</td> </tr> </tbody> </table>									Intended timeframe for utilisation from completion of the Rights Issue with Warrants	Minimum Scenario		Base Case Scenario		Maximum Scenario		RM'000	%	RM'000	%	RM'000	%	(i) Manufacturing Expansion (as defined in Section 5 of the Abridged Prospectus)	Within 24 months	10,000	100.0	26,000	28.6	26,000	20.1	(ii) Upgrading of existing facilities and technologies	Within 24 months	-	-	17,500	19.2	17,500	13.5	(iii) Funding for raw materials	Within 24 months	-	-	14,500	15.9	14,500	11.2	(iv) Repayment of borrowings	Within 24 months	-	-	3,000	3.3	3,000	2.3	(v) Working capital	Within 24 months	-	-	29,206	32.1	67,647	52.2	(vi) Estimated expenses for the Rights Issue with Warrants	Immediate	-	-	850	0.9	850	0.7	Total		10,000	100.0	91,056	100.0	129,497	100.0
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(vi) Risk factors	<p>Please refer to Section 5 of this Abridged Prospectus for further information.</p> <p>You should consider the following risk factors before subscribing for or investing in the Rights Issue with Warrants: -</p> <p>(a) The Group is subject to competition from both existing competitors and potentially new market entrants;</p> <p>(b) The Group is dependent on a continuous supply of raw materials used in its manufacturing business;</p> <p>(c) The Group is dependent on the performance on the overall performance of the E&E industry; and</p> <p>(d) The Group's manufacturing expansion plans may not result in the intended benefits or generate sufficient returns or profits to cover the associated investment cost.</p> <p>Please refer to Section 6 of this Abridged Prospectus for further information.</p>																																																																													
(vii) Procedures for acceptance and payment	<p>Acceptance of and payment for the Provisional Allotments allotted to you and application for the Excess Rights Shares with Warrants B may be made on the RSF issued together with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained therein or by way of Electronic Application in accordance with the terms and conditions contained therein.</p> <p>The last day, date and time for acceptance of and payment for the Provisional Allotments and the Excess Rights Shares with Warrants B is on Wednesday, 1 March 2023 at 5.00 p.m.</p> <p>Please refer to Section 10 of this Abridged Prospectus for further information.</p>																																																																													



BSL CORPORATION BERHAD

Registration No. 200401012615 (651118-K)

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

Registered Office

E-10-4, Megan Avenue 1
189, Jalan Tun Razak
50400 Kuala Lumpur
W.P. Kuala Lumpur
Malaysia

8 February 2023

Board of Directors: -

Hoo Wai Keong (Executive Director)
Andrew Ho Tho Kong (Executive Director)
Loh May Ann (Independent Non-Executive Director)
Chong Kwang Fock (Independent Non-Executive Director)
Johari Shukri Bin Jamil (Independent Non-Executive Director)
Chew Khai Liong (Non-Independent Non-Executive Director)

To: Entitled Shareholders

Dear Sir/Madam,

RENOUNCEABLE RIGHTS ISSUE OF UP TO 2,354,494,986 RIGHTS SHARES AT AN ISSUE PRICE OF RM0.055 PER RIGHTS SHARE TOGETHER WITH UP TO 981,039,577 FREE DETACHABLE WARRANTS B ON THE BASIS OF 12 RIGHTS SHARES TOGETHER WITH 5 FREE WARRANTS B FOR EVERY 2 EXISTING SHARES HELD BY THE ENTITLED SHAREHOLDERS AT 5.00 P.M. ON 8 FEBRUARY 2023

1. INTRODUCTION

On 28 June 2022, Mercury Securities had, on behalf of the Board, announced that the Company proposes to undertake the Rights Issue with Warrants.

On 15 July 2022, Mercury Securities had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 15 July 2022, granted its approval for the following: -

- (i) admission of the Warrants B to the Official List;
- (ii) listing and quotation of the Rights Shares, Warrants B and Additional Warrants A; and
- (iii) listing and quotation of the new Shares to be issued arising from the exercise of the Warrants B and Additional Warrants A.

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

Conditions imposed by Bursa Securities		Status of compliance
(i)	BSLCORP and Mercury Securities must fully comply with the relevant provisions under the Listing Requirements at all times pertaining to the implementation of the Rights Issue with Warrants, including compliance with Paragraph 6.50 of the Listing Requirements;	To be complied
(ii)	BSLCORP and Mercury Securities are required to inform Bursa Securities upon completion of the Rights Issue with Warrants;	To be complied
(iii)	BSLCORP and Mercury Securities are required to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Rights Issue with Warrants is completed;	To be complied
(iv)	BSLCORP is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of the Warrants B as at the end of each quarter together with a detailed computation of the listing fees payable; and	To be complied
(v)	BSLCORP is required to make quarterly updates via Bursa LINK (simultaneous with the submission of quarterly report) on the following:	To be complied
(a)	The status on each of the event, project or purpose for which the total proceeds raised from the Rights Issue with Warrants are utilized for, including but not limited to, the percentages of completion of projects/initiatives;	
(b)	Where relevant, details on where the balance of proceeds raised is being placed (pending utilization). If it is parked with asset management company/fund manager, to disclose the name of the asset management company/fund manager.	

On 16 August 2022, the Shareholders had approved the Rights Issue with Warrants at the EGM of the Company.

On 18 October 2022, the Board had announced the following: -

- (i) BSLCORP and Mercury Securities have mutually agreed to terminate Mercury Securities' services as the Principal Adviser of the Company in respect of the Rights Issue with Warrants; and
- (ii) Malacca Securities has been appointed as the new Principal Adviser of the Company in respect of the Rights Issue with Warrants.

On 27 December 2022, Malacca Securities had, on behalf of the Board, announced that an application has been submitted to Bursa Securities on even date to seek its approval for an extension of time of 6 months from 16 January 2023 to 15 July 2023 for the Company to complete the implementation of the Rights Issue with Warrants.

On 5 January 2023, Malacca Securities had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 4 January 2023, resolved to grant the Company an extension of time until 15 July 2023 to complete the implementation of the Rights Issue with Warrants.

On 17 January 2023, Malacca Securities had, on behalf of the Board, announced the following: -

- (i) the execution of the Deed Poll B by the Company;
- (ii) the fixing of the issue price of the Rights Shares at RM0.055 per Rights Share;

- (iii) the fixing of the Exercise Price at RM0.055 per Warrant B; and
- (iv) the fixing of the Entitlement Date for the Rights Issue with Warrants at 5.00 p.m. on 8 February 2023 together with other relevant dates pertaining to the Rights Issue with Warrants.

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

2. PARTICULARS OF THE RIGHTS ISSUE WITH WARRANTS

2.1 Details of the Rights Issue with Warrants

The Rights Issue with Warrants entails a provisional allotment of up to 2,354,494,986 Rights Shares together with up to 981,039,577 free Warrants B on a renounceable basis of 12 Rights Shares together with 5 free Warrants B for every 2 existing Shares held by the Entitled Shareholders on the Entitlement Date, at an issue price of RM0.055 per Rights Share.

The actual number of Rights Shares and Warrants B to be issued will depend on the total number of issued Shares held by the Entitled Shareholders on the Entitlement Date after taking into consideration any resale of treasury shares held by the Company, any new Shares that may be issued arising from the granting and/or exercise of any Convertible Securities as well as the eventual subscription level for the Rights Issue with Warrants.

As at the LPD, the Company has 278,656,298 Shares in issue (out of which 2,728,226 Shares are held by the Company as treasury shares) as well as the following Convertible Securities: -

- (i) 72,583,089 Warrants A, which have an exercise price of RM0.50 each and are expiring on 11 November 2024 (for information, the Warrants A are currently out-of-the-money based on the 5-day VWAP of the Shares up to and including the LPD of RM0.1547); and
- (ii) up to 41,176,444 ESOS Options which may be granted pursuant to the maximum allowable amount under the ESOS.

Assuming that: -

- (i) none of the treasury shares held by the Company as at the LPD are resold to the market;
- (ii) none of the outstanding Warrants A as at the LPD are exercised into new Shares; and
- (iii) none of the ESOS Options which may be granted pursuant to the maximum allowable amount under the ESOS as at the LPD are granted and exercised into new Shares,

prior to the Entitlement Date and all the Entitled Shareholders and/or their renounee(s) fully subscribe for their respective entitlements, the Rights Issue with Warrants would entail the issuance of up to 1,655,568,432 Rights Shares together with up to 689,820,180 Warrants B under the Base Case Scenario.

Assuming that: -

- (i) all the 2,728,226 treasury shares held by the Company as at the LPD are resold to the market;
- (ii) all the 72,583,089 outstanding Warrants A as at the LPD are exercised into new Shares; and
- (iii) all the 41,176,444 ESOS Options which may be granted pursuant to the maximum allowable amount under the ESOS as at the LPD are granted and exercised into new Shares,

prior to the Entitlement Date and all the Entitled Shareholders and/or their renounee(s) fully subscribe for their respective entitlements, the Rights Issue with Warrants would entail the issuance of up to 2,354,494,986 Rights Shares together with up to 981,039,577 Warrants B under the Maximum Scenario.

Notwithstanding the above, the Rights Issue with Warrants will be undertaken on the Minimum Subscription Level to raise a minimum of RM10.00 million which, based on the issue price of RM0.055 per Rights Share, shall entail the subscription of an aggregate of 181,818,182 Rights Shares together with 75,757,574 Warrants B under the Minimum Scenario. To meet the Minimum Subscription Level, the Company has procured the Undertakings from the Undertaking Shareholders, details of which are set out in Section 3 of this Abridged Prospectus.

The total number of Rights Shares and Warrants B to be issued based on the respective scenarios are illustrated below: -

	Minimum Scenario	Base Case Scenario	Maximum Scenario
	No. of Shares	No. of Shares	No. of Shares
Total no. of Shares as at the LPD	275,928,072	275,928,072	275,928,072
Assuming full resale of the treasury shares	-	-	2,728,226
New Shares to be issued assuming full exercise of the Warrants A	-	-	72,583,089
New Shares to be issued assuming full granting and exercise of the ESOS Options	-	-	41,176,444
Enlarged total number of Shares after full granting and/or exercise of the Convertible Securities	275,928,072	275,928,072	392,415,831
No. of Rights Shares to be issued	181,818,182	1,655,568,432	2,354,494,986
No. of Warrants B to be issued	75,757,574	689,820,180	981,039,577

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

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

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

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

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

The Rights Shares and Warrants B which are not taken up or not validly taken up by Entitled Shareholders and/or their transferee(s) and/or their renounee(s) shall be made available for Excess Rights Shares with Warrants B Applications. It is the intention of the Board to allot the Excess Rights Shares with Warrants B, if any, in a fair and equitable manner in the priority as set out in Section 10.8 of this Abridged Prospectus.

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

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

The Warrants B will be admitted to the Official List and the listing and quotation of Warrants B on the Main Market of Bursa 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 have been duly credited with the Rights Shares and Warrants B.

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

(i) Issue price of the Rights Shares

The Board had fixed the issue price of the Rights Shares at RM0.055 per Rights Share after taking into consideration, amongst others, the following: -

- (a) the funding requirements of the Group as set out in Section 5 of this Abridged Prospectus;
- (b) the TEAP⁽¹⁾ of RM0.066 per Share, calculated based on the 5-day VWAP of the Shares up to and including the LTD of RM0.1596 per Share; and
- (c) the rationale for the Rights Issue with Warrants, as set out in Section 4 of this Abridged Prospectus.

The issue price of RM0.055 per Rights Share represents a discount of 16.67% to the TEAP of RM0.066 per Share, calculated based on the 5-day VWAP of the Shares up to and including the LTD of RM0.1596 per Share and the Exercise Price of RM0.055 per Warrant B.

Note: -

(1) TEAP is computed as follows: -

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

where: -

- A = Number of Rights Shares
- B = Number of Warrants B
- C = Number of existing Shares
- X = Issue price of the Rights Shares
- Y = Exercise Price
- Z = 5-day VWAP of the Shares

and the ratio of A:B:C is 12:5:2, in accordance with the entitlement basis of 12 Rights Shares together with 5 free Warrants B for every 2 existing Shares held.

(ii) Exercise Price

The Board had fixed the Exercise Price at RM0.055 per Warrant B after taking into consideration, amongst others, the following: -

- (a) the TEAP of RM0.066 per Share, calculated based on the 5-day VWAP of the Shares up to and including the LTD of RM0.1596 per Share;
- (b) the future prospects of the Group, further details of which are set out in Section 7.4 of the Abridged Prospectus; and
- (c) the need to fix an exercise price that makes the Warrants B attractive for the purposes of enhancing the subscription level of the Rights Shares.

The Exercise Price of RM0.055 per Warrant B represents a discount of 16.67% to the TEAP of RM0.066 per Share, calculated based on the 5-day VWAP of the Shares up to and including the LTD of RM0.1596 per Share and the issue price of RM0.055 per Rights Share.

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

(i) Rights Shares

The Rights Shares shall, upon allotment, issuance and full payment of the issue price of the Rights Shares, rank 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 the Shareholders, the entitlement date of which is prior to the date of allotment and issuance of such Rights Shares.

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

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

2.4 Last date and time for acceptance and payment

The Closing Date is **5.00 p.m. on Wednesday, 1 March 2023**.

2.5 Salient terms of the Warrants B

Issuer	:	BSLCORP
Issue size	:	Minimum Scenario - 75,757,574 Warrants B Base Case Scenario - 689,820,180 Warrants B Maximum Scenario - 981,039,577 Warrants B
Form and detachability	:	The Warrants B will be issued in registered form and constituted by the Deed Poll B. The Warrants B which are to be issued with the Rights Shares will immediately be detached from the Rights Shares upon allotment and issuance and will be traded separately on Bursa Securities.
Board lot	:	For the purpose of trading on Bursa Securities, a board lot of Warrants B shall be 100 units of Warrants B, or such other number of units as may be prescribed by Bursa Securities.
Tenure of the Warrants B	:	3 years commencing on and including the date of issuance of the Warrants B
Exercise Period	:	The Warrants B may be exercised at any time within a period of 3 years commencing from and including the date of issuance of the Warrants B to the close of business at 5.00 p.m. (Malaysia time) on the Market Day immediately preceding the date which is the 3 rd anniversary from the date of issuance of the Warrants B (" Exercise Period "). Any Warrants B not exercised during the Exercise Period will thereafter lapse and cease to be valid for any purpose.

- Exercise Price : RM0.055 per Warrant B.
- The Exercise Price and/or the number of Warrants B in issue during the Exercise Period shall however be subject to adjustments under circumstances prescribed in accordance with the provisions of the Deed Poll B.
- Subscription rights : Each Warrant B shall entitle its registered holder to subscribe for 1 new Share at any time during the Exercise Period at the Exercise Price, subject to adjustments under circumstances prescribed in accordance with the provisions of the Deed Poll B.
- Mode of exercise : The holders of the Warrants B are required to lodge a subscription form with the Company's share registrar, duly completed, signed and stamped together with payment by way of banker's draft or cashier's order drawn on a bank operating in Malaysia or money order or postal order issued by a post office in Malaysia or by way of internet bank transfer for the electronic submission of subscription form via email to ir@shareworks.com.my for the aggregate of the Exercise Price payable when exercising their Warrants B to subscribe for new Shares. The payment of such fee must be made in Ringgit Malaysia.
- Adjustments to the Exercise Price and/or the number of Warrants B : Subject to the provisions of the Deed Poll B, the Exercise Price and/or the number of unexercised Warrants B in issue may be subject to adjustments by the Board in consultation with an approved adviser appointed by the Company or the auditors in the event of any alteration in the share capital of the Company at any time during the tenure of the Warrants B, whether by way of, amongst others, rights issue, bonus issue, consolidation of shares, subdivision of shares or reduction of capital, in accordance with the provisions of the Deed Poll B and in full compliance of Paragraph 6.54(3)(b) of the Listing Requirements. Any adjustment to the Exercise Price will be rounded up to the nearest 1 sen.
- Rights of the Warrant B holders : The Warrants B do not confer on their holders any voting rights or any right to participate in any form of distribution and/or offer of further securities in the Company until and unless such holders of Warrants B exercise their Warrants B for new Shares in accordance with the provisions of the Deed Poll B and such new Shares have been allotted and issued to such holders.
- Ranking of the new Shares to be issued pursuant to the exercise of the Warrants B : The new Shares to be issued pursuant to the exercise of the Warrants B in accordance with the provisions of the Deed Poll B shall, upon allotment, issuance and full payment of the Exercise Price of the Warrants B, rank equally in all respects with the then existing issued Shares, save and except that the holders of such new Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the date of allotment and issuance of such new Shares to be issued pursuant to the exercise of the Warrants B.

- Rights of the Warrant B holders in the event of winding up, liquidation, compromise and/or arrangement : Where a resolution has been passed for a members' voluntary winding-up of the Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with 1 or more companies, then: -
- (i) for the purposes of such winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation) to which the holders of the Warrants B (or some other persons designated by them for such purpose by special resolution) shall be a party, the terms of such winding-up, compromise or arrangement shall be binding on all the holders of the Warrants B; and
 - (ii) in any other cases, every Warrant B holder shall be entitled to exercise his/her Warrants B at any time within 6 weeks after the passing of such resolution for a members' voluntary winding up of the Company or within 6 weeks after the granting of the court order approving the winding-up, compromise or arrangement, whereupon the Company shall allot the relevant new Shares to the Warrant B holder credited as fully paid subject to the prevailing laws, and such Warrant B holder shall be entitled to receive out of the assets of the Company which would be available in liquidation if he/she had on such date been the holder of the new Shares to which he/she would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. Upon the expiry of the above 6 weeks, all subscription rights of the Warrants B shall lapse and cease to be valid for any purpose.
- Modification of rights of Warrant B holders : Save as expressly provided in the Deed Poll B, any modification to the Deed Poll B must be effected only by deed poll, executed by the Company, expressed to be supplemental to the Deed Poll B, approved by the holders of Warrants B sanctioned by special resolution and complies with the prevailing laws or regulations of Malaysia including the Listing Requirements.
- No modification, alteration to or abrogation of the provisions of the Deed Poll B may be made without the passing of a special resolution other than modifications which in the opinion of the Company: -
- (a) to correct any typographical errors;
 - (b) relate purely to administrative matters;
 - (c) to comply with prevailing laws or regulations of Malaysia; or
 - (d) are not prejudicial to the rights and/or interest of the Warrant B holders (such as those described in (a) to (c) above) under the Deed Poll B upon consultation with an approved adviser appointed by the Company

- Listing : The Warrants B will be listed and traded on the Main Market of Bursa Securities. The listing and quotation of the Warrants B on the Main Market of Bursa Securities is subject to a minimum of 100 holders of Warrants B.
- Transferability : The Warrants B shall be transferable in the manner provided under the SICDA and the Rules of Bursa Depository.
- Deed Poll B : The Warrants B shall be constituted by the Deed Poll B.
- Governing laws : The Warrants B and the Deed Poll B shall be governed by the laws and regulations of Malaysia.

2.6 Details of other corporate exercises

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

2.7 Details of equity fund-raising exercise undertaken by the Group in the past 5 years

For information, the Group has undertaken the following equity fund-raising exercise in the past 5 years before the announcement of the Rights Issue with Warrants: -

(i) Private Placement 2022 – 30%

On 28 March 2022, the Company completed a private placement exercise involving the issuance of a total of 57,981,500 Placement Shares (representing 30% of the then existing total number of issued Shares before the private placement), raising a total of RM12.71 million.

The said proceeds have been utilised as follows: -

Utilisation of proceeds	Intended timeframe for utilisation from 28 March 2022	Proposed utilisation RM'000	Actual utilisation as at the LPD RM'000	Balance unutilised RM'000
(i) Manufacturing Expansion (as defined in Section 5(i) of this Abridged Prospectus)	Within 24 months	12,066	⁽¹⁾ 6,100	⁽²⁾ 5,966
(ii) Expenses for the corporate exercises	Immediate	643	643	-
Total		12,709	6,743	5,966

Notes: -

- (1) The Group has utilised RM1.20 million for the production floor expansion and RM4.90 million for the purchase of raw materials.
- (2) Out of this, RM4.50 million is earmarked for the acquisition of equipment and machineries while the remaining RM1.47 million is earmarked for working capital purposes.

3. MINIMUM SUBSCRIPTION LEVEL AND THE UNDERTAKINGS

The Company intends to raise a minimum of RM10.00 million from the Rights Issue with Warrants to meet the funding requirements of the Group, which will be channelled towards the utilisation as set out in Section 5 of this Abridged Prospectus.

In view of the above, the Board has determined to undertake the Rights Issue with Warrants on the Minimum Subscription Level. To meet the Minimum Subscription Level, the Company has procured the Undertakings from the Undertaking Shareholders, namely Hoo Wai Keong (Executive Director of the Company) and Chew Khai Liong (Non-Independent Non-Executive Director of the Company), to apply and subscribe in full for their entitlement of Rights Shares and additional Rights Shares not taken up by other Entitled Shareholders by way of excess Rights Shares application, to the extent such that the aggregate subscription proceeds of the Rights Shares received by the Company arising from the subscription by all Entitled Shareholders and/or their renounee(s) (including the Undertaking Shareholders, if necessary) amount to not less than RM10.00 million.

For avoidance of doubt, the subscription of Rights Shares (including excess Rights Shares, where applicable) by each of the Undertaking Shareholders pursuant to the Undertakings is for an amount of up to RM5.00 million each only.

Details of the Undertakings under the Minimum Scenario as at the LPD are as follows: -

Undertaking Shareholders	Existing direct shareholding as at the LPD		Minimum Rights Shares with Warrants B to be subscribed pursuant to the Undertakings							
	No. of Shares	⁽¹⁾ %	Subscription based on entitlement				Subscription based on excess application			
			No. of Rights Shares	⁽²⁾ %	No. of Warrants B	⁽³⁾ %	No. of Rights Shares	⁽²⁾ %	No. of Warrants B	⁽³⁾ %
Hoo Wai Keong	40,000	0.01	240,000	0.13	100,000	0.13	90,669,091	49.87	37,778,787	49.87
Chew Khai Liong	20,000	0.01	120,000	0.07	50,000	0.07	90,789,091	49.93	37,828,787	49.93

	Total Rights Shares with Warrants B to be subscribed pursuant to the Undertakings				Assuming none of the other Entitled Shareholders and/or their renounee(s) subscribe for their Rights Shares			
	No. of Rights Shares	(2)%	No. of Warrants B	(3)%	No. of Shares held after the Rights Issue with Warrants	(4)%	No. of Shares held after the Rights Issue with Warrants and assuming full exercise of the Warrants B	(5)%
Hoo Wai Keong	90,909,091	50.00	37,878,787	50.00	90,949,091	19.87	128,827,878	24.15
Chew Khai Liong	90,909,091	50.00	37,878,787	50.00	90,929,091	19.86	128,807,878	24.14

Notes: -

- (1) Based on the issued share capital of 275,928,072 Shares (excluding treasury shares) as at the LPD.
- (2) Based on the total number of 181,818,182 Rights Shares to be subscribed by the Undertaking Shareholders pursuant to their collective Undertakings under the Minimum Scenario.
- (3) Based on the total number of 75,757,574 free Warrants B attached to the Rights Shares to be subscribed by the Undertaking Shareholders.
- (4) Based on the enlarged issued share capital of 457,746,254 Shares (excluding treasury shares) under the Minimum Scenario.
- (5) Based on the enlarged issued share capital of 533,503,828 Shares (excluding treasury shares) under the Minimum Scenario and assuming full exercise of the Warrants B.

Pursuant to the Undertakings, the Undertaking Shareholders have confirmed that they have sufficient financial means and resources to fulfil their obligations under their respective Undertakings.

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

The Undertaking Shareholders' subscription for the Rights Shares pursuant to the Undertakings will not give rise to any consequence of mandatory take-over offer obligation under the Code and the Rules immediately after completion of the Rights Issue with Warrants.

The Undertaking Shareholders have also confirmed that they will observe and comply at all times with the provision of the Code and the Rules and will seek from the SC the necessary exemptions from undertaking such mandatory take-over offer, if required.

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

For avoidance of doubt, the Undertaking Shareholders are not obliged to subscribe for the Rights Shares pursuant to the Undertakings if the Minimum Subscription Level has been achieved via subscription by all other Entitled Shareholders and/or their renounees. However, while the Undertaking Shareholders are not obliged to subscribe for the Rights Shares in such event, the Undertaking Shareholders may still choose to do so at their own discretion. At this juncture, the Undertaking Shareholders have not decided on whether they will subscribe for the Rights Shares in the event that the Minimum Subscription Level has been achieved.

The Undertakings are not expected to result in any breach in the public shareholding spread requirement by the Company under Paragraph 8.02(1) of the Listing Requirements, which stipulates that a listed issuer must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders. As at the LPD, the Company holds a total of 2,728,226 treasury shares.

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

Particulars	Existing direct shareholding as at the LPD		(I) After the Rights Issue with Warrants		(II) After (I) and assuming full exercise of the Warrants B	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽³⁾
Issued share capital (excluding treasury shares)	275,928,072	100.00	457,746,254	100.00	533,503,828	100.00
Less:						
Directors ⁽⁴⁾ , substantial shareholders and their associates						
- Dato' Sri Dr. Pang Chow Huat ⁽⁵⁾	20,616,494	7.47	20,616,494	4.50	20,616,494	3.86
- Loh May Ann	190,000	0.07	190,000	0.04	190,000	0.04
- Hoo Wai Keong	40,000	0.01	90,949,091	19.87	128,827,878	24.15
- Chew Khai Liong ⁽⁵⁾	20,000	0.01	90,929,091	19.86	128,807,878	24.14
Public shareholding spread	241,085,178	87.38	255,061,578	55.73	255,061,578	47.81

Notes: -

- (1) Based on the issued share capital of 275,928,072 Shares (excluding treasury shares) as at the LPD.
- (2) Based on the enlarged issued share capital of 457,746,254 Shares (excluding treasury shares) under the Minimum Scenario.
- (3) Based on the enlarged issued share capital of 533,503,828 Shares (excluding treasury shares) under the Minimum Scenario and assuming full exercise of the Warrants B.
- (4) Includes directors of subsidiaries of the Company. For information, none of the directors of subsidiaries of the Company hold any Shares as at the LPD.
- (5) For information, Chew Khai Liong is the brother-in-law of Dato' Sri Dr. Pang Chow Huat.

4. RATIONALE FOR THE RIGHTS ISSUE WITH WARRANTS

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

As at 31 December 2022, the Group's cash and bank balances stood at RM31.28 million (including fixed deposits pledged as securities of RM2.86 million). The Group also has unutilised credit facilities amounting to approximately RM2.87 million. In addition, the Group has balance unutilised proceeds of RM5.97 million from the Private Placement 2022 – 30% which have been earmarked for specific purposes as disclosed Section 2.7(i) of this Abridged Prospectus. In this regard, the available cash and financing to the Group amounts to RM25.32 million (derived by adding the Group's cash and bank balances of RM31.28 million and unutilised credit facilities of RM2.87 million as well as deducting fixed deposits pledged as securities of RM2.86 million and balance unutilised proceeds from the Private Placement 2022 – 30% of RM5.97). As this amount is not sufficient to meet the Group's funding requirements as set out in Section 5 of this Abridged Prospectus, the Group has proposed to undertake the Rights Issue with Warrants to raise the required funds.

After due consideration of the various options available (e.g. private placement and bank borrowings), the Board is of the opinion that the Rights Issue with Warrants is the most suitable means of fund raising for the Company for the following reasons: -

(i) Opportunity for Entitled Shareholders to participate in equity offering on a pro rata basis

The Rights Issue with Warrants provides an opportunity for the Entitled Shareholders to participate in the equity offering of the Company on a pro-rata basis. It involves the issuance of new Shares without diluting the Entitled Shareholders' shareholdings in the Company provided that they subscribe in full for their respective entitlements under the Rights Issue with Warrants and exercise their Warrants B subsequently.

(ii) Option for Entitled Shareholders to increase/maintain their equity participation at a discount or to monetize their ordinary rights in the open market

The Rights Issue with Warrants provides the Entitled Shareholders with the option to either increase/maintain their equity participation in the Company by subscribing for the Rights Shares at a discount or to monetize their ordinary rights in the open market.

(iii) Other alternative means of fund-raising such as private placements are smaller in scale and dilutive

By virtue of a rights issue being a pro rata equity offering, rights issues can be implemented on a larger scale as compared to conventional private placements, which are limited in scale by virtue of the dilutive impact to existing shareholders.

Given the quantum of the Group's funding requirements as set out in Section 5 of this Abridged Prospectus and in view that the Group had recently completed a private placement exercise in the last 12 months as set out in Section 2.7 of this Abridged Prospectus, the Rights Issue with Warrants appears to be the most appropriate equity fund-raising avenue at this juncture.

(iv) Rights issues do not tie down the Group with principal and interest servicing

The Rights Issue with Warrants will enable the Group to raise the requisite funds without incurring additional interest expense from other means of funding such as bank borrowings, thereby minimising any potential cash outflow.

If the Group were to undertake bank borrowings and/or bonds issuance, the Group will be tied down with principal repayments as well as interest servicing and this may inhibit the Group's ability to conserve its cash flow for reinvestment and/or operational purposes.

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

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

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5. UTILISATION OF PROCEEDS

Based on the issue price of RM0.055 per Rights Share, the gross proceeds to be raised from the Rights Issue are intended to be utilised in the following manner: -

Utilisation of proceeds	Intended timeframe for utilisation from completion of the Rights Issue with Warrants ⁽⁵⁾	Minimum Scenario		Base Case Scenario		Maximum Scenario	
		RM'000	%	RM'000	%	RM'000	%
(i) Manufacturing Expansion (as defined below)	Within 24 months	10,000	100.0	26,000	28.6	26,000	20.1
(ii) Upgrading of existing facilities and technologies	Within 24 months	-	-	17,500	19.2	17,500	13.5
(iii) Funding for raw materials	Within 24 months	-	-	14,500	15.9	14,500	11.2
(iv) Repayment of borrowings	Within 24 months	-	-	3,000	3.3	3,000	2.3
(v) Working capital	Within 24 months	-	-	29,206	32.1	67,647	52.2
(vi) Estimated expenses for the Rights Issue with Warrants	Immediate	⁽¹⁾ -	-	⁽³⁾ 850	0.9	⁽³⁾ 850	0.7
Total		⁽²⁾ 10,000	100.0	91,056	100.0	⁽⁴⁾ 129,497	100.0

Notes: -

- (1) Under the Minimum Scenario, the expenses for the Rights Issue with Warrants shall be funded via internally generated funds.
- (2) Any additional proceeds raised in excess of this amount beyond the Minimum Scenario will be allocated up to its respective maximum allocation in the following order: -
 - (i) estimated expenses for the Rights Issue with Warrants;
 - (ii) Manufacturing Expansion (as defined below);
 - (iii) upgrading of existing facilities and technologies;
 - (iv) funding for raw materials;
 - (v) repayment of borrowings; and
 - (vi) working capital (e.g. staff salaries as well as operating and administrative expenses, the indicative breakdown of which is set out in Section 5(v) of this Abridged Prospectus).
- (3) If the actual expenses incurred are higher than this budgeted amount, the deficit will be funded via the amount earmarked for working capital and/or internally generated funds. Conversely, any surplus of funds following payment of expenses will be utilised in the order as set out in Note (2) above.
- (4) The Board wishes to highlight that this illustrative amount that would be raised under the Maximum Scenario is based on the assumption that, amongst others, all the Convertible Securities as at the LPD are granted and/or exercised into new Shares prior to the Entitlement Date.

The Board is of the view that based on the timeline for implementation of the Rights Issue with Warrants, it is unlikely for all the Convertible Securities as at the LPD to be granted and/or exercised into new Shares prior to the Entitlement Date in view of the following: -

- (i) the Warrants A are currently out-of-the-money based on the 5-day VWAP of the Shares up to and including the LPD of RM0.1547 and the exercise price of the Warrants A of RM0.50; and
- (ii) it is unlikely for all the ESOS Options to be granted and exercised into new Shares prior to the Entitlement Date in view that the ESOS was only implemented in November 2021 and is effective for a period of 5 years.

- (5) If the Company is unable to fully utilise the proceeds raised from the Rights Issue with Warrants in accordance with the intended timeframes set out herein, the timeframe for utilisation of proceeds that has been allocated for the respective purposes will be extended and announced as well as disclosed in the Company's quarterly financial results announcements as well as annual reports until the Company has fully utilised the proceeds.

Alternatively, the Company may also consider to revise the utilisation of proceeds, whether partly or wholly, to another purpose depending on the Group's requirements at that point in time. In such event, details of the proposed revision shall be announced and, if the amount to be revised is 25% or more of the total proceeds raised, Shareholders' approval will be obtained accordingly as required under the Listing Requirements.

Pending the utilisation of the proceeds from the Rights Issue with Warrants, the unutilised proceeds shall be placed in interest-bearing deposits and/or money market financial instruments with licensed financial institutions. Any interest earned from interest-bearing deposits and/or money market financial instruments will be utilised for working capital.

(i) Expansion of the Group's manufacturing business ("Manufacturing Expansion")

The Group is principally involved in the manufacturing of precision metal parts and components for various product segments such as home appliances, computer, television, automotive, automation, industrial and data storage products. In addition, the Group also provides printed circuit board ("**PCB**") and electronic manufacturing services ("**EMS**") assembly operations.

With the Group's manufacturing expertise for the E&E and semiconductor industries, the Group is currently undertaking the Manufacturing Expansion by enhancing its production capability and capacity through installation of new production lines and upgrading of the Group's existing machineries.

The procurement of more technologically advanced equipment and machineries will enable the Group to remain competitive in its business as well as to tap into a wider market segment. With more advanced equipment and machineries, the Group is able to produce new product range (*e.g. parts for wafer fabrication equipment, wafer processing equipment, test equipment and assembly and packaging equipment*). The new product range is more complex and requires high-mix low-volume manufacturing (*also known as make-to-order manufacturing, the process of producing a high variety of products in small quantities*). This production method is commonly used to manufacture unique and more complex products with specific quality requirements. These products command higher profitability as they require higher manufacturing speed and precision. The Group has been engaging with potential customers within the E&E and semiconductor industries for, amongst others, the manufacturing of parts for semiconductor test equipment given its potential growth prospects. The outlook and prospects of the E&E industry in Malaysia and semiconductor equipment industry in Malaysia are set out in Sections 7.2 and 7.3 of this Abridged Prospectus.

Pursuant to the above, the Group requires an increase in its production capacity to cater for the newer mix of product range taking into account the anticipated demand for the same (on top of the current demand for the Group's existing product range based on its order book in the past 12 months) based on their engagement with potential customers who have indicated their interest in placing orders for the newer mix of product range.

As set out in Section 2.7 of this Abridged Prospectus, the Company had on 28 March 2022 completed the Private Placement 2022 – 30%, raising a total of RM12.71 million. From this amount, RM12.07 million has been earmarked for the Manufacturing Expansion (comprising acquisition of equipment and machineries, production floor expansion and working capital e.g. purchase of raw materials). As at the LPD, the Group has utilised RM1.20 million for the production floor expansion and RM4.90 million for the purchase of raw materials, resulting in a balance of RM5.97 million in unutilised proceeds. Out of this, RM4.50 million is earmarked for the acquisition of equipment and machineries while the remaining RM1.47 million is earmarked for working capital purposes.

The Group plans to acquire the equipment and machineries upon completion of the production floor expansion as there is currently no space in the Group's existing premises to accommodate all the new equipment and machineries. As at the LPD, the production floor expansion has commenced and is partially completed. The production floor expansion is expected to be completed in the 1st quarter of 2023.

Based on the Group's latest plans for its Manufacturing Expansion, the Group has a funding requirement of RM30.50 million for the purchase of equipment and machineries as follows: -

Equipment and machineries	Quantity	Estimated cost per unit	Total cost
		RM'000	RM'000
Surface mounted technology ("SMT") line (comprising a reflow oven, solder paste printer, chip moulder and an automatic conveyor) ⁽¹⁾⁽¹¹⁾	2	3,300	6,600
Semi-automatic assembly line (comprising a speed chain assembly line, vacuum line with conveyor, performance test line and electric control system) ⁽²⁾⁽¹¹⁾	2	500	1,000
20-ton turret punch press ⁽³⁾⁽¹²⁾	1	2,300	2,300
Powder coating line (comprising a steel platform, powder coating system, spray gun and waste water treatment) ⁽⁴⁾⁽¹²⁾	1	1,500	1,500
Plastic injection moulding machines ⁽⁵⁾⁽¹¹⁾	8	700	5,600
Plastic moulding making machines ⁽⁶⁾⁽¹²⁾	4	1,325	5,300
Outsource transportation ⁽⁷⁾⁽¹²⁾	N/A	N/A	3,700
Automatic computer numerical control (CNC) machine ⁽⁸⁾⁽¹²⁾	4	500	2,000
100-ton hydraulic press brake ⁽⁹⁾⁽¹²⁾	3	400	1,200
Laser cut machine ⁽¹⁰⁾⁽¹²⁾	1	1,300	1,300
Total			30,500

Notes: -

- (1) SMT is a method of mounting or placing semiconductor components such as resistors, transistors, capacitors and integrated circuit packages onto the surface of a PCB. SMT enables miniaturisation of circuitries where very small semiconductor components can be accurately handled and placed precisely with very small tolerance, therefore allowing more components to be mounted within a given area. With the miniaturisation of many electronic devices, SMT is a critical technology to facilitate the manufacturing of a large majority of electronic products.
- (2) This is an automated system to assemble electrical, mechanical, metal and non-metal parts used in a larger semi-finished or finished product, which is expected to improve production assembly time as less manual labour is required.
- (3) This is a machine that uses punching to form metal shapes.
- (4) This is an automated conveyor system for the coating of metal parts.
- (5) This is an equipment to shape the mould of the plastic parts to the required shape and size.
- (6) This is an equipment to form the mould.
- (7) The Group plans to outsource its transportation needs to qualified third-party logistics service providers in order to focus on its manufacturing operations. The estimated total cost is derived based on historical costs incurred by the Group.

- (8) Equipment commanded by computers to perform tasks in high precision manner. Used for the pre-drilling process on the PCB and the manufacturing of precision fabricated parts.
- (9) A power press machine used to shape metal by pressing it into a die.
- (10) This is a precision cutting machine typically used for shaping metals.
- (11) Expected to be sourced from oversea suppliers/service providers.
- (12) Expected to be sourced from local suppliers/service providers.

The current monthly production capacity of the Group's existing production facilities is approximately 146,180 units of output from different range of products. Upon acquisition of the equipment and machineries set out above, the Group's monthly production capacity is expected to increase by approximately 66,020 units of output with a greater mix of product range of greater complexity and specifications (such as parts of semiconductor test equipment), requiring higher accuracy as tabulated below: -

Range of products	Estimated monthly production capacity (units)	Actual average monthly production output from January 2022 to December 2022 (units)	Estimated additional monthly production capacity (units) ⁽³⁾	Estimated additional monthly production capacity (%)
Range A (including agricultural products, industrial fans, casing for air-conditioning ventilators and server racks)	120,000	88,365	51,000	42.50
Range B (including parts for home appliances and audio appliances)	26,000	21,136	14,000	53.85
Range C (including power management device, power supply unit and parts of semiconductor test equipment)	180	149	1,020	566.67
Total	⁽¹⁾ 146,180	109,650	⁽²⁾ 66,020	

Notes: -

- (1) Derived from 138 existing production lines.
- (2) Derived from 19 additional production lines. The breakdown of the additional production

lines based on the range of products cannot be determined as the manufacturing requirements of each product is unique and involves a combination of different production lines which in turn contain different sets of equipment and machineries.

- (3) Derived based on the Group's intention to focus its expansion on the production of Range C products after taking into account the anticipated demand for the same following the Group's engagement with potential customers.

This is also based on the assumption that all the machines may be utilised up to its full production capacity during certain peak periods of the year.

Pursuant thereto, the Group intends to allocate proceeds of up to RM26.00 million⁽¹⁾ from the Rights Issue with Warrants to meet its funding requirement of RM30.50 million for the purchase of equipment and machineries for its Manufacturing Expansion as set out above. The balance funding requirement of RM4.50 million⁽¹⁾ shall be met via the balance unutilised proceeds from the Private Placement 2022 – 30%.

Note: -

- (1) For avoidance of doubt, the breakdown of allocation of proceeds from the Private Placement 2022 – 30% and the Rights Issue with Warrants towards the respective equipment and machineries to be purchased for the Manufacturing Expansion cannot be determined at this juncture as it will depend on, amongst others, the timeframe for completion and receipt of proceeds from the Rights Issue with Warrants as well as the business and operational needs of the Group at the relevant time.

To this end, the Group will first apply the existing proceeds from the Private Placement 2022 – 30% to purchase whichever equipment and machineries that can be afforded at this juncture (with priority on those deemed essential for the Group's Manufacturing Expansion plans at this point in time) while the balance equipment and machineries will be purchased upon receipt of the proceeds from the Rights Issue with Warrants later on.

Although the proceeds from the Private Placement 2022 – 30% earmarked for Manufacturing Expansion has not been fully utilised to date, the Group decided to embark on the Rights Issue with Warrants now to raise the necessary funds required after taking into account the estimated timeframe for purchase of equipment and machineries⁽¹⁾ and implementation of the Rights Issue with Warrants⁽²⁾. In turn, this would enable the Group's Manufacturing Expansion plan to proceed as soon as possible.

Notes: -

- (1) As there is currently no space in the Group's existing premises to accommodate all the new equipment and machineries, the Group plans to acquire the equipment and machineries upon completion of the production floor expansion, which is expected to be in the 1st quarter of 2023.
- (2) Based on the current timeline for implementation of the Rights Issue with Warrants, the same is expected to be completed by the 1st quarter of 2023.

The Group plans to purchase the new equipment and machineries set out above in stages over a period of up to 24 months from completion of the Rights Issue with Warrants. Based on the estimated timeframe for completion of the Rights Issue with Warrants in the 1st quarter of 2023, the purchase of such equipment and machineries is expected to be completed by the 1st quarter of 2025. Notwithstanding that, the Manufacturing Expansion should be deemed as a continuous process whereby, depending on the prevailing business conditions, demand and opportunities at the relevant point in time, the Group may expand the scope of its Manufacturing Expansion plan by, amongst others, acquiring additional machineries and equipment as and when required.

Any shortfall between the actual proceeds raised and the Group's funding requirements for the Manufacturing Expansion, if any, shall be funded via internally generated funds, bank borrowings and/or future fund-raising exercises to be undertaken (if required). However, the funding breakdown cannot be determined at this juncture as it will depend on, amongst others, the actual shortfall amount as well as the availability and suitability

of the various funding options (e.g. internally generated funds, bank borrowings and/or future fund-raising exercises) at the relevant time.

(ii) Upgrading of existing facilities and technologies

The Group intends to allocate proceeds of up to RM17.50 million from the Rights Issue with Warrants towards the upgrading of existing facilities in the following manner: -

Upgrading of existing facilities and technologies	Amount RM'000
Cleanroom ⁽¹⁾	1,000
Industrial automation ⁽²⁾	4,500
Business digitalisation ⁽³⁾	10,000
System control room ⁽⁴⁾	2,000
Total	17,500

Notes: -

- (1) The Group plans to upgrade its existing cleanroom which is currently approximately 7 years old. The upgrading would entail, amongst others, refurbishing the partition and ceiling system, servicing and replacing parts of the air-conditioning system as well as installing new dehumidifier system, ventilation system and filtration system. The upgraded cleanroom would facilitate the production of semiconductor products.
- (2) The Group plans to automate part of its manufacturing lines to reduce labour costs, minimise product rejection rate and human error as well as improve production rates. The automation would entail, amongst others, installing 10 units of an industrial robotic arm (approximately RM0.40 million per unit) together with 2 lines of conveyor system (approximately RM0.25 million per line). There will be a slight reduction in manpower requirements arising from such automation.
- (3) The Group plans to digitalise its manufacturing and administrative processes. This would include, amongst others, developing and implementing a manufacturing execution system, a document management system, a warehousing storage management system and an asset management system. In turn, these are expected to lead to improved efficiency, management and control across the relevant manufacturing and administrative functions while minimising human error. The development of the various systems would be outsourced to local developers/service providers and the estimated costing breakdown is set out below: -

Business digitalisation	Amount RM'000
Manufacturing execution system	2,200
Document management system	1,000
Warehousing storage management system	2,400
Asset management system	1,200
Consultation and professional fees	2,200
Supporting hardware and software	1,000
Total	10,000

- (4) Currently, the Group does not have a system control room. The Group plans to set up a system control room to allow for centralised monitoring of its factories. This would include, amongst others, installation of cameras, televisions, digital controllers, sensors, meters, control panels and related equipment. A system control room would allow the Group to better monitor and control its production lines as well as track and collect data on production statistics.

(iii) Funding for raw materials

The Group intends to allocate proceeds of up to RM14.50 million from the Rights Issue with Warrants towards the purchase of raw materials. Indicatively, this amount is expected to be utilised in the following manner: -

Raw materials	Amount RM'000
Steel sheets (e.g. galvanised and galvanized steel, electrogalvanised steel and cold rolled steel)	12,000
Wires	1,200
Others (e.g. aluminium, copper and silicon)	1,300
Total	14,500

For avoidance of doubt, the breakdown stated above is indicative only based on the Group's estimation at this point in time. The actual allocation breakdown may differ depending on the Group's actual raw material requirements and the actual cost of the respective raw materials at the relevant point in time.

(iv) Repayment of borrowings

The Group's cash and bank balances (including short-term deposits with licensed banks) stood at approximately RM18.09 million and RM26.81 million as at the latest audited FYE date of 31 August 2021⁽¹⁾ and latest unaudited FPE date of 31 August 2022 respectively.

Note: -

(1) For information, BSLCORP had on 23 August 2022 announced the change in its financial year end from 31 August to 31 December.

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As at 31 December 2022, the Group's total borrowings stood at RM17.67 million (which are outstanding) are as follows: -

Type of facility	Financial institution	Outstanding amount as at 31 December 2022 RM'000	Interest rate %	Maturity date
Term loan ⁽¹⁾	AmBank	934	5.08	12/12/2025
Term loan ⁽²⁾	AmBank	571	5.08	12/12/2024
Term loan ⁽²⁾	MIDF	2,142	4.00	1/7/2025
Term loan ⁽³⁾	AmBank	5,800	4.92	1/6/2023
Term loan ⁽⁴⁾	AmBank	1,000	4.93	25/10/2027
Term loan ⁽⁵⁾	AmBank	2,500	5.02	1/1/2026
Margin facility ⁽⁶⁾	TA Securities Holdings Berhad	711	9.00	N/A
Hire purchase ⁽⁷⁾	Hap Seng	13	3.00	21/1/2023
Hire purchase ⁽⁷⁾	Hap Seng	35	3.00	6/2/2023
Hire purchase ⁽⁸⁾	Hap Seng	119	3.00	27/3/2024
Hire purchase ⁽⁷⁾	Hap Seng	299	3.00	16/6/2024
Hire purchase ⁽⁹⁾	Public Bank Berhad	142	2.33	16/6/2026
Hire purchase ⁽⁷⁾	BMW	668	3.00	22/10/2027
Hire purchase ⁽⁷⁾	BMW	806	3.00	19/11/2027
Hire purchase ⁽⁷⁾	MBB	172	3.50	16/12/2027
Hire purchase ⁽⁹⁾	MBB	19	4.84	4/11/2023
Hire purchase ⁽⁹⁾	MBB	19	4.84	4/11/2023
Bankers' acceptances ⁽¹⁰⁾	AmBank	1,720	5.31	6/4/2023
Total		17,670		

The Group intends to allocate proceeds of up to RM3.00 million from the Rights Issue with Warrants towards the repayment of the following facility as follows: -

Type of facility	Financial institution	Outstanding principal amount as at the LPD RM'000	Proposed repayment amount ⁽¹¹⁾ RM'000	Interest rate %	Estimated annual interest savings RM'000	Maturity date
Term loan ⁽³⁾	AmBank	5,800	3,000	4.92	148	1/6/2023

Notes: -

- (1) The term loan was drawn down for the construction of a factory.
- (2) The term loan was drawn down for the installation and construction of a solar photovoltaic system.
- (3) The term loan was drawn down for the payment to suppliers for raw materials.
- (4) The term loan was drawn down for the keyman insurance coverage.
- (5) The term loan was drawn down for the acquisition of SD Unify Pte Ltd completed on 28 June 2022.
- (6) The margin facility was utilised for the purchase of quoted securities.
- (7) The hire purchase facility was drawn down for the acquisition of machineries.
- (8) The hire purchase facility was drawn down for the acquisition of wastewater treatment plant.
- (9) The hire purchase facility was drawn down for the acquisition of motor vehicles.
- (10) The bankers' acceptances facility was drawn down for payment to suppliers for raw materials.
- (11) Notwithstanding the proposed repayment amount stated herein, the actual repayment amount may differ as this will be dependent on, amongst others, the actual amount of proceeds raised from the Rights Issue with Warrants, the Group's cash flow requirements as well as the prevailing interest rate of the respective borrowings at the relevant point in time. To this end, the Group intends to prioritise the repayment of borrowings which have closer due dates and/or incur higher interest expenses.

For information, the Group prioritises the repayment of term loan over other borrowings after taking into consideration the potential interest savings to be derived as well the nature of the facility that is outstanding. The term loan is prioritised ahead of the other facilities as the other facilities have identified sources of repayment (e.g. margin financing is secured by quoted securities and bankers' acceptances will be repaid from cash generated from operations). In turn, the term loan with the nearest maturity date has been prioritised ahead of the other term loans.

For avoidance of doubt, the Group intends to utilise the proceeds to be raised from the Rights Issue with Warrants to repay its borrowings instead of tapping on its internally generated funds in order to conserve its cash flow for working capital purposes.

(v) Working capital

The Group intends to allocate the balance proceeds from the Rights Issue with Warrants for working capital purposes in the following manner: -

Utilisation	Base Case Scenario RM'000	Maximum Scenario RM'000
Staff salaries ⁽¹⁾	20,000	20,000
Operating and administrative expenses ⁽²⁾	9,206	47,647
Total	29,206	67,647

Notes: -

(1) The Group currently faces a shortage of manpower. As at the LPD, the Group's staff headcount stood at approximately 788.

In addition, the Group's manpower requirements are expected to increase further moving forward based on the Group's latest plans for its Manufacturing Expansion. On top of that, the Group's manpower requirements are also expected to increase through the Group's plan to offer contract manufacturing services. These are expected to offset the slight reduction in the Group's manpower requirements arising from its plan to upgrade its existing facilities and technologies as set out in Section 5(ii) of this Abridged Prospectus.

Unlike the current business model of fulfilling purchase orders submitted by customers from time to time, which may be arbitrary in nature, contract manufacturing entails entering into long term manufacturing contracts with selected customers to establish long term relationships and secure recurring income.

On top of providing more certainty on revenue streams, contract manufacturing provides opportunities for the Group to manufacture metal parts and components across the customer's whole assembly line rather than just a portion of the assembly line. In turn, this may allow the Group to negotiate for better pricing terms.

In addition, contract manufacturing may allow the Group to better control its costs due to the potential economies of scale as well as being able to estimate upfront its funding requirement based on each secured contract. In turn, these may translate into higher profit margin.

To this end, the Group plans to hire up to 300 skilled workers and 200 unskilled workers in stages over the next 24 months from completion of the Rights Issue with Warrants, to undertake various roles including engineering, programming, maintenance, quality control, supervisors/managers and general factory line workers.

Based on the above, the Group plans to allocate part of the proceeds allocated for working capital towards staff salaries for existing staff as well as new staff to be hired.

(2) The indicative breakdown of these expenses is set out below: -

		Base Case Scenario RM'000	Maximum Scenario RM'000
(a)	Staff training ^(a)	1,500	1,500
(b)	Production overheads ^(b)	4,500	4,500
(c)	Professional fees ^(c)	2,000	2,000
(d)	Others ^(d)	1,206	39,647
Total		9,206	47,647

Subnotes: -

- (a) The Group intends to allocate some proceeds towards training the new staff to be hired as described in Note (1) above as well as training the existing staff to continuously improve and enhance their knowledge.
- (b) Includes packaging costs, painting/spraying costs, costs for the upkeep of machines, vehicles and factory as well as other miscellaneous items.
- (c) Includes audit fees, corporate secretarial fees and consultancy fees.
- (d) This includes miscellaneous expenses such as staff accommodation, utilities, rental costs and transportation costs. The breakdown of these expenses cannot be determined at this juncture as it will depend on the actual administrative requirements of the Group at the relevant time.

Any surplus proceeds (e.g. under the Maximum Scenario) may be reallocated for funding for raw materials and/or capital expenditure.

As the above breakdown is an indication only, any surplus or shortfall in the actual utilisation/requirement of the categories listed above will be adjusted against each other.

Any shortfall between the actual proceeds raised and the Group's working capital requirements shall be funded via internally generated funds, bank borrowings and/or future fund-raising exercises to be undertaken (if required). However, the funding breakdown cannot be determined at this juncture as it will depend on, amongst others, the actual shortfall amount as well as the availability and suitability of other funding alternatives at the relevant time.

(vi) Estimated expenses for the Rights Issue with Warrants

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

Estimated expenses	RM'000
Professional fees ⁽¹⁾	495
Fees to Bursa Securities, the SC and Companies Commission of Malaysia	90
Printing, despatch, advertising and meeting expenses	125
Miscellaneous expenses and contingencies	140
Total	850

Note: -

- (1) These include advisory fees payable to the Principal Adviser and other professional fees payable to the company secretary, share registrar, solicitors, independent market researcher and reporting accountants for the Rights Issue of Warrants.

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

The exact quantum of proceeds that may be raised by the Company from the exercise of the Warrants B would depend on the actual number of Warrants B exercised as well as the exercise price of the Warrants B, which shall be determined by the Board at a later date. The proceeds from the exercise of the Warrants B will be received on an "as and when basis" over the tenure of the Warrants B.

Strictly for illustrative purposes, based on the illustrative exercise price of RM0.055 per Warrant B, the Company will raise gross proceeds of up to RM53.96 million upon full exercise of the Warrants B under the Maximum Scenario. Any proceeds arising from the exercise of the Warrants B in the future will be used to finance the future working capital requirements such as those described above. The exact breakdown of the utilisation of proceeds for each component of working capital are subject to the actual requirements of the Group at the relevant time and the timeframe for full utilisation from the date of receipt of the proceeds cannot be determined at this juncture.

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6. RISK FACTORS

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

6.1 Risks relating to the Group

(i) Competition risk

The Group is subject to competition from both existing competitors and potentially new market entrants in the manufacturing of precision metal parts and components. Competitors may compete in terms of pricing, quality of products and/or speed of delivery of orders. Some of these competitors may have strategic advantages in terms of having larger financial resources, more established track record and/or better expertise and technologies.

The Group is exposed to the risk that it may be unable to compete effectively against its existing or future competitors. The Group does not have any long term contract with its customers and there is no assurance that the Group will be able to continuously secure recurring purchase orders for its precision metal parts and components from loyal customers moving forward. Although the Group is not aware of any specific incidence of losing a significant amount of its customers to its competitors due to pricing, quality of products and/or speed of delivery of orders in the last 3 years, any such loss of customers may result in material adverse impact to the Group's business and financial performance.

As set out in Note (1) of Section 5(v) of this Abridged Prospectus, the Group plans to offer contract manufacturing services to establish long term relationships with its customers. In this regard, there is no assurance that all of the Group's existing customers will move towards the contract manufacturing arrangement as compared to the current arrangement of submitting purchase orders as and when required. There is also no assurance that new customers will be receptive towards the contract manufacturing arrangement.

(ii) Dependence on continuous supply of raw materials at competitive prices

The Group is dependent on a continuous supply of raw materials used in its manufacturing business such as steel sheets and wires. In turn, such raw materials are subject to price fluctuations as they are dependent upon, amongst others, global supply and demand for steel, foreign exchange rates and supply chain factors.

There is no assurance that the Group will be able to continuously obtain sufficient quantities of raw materials for its manufacturing business at prices which allow the Group to maintain its profit margins. Any sudden and/or unexpected shortage of supply in these materials may lead to disruption in the Group's manufacturing business, such as delays in meeting customers' orders. Although the Group has not encountered any sharp increase in the prices of raw materials in the last 3 years, any such increase moving forward may have a material adverse effect on the Group's profitability as the Group may not be able to pass on all the increase in cost to its customers.

For the latest unaudited 12-month FPE 31 August 2022, the Group has purchased a total of RM13,236,556 in value of raw materials from overseas suppliers, representing 9.65% of its total raw material purchases for that financial period.

(iii) Dependence on the performance of the E&E industry

The Group is principally involved in the E&E business, mainly in relation to the manufacturing of precision metal parts and components for various product segments such as home appliances, computer, television, automotive, automation, industrial and data storage products. In addition, the Group also provides PCB and EMS assembly operations.

Given the above, the Group's manufacturing business is dependent on the overall performance of the E&E industry. In turn, the performance of the E&E industry is dependent upon, amongst others, consumer demand for E&E products, cost of raw materials as well as global trade and supply chain conditions.

Although the E&E industry in Malaysia has grown at a CAGR of 6.73% in 2019 to 2021 as per Section 7.2 of this Abridged Prospectus, there is no assurance that the E&E industry in Malaysia will continue to perform well moving forward without any risk of slowdown. Any significant or prolonged downturn in the E&E industry may have a material adverse effect on the business and financial performance of the Group.

(iv) Expansion risk

As set out in Section 5(i) of this Abridged Prospectus, the Group is currently undertaking the Manufacturing Expansion by enhancing its production capability and capacity through installation of new production lines and upgrading of the Group's existing machineries.

Although the Manufacturing Expansion is expected to contribute positively to the future earnings of the Group, there is no guarantee that the expected benefits will materialise or generate sufficient returns or profits to cover the costs incurred during the Manufacturing Expansion.

There is no assurance that the expected benefits arising from the Manufacturing Expansion (i.e. increase in production capability and capacity) will materialise as intended. Even if the expected benefits materialise as intended, there is no assurance that such benefits would lead to full utilisation of the additional capability and capacity as this is dependent on the purchase orders placed by customers at the relevant point in time. In turn, the Manufacturing Expansion may not translate into additional returns or profits which are sufficient to cover the associated investment costs.

There is no assurance that the Manufacturing Expansion plans will be undertaken within the Group's cost estimates. The actual investment cost for the Manufacturing Expansion may be affected by factors beyond the Group's control such as a future hike in the prices of the equipment and machinery, which are intended to be acquired over a period of 24 months from completion of the Rights Issue with Warrants. In the event of any significant cost overrun, the intended benefits to be derived from the Manufacturing Expansion may be less than expected and thus may not lead to sufficient returns or profits to cover the associated investment costs.

6.2 Risks relating to the Rights Issue with Warrants

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

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

If you have acquired the Provisional Allotments via the open market, you may not be able to recover your investment cost in the event the Rights Issue with Warrants is terminated or delayed.

There can be no assurance that the abovementioned factors or events will not cause a failure or delay in the completion of the Rights Issue with Warrants.

In the event the Rights Shares and Warrants B have been allotted to the successful Entitled Shareholders and/or their transferee(s) and/or their renouncee(s), if applicable and: -

- (i) the SC issues a stop order under Section 245(1) of the CMSA, any issue of our Rights Shares shall be deemed to be void and all monies received from the applicants shall be forthwith repaid and if any such money is not repaid within 14 days of the date of service of the stop order, we shall be liable to return such monies with interest at the rate of 10.0% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(b) of the CMSA; or
- (ii) our Rights Issue is aborted other than pursuant to a stop order by the SC, a return of monies to our shareholders may only be achieved by way of a cancellation of our share capital as provided under the Act and its related rules. Such cancellation can be implemented by the sanction of our shareholders by way of special resolution in a general meeting and supported by either: -
 - (a) consent by our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya, in which case there can be no assurance that such monies can be returned within a short period of time or at all under such circumstances, or
 - (b) a solvency statement from the directors.

There can be no assurance that such monies can be returned within a short period of time or at all under such circumstances.

(ii) Capital market risk

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

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

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

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

(iii) Potential dilution of existing Shareholders' shareholding

Those Entitled Shareholders who do not subscribe for their entitlement of Rights Shares with Warrants B under the Rights Issue with Warrants will experience dilution in their existing shareholding in the Company as a result of the issuance of the Rights Shares arising from the subscription by other Entitled Shareholders and/or their transferees and/or their renounees. In addition, the issuance of new Shares arising from the exercise of the Warrants B in the future will lead to further such dilution.

Consequently, their proportionate entitlement to any dividends, rights, allotments and/or other distributions that the Company may declare, make or pay after completion of the Rights Issue with Warrants will correspondingly be diluted.

(iv) Forward-looking statements and other information

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

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

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

7. INDUSTRY OVERVIEW AND PROSPECTS

The Group is principally involved in the E&E business, mainly in relation to the manufacturing of precision metal parts and components for various product segments such as home appliances, computer, television, automotive, automation, industrial and data storage products. In addition, the Group also provides PCB and EMS assembly operations.

In view of the above, the prospects of the Group are dependent on the prospects of the Malaysian economy, the E&E industry in Malaysia and the semiconductor equipment industry in Malaysia as set out below: -

7.1 Malaysian economy

Malaysia's economy expanded by 6.9% in the first half of 2022 underpinned by favourable momentum in the domestic economy and steady expansion in the external sector, as well as continued improvement of the labour market conditions. The strong performance is expected to sustain, backed by an increase in private consumption and business activities as the economy transitions to endemicity phase of COVID-19 with the surging tourist arrivals. Furthermore, the growth momentum was attributed to the Government's consistent policy support, particularly with the implementation of initiatives under the Budget 2022 since the start of the year, as well as the spillover effects from the Budget 2021 measures coupled with various assistance and stimulus packages.

In tandem with continued implementation of development programmes and projects, the economy is expected to expand further in the second half of the year. The growth prospects have been supported by the resumption of economic and social activities and improvement in international travel activities following the relaxation of COVID-19 restrictions regionally. With better prospects as indicated by the Leading Index, the economy is anticipated to gain its growth momentum in the second half of the year attributed to strong domestic demand as the country transitions into endemicity. For the full year of 2022, the economic growth is expected to register a higher growth within the range of 6.5% - 7% (2021: 3.1%).

Malaysia's economy will remain in a positive growth trajectory in 2023 mainly driven by domestic demand following the transition to the endemic phase and the reopening of international borders. The Government continues to support the economy through implementing policies and measures to ensure a conducive business environment that facilitates economic activities and meet the needs of the rakyat. In enhancing economic resilience and sustainable growth, the Government will prioritise the structural reform agenda to sustain the post-COVID-19 economic recovery momentum, amid the challenges arising from geopolitical uncertainties and climate change. The Malaysian economy is therefore forecasted to expand between 4% – 5% in 2023. Nevertheless, the pace of economic recovery is also dependent on other factors, including successful containment of the pandemic, support for cost of living and efforts in mitigating the downside risks such as geopolitical uncertainties, global inflation as well as tightening financial conditions.

(Source: Economic Outlook 2023, Ministry of Finance Malaysia, 7 October 2022)

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7.2 E&E industry in Malaysia

E&E are products designed to perform specific functions through the use of electrical energy or the control of flow of electrons. E&E can be broadly segmented into 2 main segments, namely electrical consisting of various types of electrical products; and electronics comprising consumer electronics, electronic components and industrial electronics as follows: -

Segmentation of the E&E industry

Segment	Sub-segment	Description
Electrical	Electrical	Distribution boards, control panels, switching apparatus, lightings, transformers, cables and wires, primary cells and batteries, solar cells and modules, air conditioners and household appliances
Electronics	Consumer	Audio visual products, computers and peripherals, mobile telecommunication devices, cameras and electronic game consoles
	Components	Semiconductors, passive components, printed circuit boards, metal stamped parts and precision plastic parts
	Industrial	Multimedia and information technology products such as computers and computer peripherals, telecommunications equipment, office equipment and box-built products for industrial applications

The E&E industry has been acknowledged as one of the pillars of Malaysia's economy, as it is the largest manufacturing sub-segment of the nation's economy, contributing to approximately 26.03% of the manufacturing sector's GDP and 6.33% of Malaysia's total GDP in 2021.

Economic performance of the E&E industry (Malaysia), 2019-2021

Year	E&E industry GDP (RM billion)	Manufacturing GDP (RM billion)	E&E industry contribution to manufacturing GDP (%)	National GDP (RM billion)	E&E industry contribution to national GDP (%)
2019	73.68	316.28	23.30	1,423.95	5.17
2020	75.92	307.85	24.66	1,345.14	5.64
2021	87.79	337.22	26.03	1,386.74	6.33

Malaysia has built its reputation as a producer and assembler of parts and components of manufactured goods with good product quality. This has led to continuous demand for Malaysia's E&E products from various end-user industries such as consumer electronics, telecommunications, automotive and medical equipment from both the domestic and export markets.

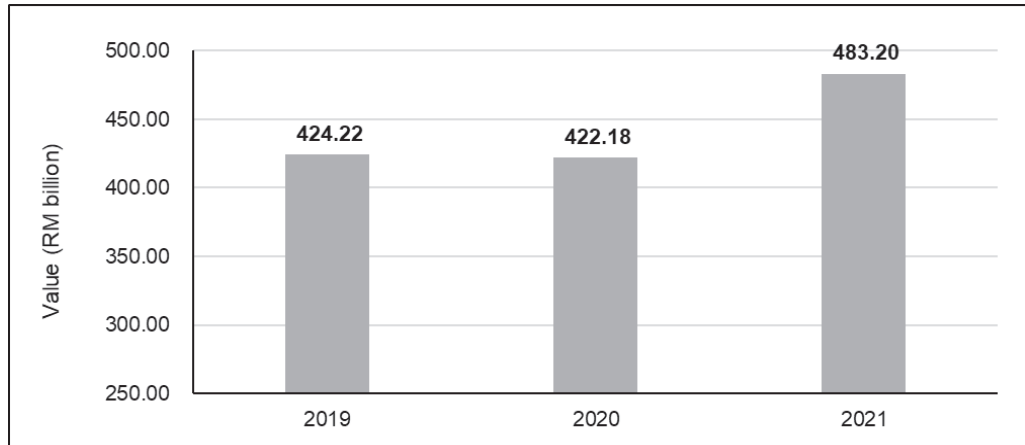
Nevertheless, the outbreak of the COVID-19 pandemic since early 2020 had impacted many countries and economic sectors around the world. In Malaysia, the Government of Malaysia had imposed various degrees of nationwide movement restrictions (i.e. MCO, conditional MCO, recovery MCO, enhanced MCO and various phases of National Recovery Plan) to contain the spread of the virus in each state, federal territory and area across Malaysia since 18 March 2020, depending on the severity of the COVID-19 infections in the respective locations. During certain movement restriction periods in 2020 and 2021, there were temporary reductions in manufacturing capacity faced by E&E industry players in Malaysia following the strict standard operating procedures imposed by the Government of Malaysia. Notwithstanding that, some E&E industry players were allowed to operate as they are involved in the manufacturing of E&E products such as electronic components that form part of the supply chain of essential products, e.g. medical equipment. Effective 1 April 2022, Malaysia began its

transition into the endemic phase of the COVID-19 where all businesses and economic activities have been allowed to resume operations in full capacity.

Malaysia

Overall, the E&E industry in Malaysia, represented by the manufacturing sales value of E&E products, grew at a CAGR of 6.73% from RM424.22 billion in 2019 to RM483.20 billion in 2021.

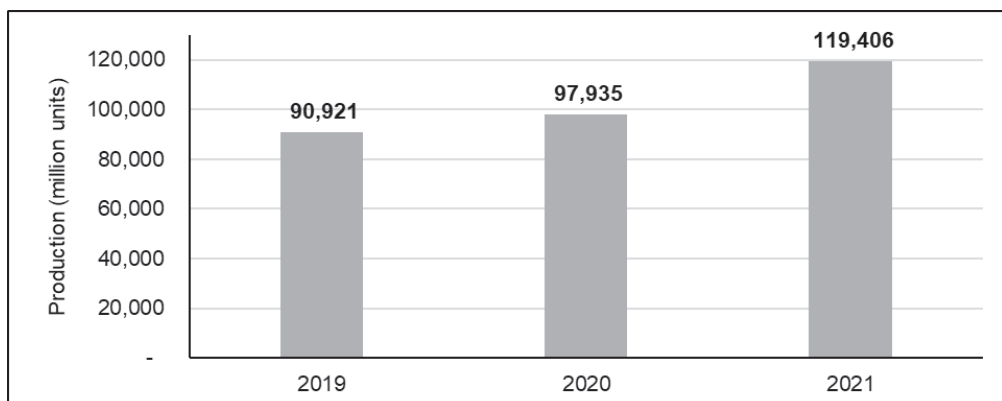
Manufacturing sales value of E&E products (Malaysia), 2019-2021



Driven by the increasing demand for E&E products and continuous technological advancements, SMITH ZANDER estimates the manufacturing sales value of E&E products continued growing by 18.79% from RM483.20 billion in 2021 to RM574.01 billion in 2022. Subsequently in 2023, in view of the anticipated modest external demand, driven by normalisation of demand for E&E products after the spike during the COVID-19 pandemic, SMITH ZANDER forecasts the manufacturing sales value of E&E products to grow at a lower rate of 3.95% to RM596.70 billion in 2023.

In the semiconductor sub-segment, production of semiconductor integrated circuits ("ICs") and other semiconductor components registered a CAGR of 14.60% from 90.92 billion units in 2019 to 119.41 billion units in 2021.

Production of semiconductor ICs and other semiconductor components⁽¹⁾ (Malaysia), 2019-2021



Note: -

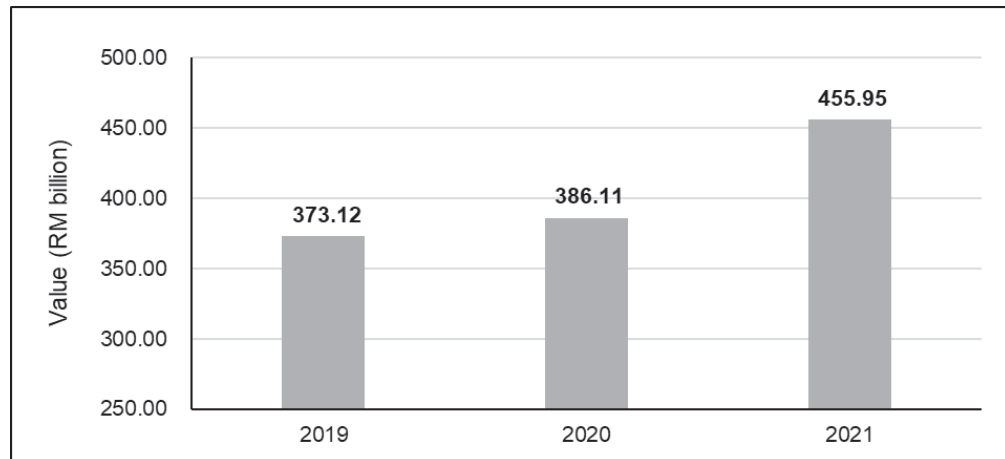
(1) Other semiconductor components include diodes and transistors.

In line with the growth of the E&E industry, SMITH ZANDER estimates the production of semiconductor ICs and other semiconductor components grew by 16.25% from 119.41 billion units in 2021 to 138.82 billion units in 2022. In 2023, SMITH ZANDER

forecasts production of semiconductor ICs and other semiconductor components to grow at a lower rate of 3.70% to 143.96 billion units in 2023, driven by normalisation of demand for semiconductor ICs and other semiconductor components, especially components used in E&E products, after the spike during the COVID-19 pandemic, which subsequently lead to rising concerns on overcapacity in the semiconductor industry. Further, there are also uncertainties arising from the Creating Helpful Incentives to Produce Semiconductors and Science Act on impact to the global supply chain of semiconductor industry.

Malaysia's exports of E&E products recorded a CAGR of 10.54% from RM373.12 billion in 2019 to RM455.95 billion in 2021.

Exports of E&E products (Malaysia), 2019-2021



According to the Economic Outlook 2023 by Ministry of Finance, exports of E&E products in Malaysia increased by an estimated 26.90% from RM455.95 billion in 2021 to RM578.60 billion in 2022, driven by steady external demand for E&E products including semiconductors, telecommunication equipment parts as well as automatic data processing equipment amid global chip shortage.

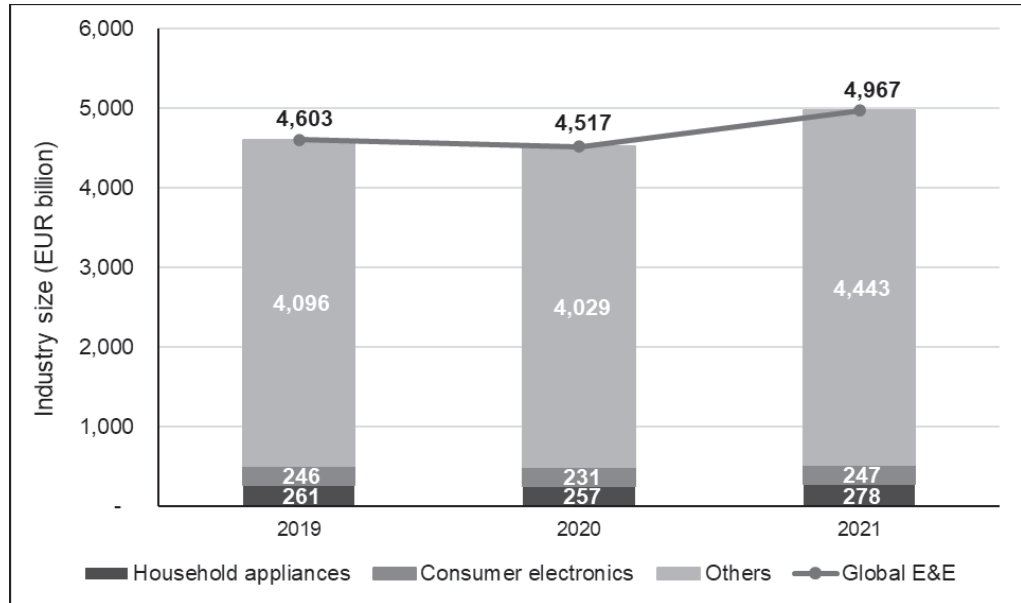
For 2023, due to lacklustre growth following global uncertainties arising from prolonged geopolitical tensions and supply chain disruptions, according to the Economic Outlook by Ministry of Finance, exports of E&E products in Malaysia is forecast to grow slightly by 2.00% to RM590.18 billion in that year.

(Source: IMR Report)

Global

For the period between 2019 and 2021, the global E&E industry grew at a CAGR of 3.94% from EUR4.60 trillion (RM21.35 trillion) to EUR4.97 trillion (RM24.33 trillion). Meanwhile, the global household appliance and consumer electronic sub-segments, which are the key markets for BSLCORP's and its subsidiaries' metal parts and printed circuit boards, also registered CAGRs of 3.21% and 0.20% respectively during the same period.

E&E industry (Global), 2019-2021

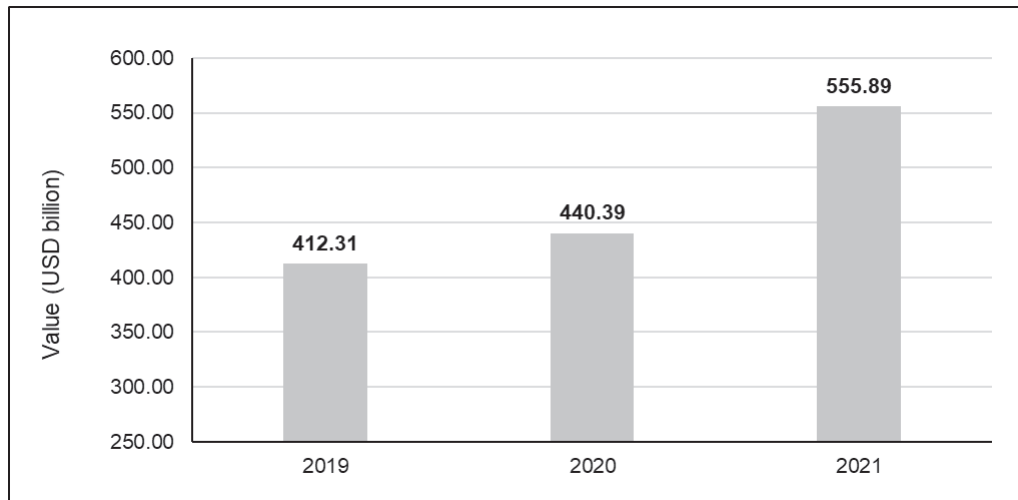


According to the German Electrical and Electronic Manufacturers' Association, the global E&E industry is expected to grow by an estimated 11.00% from EUR4.97 trillion (RM24.33 trillion) in 2021 to EUR5.51 trillion (RM25.51 trillion) in 2022, and to further increase by 5.00% to EUR5.79 trillion (RM26.81 trillion) in 2023.

In the semiconductor sub-segment, global semiconductor sales increased at a CAGR of 16.11% from USD412.31 billion (RM1.71 trillion) in 2019 to USD555.89 billion (RM2.30 trillion) in 2021. In 2021, global semiconductor sales increased remarkably by 26.23% from USD440.39 billion (RM1.85 trillion) in 2020 to USD555.89 billion (RM2.30 trillion) in 2021, mainly contributed by the increasing demand for semiconductors to support the demand for ICs to power computers, laptops, cloud computing and equipment for communications; as well as to support a faster-than-expected recovery in the demand for automobiles following the lifting of lockdowns from various countries globally.

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Semiconductor sales (Global), 2019-2021



The World Semiconductor Trade Statistics (“**WSTS**”) estimated global semiconductor sales increased by 4.36% from USD555.89 billion (RM2.30 trillion) in 2021 to USD580.13 billion (RM2.55 trillion) in 2022. However, the WSTS expects global semiconductor sales to decline slightly by 4.06% to USD556.57 billion (RM2.45 trillion) in 2023, driven by the decrease in the integrated circuits segment.

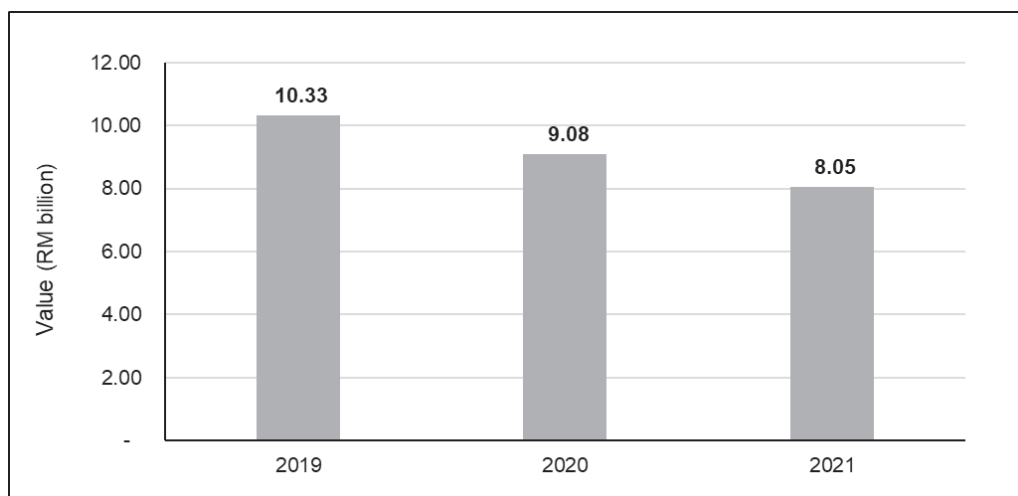
(Source: IMR Report)

7.3 Semiconductor equipment industry in Malaysia

Semiconductor equipment refers to equipment used in various stages in the manufacturing process of semiconductors. Examples of semiconductor equipment include wafer fabrication equipment, wafer processing equipment, test equipment and assembly and packaging equipment.

The semiconductor equipment industry in Malaysia is represented by the manufacturing sales value of specialised machinery and equipment. The manufacturing sales value of specialised machinery and equipment in Malaysia decreased from RM10.33 billion in 2019 to RM8.05 billion in 2021 at a negative CAGR of 11.72%, which could be due to decreased capital expenditure by manufacturers in view of the uncertainty during the COVID-19 pandemic.

Manufacturing sales value of specialised machinery and equipment (Malaysia), 2019-2021



Driven by the revival of business and economic activities, SMITH ZANDER estimates the manufacturing sales value of specialised machinery and equipment recovered strongly by 27.83% from RM8.05 billion in 2021 to RM10.29 billion in 2022, and to further increase by 7.09% to RM11.02 billion in 2023.

The demand for semiconductor equipment is expected to be driven by the following: -

- (i) **Growth in the semiconductor industry** - As a supporting industry to the semiconductor industry, the demand for semiconductor equipment is driven by the growth in the semiconductor industry. Semiconductors are integral components in many products including E&E products, automobiles and medical equipment to perform certain functions such as operations control, data transmission and processing, sensing, wireless connectivity and power management.

In Malaysia, production of semiconductor ICs and other semiconductor components registered a CAGR of 14.60% from 90.92 billion units in 2019 to 119.41 billion units in 2021, which signifies growing demand for semiconductors. SMITH ZANDER estimates production of semiconductor ICs and other semiconductor components grew by 16.25% in 2022, and by 3.70% in 2023.

The growth in semiconductor sales will also be driven by increasing usage of semiconductors in E&E products as contributed by technological advancement such as the prevalence of the Internet of Things (“IoT”) and artificial intelligence. The continuing growth in the semiconductor industry is thus expected to continue to drive the demand for semiconductor equipment.

- (ii) **Growth in the E&E industry** - The E&E industry is an important end-user industry driving the demand for semiconductors, which in turn, supports the demand for semiconductor equipment.

E&E products developed today play essential roles in various industries such as retail, manufacturing and telecommunications. Many of these industries cannot function without the use of E&E products. One of the most prevalent trends in the E&E industry is the rise of mobile and portable engineering designs which promote convenience. With the increase in demand for mobile devices, industry players are constantly developing newer E&E products to meet market requirements for smaller, and more lightweight products, which drive the increased usage of semiconductors.

Overall, the E&E industry in Malaysia, represented by the manufacturing sales value of E&E products, grew at a CAGR of 6.73% from RM424.22 billion in 2019 to RM483.20 billion in 2021, indicating growth opportunities for semiconductor equipment. During the same period, the global E&E industry also grew at a CAGR of 3.94% from EUR4.60 trillion (RM21.35 trillion) to EUR4.97 trillion (RM24.33 trillion). In terms of investments, the E&E industry also attracted the highest amount of investments under the manufacturing sector. According to MIDA, E&E industry in Malaysia received a total capital investment worth RM22.60 billion between January and September 2022, of which 94.59% was contributed by foreign direct investment. The continuing growth in the E&E industry will continue to drive demand for semiconductors in Malaysia, which consequently, will boost demand for semiconductor equipment.

- (iii) **Continuous technological advancements leading to innovation in end user products** - The E&E industry experiences continuous developments in terms of the end-user products manufactured. Rapid technological developments within the E&E industry will continue to promote new product innovation in the market as industry players need to ensure their products remain competitive.

The E&E industry segment has seen developments in terms of the performance, size and technology of various electronic products. For example, as the IoT has emerged as a key technology trend, it allows a network of devices and objects connected to each other through the Internet, to facilitate data exchange and remote access, including home appliances. These smart appliances feature Wi-Fi connectivity, whereby they can be linked to a homeowner's smartphone via a mobile application. Smart appliances are expected to gain popularity in the future as they allow homeowners to monitor and control the appliance from another location, enabling them to save time and providing convenience. Home appliances such as vacuum cleaners, now do not just have standard features but have variations based on aesthetic design, suction power and also energy consumption. Consumers are now given options beyond the standard function of cleaning the floor, and instead choose vacuum cleaners that suit their desired cleaning capability as well as energy saving level.

Consumers which are highly receptive to new product innovation has resulted in relatively short product lifecycles for most E&E products as new and enhanced versions of products are constantly introduced to the market. Moving forward, it is expected that the introduction of new E&E products integrated with the lifestyle of today's society, will only increase further.

The continuous technological advancements leading to product innovation of these end-user products, including E&E products, will therefore drive investments in more machinery and equipment, including semiconductor equipment.

(Source: IMR Report)

7.4 Prospects and future plans of the Group

In line with the growth of both the E&E industry and semiconductor components, high volume of backlog orders from customers and increased demand for the Group's products from stay-at-home customers as a result of the various MCOs arising from the COVID-19 pandemic. As such, the Group has managed to record a higher PAT for the FYE 31 August 2021 of RM8.94 million compared to FYE 31 August 2020 of RM0.62 million on the back of higher revenue of RM159.49 million for the FYE 31 August 2021 compared to RM137.13 million for the FYE 31 August 2020.

Although there were, amongst others, temporary suspensions or restrictions in production during certain stages of the MCO, on an overall basis, there was no substantial financial impact towards the Group arising from the COVID-19 pandemic apart from the increased demand for the Group's products from stay-at-home customers as described above.

In order to tap into a wider market segment and to achieve better financial performance, the Group is in continuous discussions with potential customers within the E&E and semiconductor industries for, amongst others, the manufacturing of parts for semiconductor test equipment which are expected to yield higher profitability to the Group. Such new product range is of greater complexity and specifications and hence, requires more technologically advanced equipment and machineries.

Accordingly, the Group intends to allocate up to RM26.00 million from the Rights Issue with Warrants for Manufacturing Expansion as set out in Section 5(i) of this Abridged Prospectus. Together with part of the proceeds raised from the Private Placement 2022 – 30%, the funds will be used to acquire new equipment and machineries, which is expected increase the Group's monthly production capacity by approximately 66,020 units of output with a greater mix of product range of greater complexity and specifications.

A sum of up to RM17.50 million from the Rights Issue with Warrants has been earmarked for upgrading of the Group's existing facilities and technologies, which in turn is expected to lead to various benefits including, amongst others, better control and monitoring of the Group's production lines as well as better operational and administrative efficiency.

Further, a sum of up to RM29.21 million from the Rights Issue with Warrants (under the Base Case Scenario) will be earmarked for working capital. Out of this, RM20.00 million has been earmarked for staff salaries as the Group plans to hire skilled and unskilled workers to tackle the shortage of manpower the Group currently faces and the anticipated increase in manpower requirements moving forward based on the Group's Manufacturing Expansion plans.

Premised on the successful implementation of the Group's Manufacturing Expansion plans as set out in Section 5(i) of this Abridged Prospectus as well as the industry outlook of the E&E industry and the semiconductor equipment industry in Malaysia as set out in Sections 7.2 and 7.3 of this Abridged Prospectus while also considering the risk factors as detailed in Section 6 of this Abridged Prospectus, the Board is cautiously optimistic of the future prospects of the Group.

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8. EFFECTS OF THE RIGHTS ISSUE WITH WARRANTS

8.1 Share capital

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

	Minimum Scenario		Base Case Scenario		Maximum Scenario	
	No. of Shares	Share capital RM	No. of Shares	Share capital RM	No. of Shares	Share capital RM
Issued share capital as at the LPD (excluding treasury shares)	275,928,072	75,148,206	275,928,072	75,148,206	275,928,072	75,148,206
Assuming full resale of the treasury shares at cost	-	-	-	-	2,728,226	459,316
New Shares to be issued assuming full exercise of the Warrants A	-	-	-	-	72,583,089	⁽¹⁾ 36,291,545
New Shares to be issued assuming full granting and exercise of the ESOS Options	-	-	-	-	41,176,444	⁽²⁾ 9,960,582
	275,928,072	75,148,206	275,928,072	75,148,206	392,415,831	121,859,649
New Shares to be issued pursuant to the Rights Issue with Warrants	181,818,182	⁽³⁾ 10,000,000	1,655,568,432	⁽³⁾ 91,056,264	2,354,494,986	⁽³⁾ 129,497,224
	457,746,254	85,148,206	1,931,496,504	166,204,470	2,746,910,817	251,356,873
New Shares to be issued assuming full exercise of the Warrants B	75,757,574	⁽⁴⁾ 4,166,667	689,820,180	⁽⁴⁾ 37,940,110	981,039,577	⁽⁴⁾ 53,957,177
Enlarged issued share capital	533,503,828	89,314,873	2,621,316,684	204,144,580	3,727,950,394	305,314,050

Notes: -

- (1) Based on the exercise price of RM0.50 per Warrant A.
- (2) Assuming all the 41,176,444 ESOS Options which may be granted pursuant to the maximum allowable amount under the ESOS are granted and exercised into new Shares at an illustrative exercise price of RM0.14 each (based on 10% discount to the 5-day VWAP of the Shares up to and including the LPD of RM0.1547 and rounded up to the nearest Sen) and after accounting for the reversal of share option reserve.
- (3) Based on an illustrative issue price of RM0.055 per Rights Share.
- (4) Based on an illustrative exercise price of RM0.055 per Warrant B.

8.2 NA and gearing

As at the LPD, there are no material transactions which may have a material effect on the operations, financial position and results of the Group since the Group's latest unaudited 12-month FPE 31 August 2022.

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

Minimum Scenario

	Unaudited as at 31 August 2022 RM'000	(I) After the Rights Issue with Warrants ⁽¹⁾⁽²⁾ RM'000	(II) After (I) and assuming full exercise of the Warrants B ⁽³⁾ RM'000
Share capital	75,607	85,607	89,774
Treasury shares	(459)	(459)	(459)
Other reserve	30,881	29,807	30,881
Warrants reserve	-	1,074	-
Retained earnings	42,254	41,404	41,404
Shareholders' equity/NA	148,283	157,433	161,600
Non-controlling interest	2,773	2,773	2,773
Total equity	151,056	160,206	164,373
No. of Shares in issue ('000) ⁽⁴⁾	275,928	457,746	533,504
NA per Share (RM)	0.54	0.34	0.30
Total borrowings (RM'000)	8,481	8,481	8,481
Gearing (times)	0.06	0.05	0.05

Notes: -

- (1) Based on the issuance of 181,818,182 Rights Shares at an illustrative issue price of RM0.055 each together with 75,757,574 Warrants B.
- (2) After accounting for the creation of warrant reserve based on the issuance of 75,757,574 Warrants B at an allocated fair value of RM0.0142 per Warrant B (computed based on the Trinomial option pricing model with data sourced from Bloomberg) and estimated expenses incidental to the Rights Issue with Warrants of RM0.85 million (to be funded via internally generated funds).
- (3) Based on an illustrative exercise price of RM0.055 per Warrant B and after accounting for the reversal of warrant reserve.
- (4) Excluding treasury shares.

Base Case Scenario

	Unaudited as at 31 August 2022 RM'000	(I) After the Rights Issue with Warrants ⁽¹⁾⁽²⁾ RM'000	(II) After (I) and assuming full exercise of the Warrants B ⁽³⁾ RM'000
Share capital	75,607	166,663	204,603
Treasury shares	(459)	(459)	(459)
Other reserve	30,881	21,104	30,881
Warrants reserve	-	9,777	-
Retained earnings	42,254	41,404	41,404
Shareholders' equity/NA	148,283	238,489	276,429
Non-controlling interest	2,773	2,773	2,773
Total equity	151,056	241,262	279,202
No. of Shares in issue ('000) ⁽⁴⁾	275,928	1,931,496	2,621,317
NA per Share (RM)	0.54	0.12	0.11
Total borrowings (RM'000)	8,481	⁽⁵⁾ 5,481	⁽⁵⁾ 5,481
Gearing (times)	0.06	0.02	0.02

Notes: -

- (1) Based on the issuance of 1,655,568,432 Rights Shares at an illustrative issue price of RM0.055 each together with 689,820,180 Warrants B.
- (2) After accounting for the creation of warrant reserve based on the issuance of 689,820,180 Warrants B at an allocated fair value of RM0.0142 per Warrant B (computed based on the Trinomial option pricing model with data sourced from Bloomberg) and estimated expenses incidental to the Rights Issue with Warrants of RM0.85 million.
- (3) Based on an illustrative exercise price of RM0.055 per Warrant B and after accounting for the reversal of warrant reserve.
- (4) Excluding treasury shares.
- (5) After accounting for the repayment of borrowings amounting to RM3.00 million as set out in Section 5(iv) of this Abridged Prospectus.

Maximum Scenario

	Unaudited as at 31 August 2022 RM'000	(I) After assuming full resale of the treasury shares and full granting and/or exercise of the Convertible Securities ⁽¹⁾ RM'000	(II) After (I) and the Rights Issue with Warrants ⁽²⁾⁽³⁾ RM'000	(III) After (II) and assuming full exercise of the Warrants B ⁽⁴⁾ RM'000
Share capital	75,607	121,859	251,357	305,314
Treasury shares	(459)	-	-	-
Other reserve	30,881	30,881	16,976	30,881
Warrants reserve	-	-	13,905	-
Retained earnings	42,254	38,058	37,208	37,208
Shareholders' equity/NA	148,283	190,798	319,446	373,403
Non-controlling interest	2,773	2,773	2,773	2,773
Total equity	151,056	193,571	322,919	376,176
No. of Shares in issue ('000) ⁽⁵⁾	275,928	392,416	2,746,911	3,727,950
NA per Share (RM)	0.54	0.49	0.12	0.10
Total borrowings (RM'000)	8,481	8,481	⁽⁶⁾ 5,481	⁽⁶⁾ 5,481
Gearing (times)	0.06	0.04	0.02	0.01

Notes: -

- (1) After assuming: -
 (i) all the 2,728,226 treasury shares held by the Company as at the LPD are resold to the market at cost;
 (ii) all the 72,583,089 outstanding Warrants A as at the LPD are exercised into new Shares at the exercise price of RM0.50 each; and
 (iii) all the 41,176,444 ESOS Options which may be granted pursuant to the maximum allowable amount under the ESOS as at the LPD are granted and exercised into new Shares at an illustrative exercise price of RM0.14 each (based on 10% discount to the 5-day VWAP of the Shares up to and including the LPD of RM0.1547 and rounded up to the nearest Sen).
- (2) Based on the issuance of 2,354,494,986 Rights Shares at an illustrative issue price of RM0.055 each together with 981,039,577 Warrants B.
- (3) After accounting for the creation of warrant reserve based on the issuance of 981,039,577 Warrants B at an allocated fair value of RM0.0142 per Warrant B (computed based on the Trinomial option pricing model with data sourced from Bloomberg) and estimated expenses incidental to the Rights Issue with Warrants of RM0.85 million.
- (4) Based on an illustrative exercise price of RM0.055 per Warrant B and after accounting for the reversal of warrant reserve.
- (5) Excluding treasury shares.
- (6) After accounting for the repayment of borrowings amounting to RM3.00 million as set out in Section 5(iv) of this Abridged Prospectus.

8.3 Substantial Shareholders' shareholdings

The pro forma effects of the Rights Issue with Warrants on the substantial Shareholders' shareholdings in the Company as at the LPD are as follows: -

Minimum Scenario

Substantial Shareholders	As at the LPD				(I) After the Rights Issue with Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Dato' Sri Dr. Pang Chow Huat	20,616,494	7.47	-	-	20,616,494	4.50	-	-
Hoo Wai Keong	40,000	0.01	-	-	90,949,091	19.87	-	-
Chew Khai Liong	20,000	0.01	-	-	90,929,091	19.86	-	-

Substantial Shareholders	(II) After (I) and assuming full exercise of the Warrants B			
	Direct		Indirect	
	No. of Shares	(3)%	No. of Shares	(3)%
Dato' Sri Dr. Pang Chow Huat	20,616,494	3.86	-	-
Hoo Wai Keong	128,827,878	24.15	-	-
Chew Khai Liong	128,807,878	24.14	-	-

Notes: -

- (1) Based on the issued share capital of 275,928,072 Shares (excluding treasury shares).
- (2) Based on the enlarged issued share capital of 457,746,254 Shares (excluding treasury shares).
- (3) Based on the enlarged issued share capital of 533,503,828 Shares (excluding treasury shares).

Base Case Scenario

Under the Base Case Scenario, the Undertaking Shareholders will not emerge as substantial Shareholders.

Substantial Shareholders	As at the LPD				(I) After the Rights Issue with Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	⁽¹⁾ %	No. of Shares	⁽¹⁾ %	No. of Shares	⁽²⁾ %	No. of Shares	⁽²⁾ %
Dato' Sri Dr. Pang Chow Huat	20,616,494	7.47	-	-	144,315,458	7.47	-	-

Substantial Shareholders	(II) After (I) and assuming full exercise of the Warrants B			
	Direct		Indirect	
	No. of Shares	⁽³⁾ %	No. of Shares	⁽³⁾ %
Dato' Sri Dr. Pang Chow Huat	195,856,693	7.47	-	-

Notes: -

- (1) Based on the issued share capital of 275,928,072 Shares (excluding treasury shares).
- (2) Based on the enlarged issued share capital of 1,931,496,504 Shares (excluding treasury shares).
- (3) Based on the enlarged issued share capital of 2,621,316,684 Shares (excluding treasury shares).

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Maximum Scenario

Under the Maximum Scenario, the Undertaking Shareholders will not emerge as substantial Shareholders.

Substantial Shareholders	As at the LPD				(I) Assuming full resale of the treasury shares and full granting and/or exercise of the Convertible Securities			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Dato' Sri Dr. Pang Chow Huat	20,616,494	7.47	-	-	20,616,494	5.25	-	-

Substantial Shareholders	(II) After (I) and the Rights Issue with Warrants				(III) After (II) and assuming full exercise of the Warrants B			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(3)%	No. of Shares	(3)%	No. of Shares	(4)%	No. of Shares	(4)%
Dato' Sri Dr. Pang Chow Huat	144,315,458	5.25	-	-	195,856,693	5.25	-	-

Notes: -

- (1) Based on the issued share capital of 275,928,072 Shares (excluding treasury shares).
- (2) Based on the enlarged issued share capital of 392,415,831 Shares.
- (3) Based on the enlarged issued share capital of 2,746,910,817 Shares.
- (4) Based on the enlarged issued share capital of 3,727,950,394 Shares.

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8.4 Earnings and EPS

The potential effects of the Rights Issue with Warrants on the future consolidated earnings of the Company will depend on, amongst others, the number of Rights Shares to be issued and the level of returns generated from the utilisation of the proceeds to be raised from the Rights Issue with Warrants as set out in Section 5 of this Abridged Prospectus.

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

	Audited FYE 31 August 2021	(I) After subsequent events ⁽¹⁾	(II) After (I) and the Rights Issue with Warrants			(III) After (II) and assuming full exercise of the Warrants B		
			Minimum Scenario	Base Case Scenario	Maximum Scenario	Minimum Scenario	Base Case Scenario	Maximum Scenario
PAT attributable to owners of the Company (RM'000)	9,299	9,299	⁽²⁾ 8,449	⁽²⁾⁽³⁾ 8,597	⁽²⁾⁽³⁾ 8,597	⁽²⁾ 8,449	⁽²⁾⁽³⁾ 8,597	⁽²⁾⁽³⁾ 8,597
Weighted average no. of Shares ('000)	96,636	275,928	457,746	1,931,497	⁽⁴⁾ 2,746,911	533,504	2,621,317	3,727,950
(EPS) (sen)	9.62	3.37	1.85	0.45	0.31	1.58	0.33	0.23

Notes: -

- (1) After accounting for the following: -
 - (i) share split involving the subdivision of every 1 Share into 2 Shares which was completed on 8 November 2021;
 - (ii) issuance of 622,000 new Shares pursuant to the exercise of ESOS Options from 1 September 2021 up to the LPD;
 - (iii) issuance of 24,052,798 new Shares pursuant to the exercise of Warrants A from 1 September 2021 up to the LPD; and
 - (iv) issuance of 57,981,500 new Shares pursuant to Private Placement 2022 – 30% which was completed on 28 March 2022.
- (2) After accounting for estimated expenses incidental to the Rights Issue with Warrants of RM0.85 million.
- (3) After accounting for the interest saving of RM0.15 million arising from the repayment of borrowings of RM3.00 million as set out in Section 5(iv) of this Abridged Prospectus.
- (4) After assuming: -
 - (i) all the 2,728,226 treasury shares held by the Company as at the LPD are resold to the market;
 - (ii) all the 72,583,089 outstanding Warrants A as at the LPD are exercised into new Shares; and
 - (iii) all the 41,176,444 ESOS Options which may be granted pursuant to the maximum allowable amount under the ESOS as at the LPD are granted and exercised into new Shares, prior to the Entitlement Date.

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

9.1 Working capital and sources of liquidity

The Group's working capital is funded through the Group's existing cash and bank balances, cash generated from operating activities, credit extended by suppliers, bank borrowings as well as the proceeds from the issuance of equity securities.

As at 31 December 2022, the Group's cash and bank balances stood at RM31.28 million (including fixed deposits pledged as securities of RM2.86 million). The Group also has unutilised credit facilities amounting to approximately RM2.87 million.

Apart from the sources of liquidity described above, the Group does not have access to other material unused sources of liquidity as at 31 December 2022.

The Board confirmed that, after taking into consideration the Group's existing cash and bank balances, the banking facilities available to the Group, the Group's near term future plans, planned investments and commitments for its existing manufacturing business and the proceeds to be raised from the Rights Issue with Warrants, the Group has sufficient working capital for its current level of operations for a period of 12 months from the date of this Abridged Prospectus.

9.2 Borrowings

As at 31 December 2022, the Group's total borrowings (all of which are interest bearing and denominated in RM) (which are outstanding) are set out as follows: -

Borrowings	Total (RM'000)
<u>Short term borrowings (secured)</u>	
- Term loan	7,686
- Hire purchase	1,006
- Bankers' acceptances	1,720
- Margin facilities	711
<u>Long term borrowings (secured)</u>	
- Term loan	5,261
- Hire purchase	1,286
Total	17,670

Please refer to Section 5.1(iv) of this Abridged Prospectus for the details of the interest rates for the Group's borrowings and the purpose of the borrowings.

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

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9.3 Contingent liabilities

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

- (i) outstanding corporate guarantees amounting to RM16.14 million given by the Company to financial institutions for credit facilities granted to the Group in the ordinary course of its business; and
- (ii) the Contingent Liabilities relating to Bills of Demand as set out in Section 4 of this Appendix I, which were also incurred as part of its ordinary course of business.

9.4 Material commitments

As at the LPD, the Board confirmed that there are no material commitments incurred or known to be incurred by the Group.

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10. INSTRUCTIONS FOR ACCEPTANCE AND PAYMENT

Full instructions for the acceptance of and payment for the Provisional Allotments as well as Excess Rights Shares with Warrants B Applications and the procedures to be followed should you and/or your 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.

10.1 General

As an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Allotments that you are entitled to subscribe for in full or in part under the terms and conditions of the Rights Issue with Warrants. You will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such Provisional Allotments into your CDS Account and the RSF to enable you to subscribe for such Rights Shares with Warrants B that you have been provisionally allotted as well as to apply for Excess Rights Shares with Warrants B if you choose to do so. This Abridged Prospectus and the RSF are also available at the registered office of the Company, the Share Registrar's website at <https://www.shareworks.com.my> or on Bursa Securities' website at <https://www.bursamalaysia.com>.

10.2 NPA

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

10.3 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the Rights Shares with Warrants B and the Excess Rights Shares with Warrants B is **Wednesday, 1 March 2023 at 5.00 p.m.** An announcement shall be made on the subscription rate of the Rights Issue with Warrants after the Closing Date.

10.4 Methods of acceptance and application

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

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

10.5 Procedures for full acceptance and payment

10.5.1 By way of RSF

Acceptance and payment for the Provisional Allotment to you as an Entitled Shareholder and/or your 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 OR TRANSFER ALL OR ANY PART OF YOUR ENTITLEMENT ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS PRINTED THEREIN. IN ACCORDANCE WITH SECTION 232(2) OF THE CMSA, THE RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THIS ABRIDGED PROSPECTUS.

YOU AND/OR YOUR RENOUNCEES AND/OR YOUR TRANSFEREES (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS CONTAINED 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: -

ShareWorks Sdn Bhd
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Telephone number: 03-6201 1120
Email: ir@shareworks.com.my

so as to arrive not later than **5.00 p.m. on Wednesday, 1 March 2023**, being the last time and date 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 with Warrants B 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 with Warrants B will comprise 100 Rights Shares and 100 Warrants B each respectively. Successful applicants of the Rights Shares will be given free Warrants B on the basis of 5 Warrants B for every 12 Rights Shares successfully subscribed for. The minimum number of securities that can be subscribed for or accepted is 1 Rights Share. Fractional entitlements arising from the Rights Issue with Warrants will be disregarded and the aggregate of such fractions shall be dealt with as the Board may at its absolute discretion deem fit and expedient and in the best interest of the Company. 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 with Warrants B 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 Wednesday, 1 March 2023**, 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 with Warrants B not taken up will be allotted to the applicants applying for Excess Rights Shares with Warrants B.

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.shareworks.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 "BSL 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 WITH WARRANTS. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE ISSUED AND DESPATCHED BY ORDINARY POST TO YOU AND/OR YOUR RENOUNNEES/TRANSFEREES (IF APPLICABLE) AT YOUR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN 8 MARKET DAYS FROM THE CLOSING DATE.

YOU SHOULD NOTE THAT THE RSF AND REMITTANCES SO 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 ISSUANCE OF CHEQUE AND SHALL BE DESPATCHED TO YOU WITHIN 15 MARKET DAYS FROM CLOSING DATE BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK.

ALL RIGHTS SHARES AND WARRANTS B TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE WITH WARRANTS WILL BE ALLOTTED BY WAY OF CREDITING THE RIGHTS SHARES AND WARRANTS B INTO THE CDS ACCOUNTS OF THE ENTITLED SHAREHOLDERS AND/OR THEIR RENOUNCEES/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.

10.5.2 By way of Electronic Application

The electronic submission of the e-RSF is available to you upon your login to the Share Registrar's Investor Portal at <https://www.shareworks.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 with Warrants B and apply for the Excess Rights Shares with Warrants B 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 Wednesday, 1 March 2023**. 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 with Warrants B and Excess Rights Shares with Warrants B must be accompanied by the remittance in RM via internet bank transfer, the bank account details as follows: -

Name of Bank:	AmBank (M) Berhad
Name of Account:	BSL Rights Issue Account
Bank Account No.:	8881048904580

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.

- (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

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

If you encounter any problems during the registration or submission, please email the Share Registrar at support@shareworks.com.my for assistance.

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

By submitting your acceptance of the Rights Shares with Warrants B and application of the Excess Rights Shares with Warrants B (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 with Warrants B to be issued pursuant to the Rights Issue with Warrants will be allotted by way of crediting the Rights Shares and Warrants B 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 banker's cheque within 15 Market Days from the Closing Date and will be despatched by ordinary post to the address as shown in the Record of Depositors provided by Bursa Depository at your own risk.

10.6 Procedures for part acceptance

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

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

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

10.7 Procedures for sale or transfer of Provisional Allotments

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

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

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

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

10.8 Procedures for the Excess Rights Shares with Warrants B Application

10.8.1 By way of RSF

If you wish to apply for additional Rights Shares with Warrants B in excess of your entitlement, you may do so by completing Part I(B) of the RSF (in addition to Parts I(A) and II). A combined remittance for the Excess Rights Shares with Warrants B can be made together with your entitlements as mentioned in Section 10.5.1 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 Wednesday, 1 March 2023**, being the Closing Date.

The payment must be made for the exact amount payable for the Excess Rights Shares with Warrants B Applications. Any excess or insufficient payment may be rejected at the absolute discretion of the Board. Cheques or other mode(s) of payment not prescribed in Section 10.5.1 of this Abridged Prospectus are not acceptable.

10.8.2 By way of e-Subscription

You may apply for the Excess Rights Shares with Warrants B via e-Subscription in addition to your Provisional Allotments. If you wish to do so, you may apply for the Excess Rights Shares with Warrants B by following the steps as set out in Section 10.5.2 of this Abridged Prospectus. The e-Subscription for Excess Rights Shares with Warrants B will be made on, and subject to, the same terms and conditions appearing in Section 10.5.2 of this Abridged Prospectus.

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

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

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

Notwithstanding the foregoing, the Board reserves the right to allot any Excess Rights Shares with Warrants B applied for under Part I(B) of the RSF in such manner as it deems fit and expedient and in the best interests of the Company subject always to such allocation being made on a fair and equitable basis, and that the intention of the Board as set out in Section 10.8 (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 with Warrants B, 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 THE BOARD.

NO ACKNOWLEDGEMENT WILL BE ISSUED FOR THE RECEIPT OF THE EXCESS RIGHTS SHARES WITH WARRANTS B APPLICATION OR APPLICATION MONIES IN RESPECT THEREOF. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN 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 WITH WARRANTS B APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. THE BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY SUCH APPLICATION OR TO ACCEPT ANY SUCH APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON THEREOF.

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

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

As a transferee and/or renounee, the procedures for acceptance, selling or transferring of Provisional Allotments, applying for the Excess Rights Shares with Warrants B and/or payment is the same as that which is applicable to the Entitled Shareholders as described in Sections 10.3 to 10.8 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.shareworks.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.

10.10 CDS Account

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

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

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

10.11 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 with Warrants.

Upon allotment of the Rights Shares with Warrants B in respect of your acceptance and/or your renounees'/transferees' acceptance (if applicable) and Excess Rights Shares with Warrants B Application (if any), the Rights Shares with Warrants B 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 with Warrants B. 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 with Warrants B is not accepted due to non-compliance with the terms of the Rights Issue with Warrants or accepted in part only, the full amount or the balance of the application monies, as the case may be, will be refunded without interest to you. The refund will be by issuance of cheque 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.

10.12 Foreign-Addressed Shareholders

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

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

As a result, this Abridged Prospectus, the NPA and the RSF have not been (and will not be) sent to Foreign-Addressed Shareholders. However, Foreign-Addressed Shareholders may collect this Abridged Prospectus, the NPA and the RSF from the Share Registrar, ShareWorks Sdn Bhd at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan, Malaysia, who will be entitled to request such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting this Abridged Prospectus, the NPA and the RSF.

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

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

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

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

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

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

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 WITH WARRANTS B UNLESS SUCH OFFER, INVITATION OR SOLICITATION COULD LAWFULLY BE MADE WITHOUT COMPLIANCE WITH ANY REGISTRATION OR OTHER REGULATORY OR LEGAL REQUIREMENTS ON SUCH TERRITORY.

11. TERMS AND CONDITIONS

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

12. FURTHER INFORMATION

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

Yours faithfully
For and on behalf of the Board of
BSL CORPORATION BERHAD

HOO WAI KEONG
Executive Director

APPENDIX I – INFORMATION ON THE COMPANY

1. SHARE CAPITAL

As at the LPD, the issued share capital of the Company is RM75,148,206 comprising 275,928,072 Shares (excluding treasury shares).

2. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

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

3. DIRECTORS

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

Name (Designation)	Age	Address	Nationality
Hoo Wai Keong (Executive Director)	46	No. 162, Jalan Sultanah Aminah Taman Iskandar 80050 Johor Bahru Johor Malaysia	Malaysian
Andrew Ho Tho Kong (Executive Director)	56	89, Jalan Terasek 1 Bangsar Baru 59100 Kuala Lumpur W.P. Kuala Lumpur Malaysia	Malaysian
Loh May Ann (Independent Non-Executive Director)	49	11-1 Mont Kiara Banyan 28, Jalan Kiara, Mont Kiara 50480 Kuala Lumpur W.P. Kuala Lumpur Malaysia	Malaysian
Chong Kwang Fock (Independent Non-Executive Director)	43	No. 42, Jalan BPM 9 Taman Bukit Piatu Mutiara 75150 Bukit Baru Melaka, Malaysia	Malaysian
Johari Shukri Bin Jamil (Independent Non-Executive Director)	50	2, Jalan Kemuncak 12 Taman Nong Chik 80100 Johor Bahru Johor, Malaysia	Malaysian
Chew Khai Liong (Non-Independent Non- Executive Director)	34	93, Jalan SP3 Taman Sri Putra 47000 Sungai Buloh Selangor Darul Ehsan Malaysia	Malaysian

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

Save for Hoo Wai Keong, Chew Khai Liong and Loh May Ann, none of the Directors have any direct and/or indirect shareholding in the Company as at the LPD. The pro forma effects of the Rights Issue with Warrants on the shareholdings of Hoo Wai Keong, Chew Khai Liong and Loh May Ann in the Company are as follows: -

Minimum Scenario

Directors	As at the LPD				(I) After the Rights Issue with Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	⁽¹⁾ %	No. of Shares	⁽¹⁾ %	No. of Shares	⁽²⁾ %	No. of Shares	⁽²⁾ %
Hoo Wai Keong	40,000	0.01	-	-	90,949,091	19.87	-	-
Chew Khai Liong	20,000	0.01	-	-	90,929,091	19.86	-	-
Loh May Ann	190,000	0.07	-	-	190,000	0.04	-	-

Directors	(II) After (I) and assuming full exercise of the Warrants B			
	Direct		Indirect	
	No. of Shares	⁽³⁾ %	No. of Shares	⁽³⁾ %
Hoo Wai Keong	128,827,878	24.15	-	-
Chew Khai Liong	128,807,878	24.14	-	-
Loh May Ann	190,000	0.04	-	-

Notes: -

- (1) Based on the issued share capital of 275,928,072 Shares (excluding treasury shares).
- (2) Based on the enlarged issued share capital of 457,746,254 Shares (excluding treasury shares).
- (3) Based on the enlarged issued share capital of 533,503,828 Shares (excluding treasury shares).

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

Base Case Scenario

Directors	As at the LPD				(I) After the Rights Issue with Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Hoo Wai Keong	40,000	0.01	-	-	280,000	0.01	-	-
Chew Khai Liong	20,000	0.01	-	-	140,000	0.01	-	-
Loh May Ann	190,000	0.07	-	-	1,330,000	0.07	-	-

Directors	(II) After (I) and assuming full exercise of the Warrants B			
	Direct		Indirect	
	No. of Shares	(3)%	No. of Shares	(3)%
Hoo Wai Keong	380,000	0.01	-	-
Chew Khai Liong	190,000	0.01	-	-
Loh May Ann	1,805,000	0.07	-	-

Notes: -

- (1) Based on the issued share capital of 275,928,072 Shares (excluding treasury shares).
- (2) Based on the enlarged issued share capital of 1,931,496,504 Shares (excluding treasury shares).
- (3) Based on the enlarged issued share capital of 2,621,316,684 Shares (excluding treasury shares).

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

Maximum Scenario

Directors	As at the LPD				(I) Assuming full resale of the treasury shares and full granting and/or exercise of the Convertible Securities			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Hoo Wai Keong	40,000	0.01	-	-	40,000	0.01	-	-
Chew Khai Liong	20,000	0.01	-	-	20,000	0.01	-	-
Loh May Ann	190,000	0.07	-	-	190,000	0.05	-	-

Directors	(II) After (I) and the Rights Issue with Warrants				(III) After (II) and assuming full exercise of the Warrants B			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(3)%	No. of Shares	(3)%	No. of Shares	(4)%	No. of Shares	(4)%
Hoo Wai Keong	280,000	0.01	-	-	380,000	0.01	-	-
Chew Khai Liong	140,000	0.01	-	-	190,000	0.01	-	-
Loh May Ann	1,330,000	0.05	-	-	1,805,000	0.05	-	-

Notes: -

- (1) Based on the issued share capital of 275,928,072 Shares (excluding treasury shares).
- (2) Based on the enlarged issued share capital of 392,415,831 Shares.
- (3) Based on the enlarged issued share capital of 2,746,910,817 Shares.
- (4) Based on the enlarged issued share capital of 3,727,950,394 Shares.

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

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

Historical financial performance

	Audited			Unaudited
	FYE 31 August 2019	FYE 31 August 2020	FYE 31 August 2021	12-month FPE 31 August 2022 ⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Revenue	159,646	137,136	159,491	177,259
Cost of sales	(147,065)	(128,101)	(147,657)	(163,753)
GP	12,581	9,035	11,834	13,506
Other income	5,002	3,811	6,998	5,797
Other expenses	(12,372)	(10,870)	(12,118)	(12,838)
Finance costs	(686)	(558)	(443)	(455)
Share of results of former associate	-	-	4,250	-
Loss of disposal of subsidiary	-	-	-	(842)
PBT	4,525	1,418	10,521	5,168
Tax expense	(3,028)	(801)	(1,581)	(1,665)
PAT	1,497	617	8,940	3,503
PAT attributable to: -				
- owners of the Company	1,354	370	9,299	3,428
- non-controlling interests	143	247	(359)	75
GP margin	7.88%	6.59%	7.42%	7.62%
PAT margin	0.94%	0.45%	5.60%	1.98%
Weighted average no. of Shares in issue ('000)	96,636	96,636	96,636	239,408
EPS				
- Basic	1.40	0.38	9.62	1.43
- Diluted	-	-	-	-

Note: -

- (1) For information, BSLCORP had on 23 August 2022 announced the change in its financial year end from 31 August to 31 December.

APPENDIX I – INFORMATION ON THE COMPANY (CONT'D)**Historical financial position**

	Audited			Unaudited
	As at 31 August 2019	As at 31 August 2020	As at 31 August 2021	12-month FPE 31 August 2022 ⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Non-current assets	93,240	91,332	98,042	100,813
Current assets	61,571	61,254	73,201	97,145
Total assets	154,811	152,586	171,243	197,958
Share capital	50,767	50,767	50,767	75,607
Treasury shares	(459)	(459)	(459)	(459)
Reserves	58,362	57,394	69,711	73,135
Shareholders' equity/ NA	108,670	107,702	120,019	148,283
Non-controlling interests	(350)	(103)	(461)	2,775
Total equity	108,320	107,599	119,558	151,058
Non-current liabilities	14,011	14,423	11,873	11,128
Current liabilities	32,480	30,564	39,812	35,772
Total liabilities	46,491	44,987	51,685	46,900
Total equity and liabilities	154,811	152,586	171,243	197,958

Note: -

- (1) For information, BSLCORP had on 23 August 2022 announced the change in its financial year end from 31 August to 31 December.

Historical cash flow

	Audited			Unaudited
	FYE 31 August 2019	FYE 31 August 2020	FYE 31 August 2021	12-month FPE 31 August 2022 ⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Net cash from/(used in)				
Operating activities	5,663	10,303	5,780	(15,704)
Investing activities	(417)	(737)	(1,145)	(257)
Financing activities	(4,976)	(4,472)	(2,365)	24,662
Net increase in cash and cash equivalents	270	5,094	2,270	8,701
Effect of exchange rate changes	-	(1)	2	(4)
Cash and cash equivalents at beginning of the year/period	9,887	10,157	15,250	17,522
Cash and cash equivalents at end of the year/period	10,157	15,250	17,522	26,219

Note: -

- (1) For information, BSLCORP had on 23 August 2022 announced the change in its financial year end from 31 August to 31 December.

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

(i) 12-month FPE 31 August 2022 vs FYE 31 August 2021

The Group's revenue for the 12-month FPE 31 August 2022 increased by RM17.77 million or 11.14% as compared to the previous financial year. The higher revenue was mainly due to higher sales as a result of the lifting of MCO restrictions in Malaysia and the reopening of all economic sectors.

In line with the higher revenue, the Group recorded a higher GP of RM13.51 million (GP margin of 7.62%) in the 12-month FPE 31 August 2022 as compared to a GP of RM11.83 million (GP margin of 7.42%) in the previous year, representing an increase of RM1.67 million.

The Group recorded a lower PAT of RM3.5 million in the 12-month FPE 31 August 2022 as compared to RM8.94 million in FYE 31 August 2021. This was mainly contributed by the following: -

- (a) recognition of the difference between the fair value of the retained interest and the carrying amount of the investment in a former associate company, Hongze Steel Tube Co. Ltd ("**Hongze**"), amounting to RM4.25 million in FYE 31 August 2021 following the reclassification of the Group's interest in Hongze from an investment in associate company to other investments; and
- (b) lower other income of RM5.80 million (FYE 31 August 2021: RM7.00 million) mainly due to a fair value gain on investment in Hongze, amounting to RM1.09 million in FYE 31 August 2021 based on a valuation carried out by an independent valuer.

The Group recorded a net increase in cash and cash equivalents of RM8.70 million (FYE 31 August 2021: net increase of RM2.27 million) mainly due to proceeds raised from the Private Placement 2022 – 30%, exercise of Warrants A and exercise of ESOS Options amounting to RM24.84 million. However, this was partly offset by net cash used in operating activities amounting to RM15.80 million mainly comprises of purchases of raw materials to fulfil purchase orders from customers which have increased substantially due to the higher sales as well as acquisition of machinery and equipment for operational purposes.

(ii) FYE 31 August 2021 vs FYE 31 August 2020

The Group's revenue for the FYE 31 August 2021 increased by RM22.36 million or 16.30% as compared to the previous financial year. The higher revenue was mainly due to fulfilment of backlog orders after the implementation of the MCO in the previous financial year as well as strong demand from the E&E, agriculture and industrial client base.

In line with the higher revenue, the Group recorded a higher GP of RM11.83 million (GP margin of 7.42%) in FYE 31 August 2021 as compared to a GP of RM9.03 million (GP margin of 6.59%) in the previous financial year, representing an increase of RM2.80 million or 30.98%.

In line with the higher GP, the Group recorded a higher PAT of RM8.94 million in FYE 31 August 2021 as compared to a PAT of RM0.62 million in the previous financial year, representing an increase of RM8.32 million or 1,348.95%. Apart from the higher GP, the higher PAT was contributed by the following: -

- (a) recognition of the difference between the fair value of the retained interest and the carrying amount of the investment in a former associate company, Hongze amounting to RM4.25 million in FYE 31 August 2021 following the reclassification of the Group's interest in Hongze from an investment in associate company to other investments; and

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

- (b) fair value gain on former associate company, Hongze, amounting to RM1.09 million based on a valuation carried out by an independent valuer (FYE 31 August 2020: nil).

The Group recorded a net increase in cash and cash equivalents of RM2.27 million (FYE 31 August 2020: net increase of RM5.09 million) mainly due to net cash generating from operating activities amounting to RM5.78 million. However, this was partly offset by the following: -

- (a) repayment of hire purchase liabilities amounting to RM1.68 million; and
- (b) repayment of term loans amounting to RM1.71 million.

(iii) FYE 31 August 2020 vs FYE 31 August 2019

The Group's revenue for FYE 31 August 2020 decreased by RM22.51 million or 14.10% as compared to the previous financial year. The lower revenue was mainly due to: -

- (a) lesser operational days arising from the implementation of the MCO, whereby the Group's factories were forced to temporarily shut down during the MCO; and
- (b) lower demand as a result of weaker consumer sentiment due to the COVID-19 pandemic.

In line with the lower revenue, the Group recorded a lower GP of RM9.04 million (GP margin of 6.59%) in FYE 31 August 2020 as compared to a GP of RM12.58 million (GP margin of 7.88%) in the previous financial year, representing a decrease of RM3.54 million or 28.19%.

In line with the lower GP, the Group recorded a lower PAT of RM0.62 million in FYE 31 August 2020 as compared to a PAT of RM1.50 million in the previous financial year, representing a decrease of RM0.88 million or 58.78%. Apart from the lower GP, the lower PAT was contributed by lower sales of scrap of RM2.90 million (FYE 31 August 2019: RM3.99 million) which in turn was mainly due to lower demand due to the MCO.

The Group recorded a net increase in cash and cash equivalents of RM5.09 million in FYE 31 August 2020 (FYE 31 August 2019: net increase of RM0.27 million) mainly due to net cash generated from operating activities amounting to RM10.30 million. However, this was partly offset by the following: -

- (a) repayment of hire purchase liabilities amounting to RM1.90 million; and
- (b) repayment of term loans amounting to RM1.92 million.

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

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

	High	Low
	RM	RM
2022		
January	1.030	0.500
February	0.590	0.245
March	0.290	0.165
April	0.210	0.175
May	0.180	0.125
June	0.145	0.110
July	0.115	0.065
August	0.105	0.075
September	0.085	0.065
October	0.090	0.070
November	0.165	0.070
December	0.195	0.115
Last transacted market price on 27 June 2022, being the last Market Day immediately prior to the first announcement of the Rights Issue with Warrants (RM)	0.140	
Last transacted market price on 3 February 2023, being the Market Day immediately prior to the ex-date for the Rights Issue with Warrants (RM)	0.125	
Last transacted market price on the LPD (RM)	0.155	

(Source: Bloomberg)

6. OPTION TO SUBSCRIBE FOR SHARES

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

- (i) under the ESOS, the Company may grant ESOS Options to subscribe for new Shares up to but not exceeding 15% of the Company's total number of issued Shares (excluding treasury shares, if any) at any point of time during the duration of 5 years from the effective date of the ESOS (i.e. 23 November 2021). The exercise price for such ESOS Options shall be determined by the Board at its discretion upon recommendation of the ESOS committee based on the 5-day VWAP of the Shares immediately prior to the date of offer with a discount of not more than 10%.

As at the LPD, the Company has up to 41,176,444 ESOS Options which may be granted pursuant to the maximum allowable amount under the ESOS.

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

7. MATERIAL CONTRACTS

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

- (i) On 4 July 2022, Unique Forging & Components Sdn Bhd (“**UFC**”) (a wholly-owned subsidiary of the Company) had entered into a sale and purchase agreement (“**SPA**”) with PPE Manufacturing Sdn Bhd (“**PPE**”) for the disposal of a piece of leasehold agriculture land held under HS(D) 62560, PT No. 1985, Bandar Kundang, Daerah Gombak, Negeri Selangor measuring 1.213 hectare in area for a consideration of RM4,047,553.13 to be satisfied in cash. Following the fulfilment of conditions precedent, the unconditional date has been fixed on 20 December 2022 whereby the balance purchase price shall be paid or caused to be paid by PPE on or before the completion date on 19 March 2023 or the extended completion date on 18 April 2023 (“**Extended Completion Period**”) (which is subject to late payment interest of 8% per annum to be calculated on a day to day basis on the unpaid balance purchase price from the commencement of the Extended Completion Period until full settlement thereof by PPE) in accordance with the terms and conditions of the SPA and supplemental agreement with PPE. As at the LPD, the completion of the SPA is pending payment of the balance purchase price by PPE of RM3,642,797.82.
- (ii) UFC and KAB Energy Holdings Sdn Bhd (“**KEHSB**”) had entered into a share sale agreement dated 17 August 2022 and a supplemental agreement dated 17 October 2022 (collectively referred to as the “**SSA**”) for the disposal of 1,000,000 ordinary shares in Matahari Suria Sdn Bhd (“**MSSB**”), a wholly-owned subsidiary of UFC, representing 100% of the total issued shares of MSSB, for a total sale consideration of RM5,300,000.00 (“**Disposal Consideration**”), subject to the terms and conditions of the SSA.

The Disposal Consideration shall be paid in the following manner: -

- (a) RM530,000.00, being the refundable deposit which forms part of the Disposal Consideration (“**Deposit Sum**”), shall be paid by KEHSB to UFC’s solicitors as stakeholder within 14 days upon signing of the SSA;
- (b) the balance of the Disposal Consideration less such deductions as permitted under the SSA shall be paid by KEHSB on the completion date; and
- (c) if the completion date falls on any day after the 31st day of December 2022, the Disposal Consideration shall be reduced by RM30,000 per month until the completion date is achieved, and such reduction shall be prorated on a daily basis.

As at the LPD, the completion of the SSA is pending fulfillment of the conditions precedent as set out in the SSA by UFC and/or KEHSB (where applicable) within the cut-off date. In this regard, UFC and KEHSB have agreed to extend the cut-off date until 17 March 2023 to fulfil the conditions precedent in the SSA.

APPENDIX I – INFORMATION ON THE COMPANY (CONT'D)**8. MATERIAL LITIGATION**

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

(i) Judicial Review Against Bills of Demand issued by Royal Malaysian Customs Selangor

On 19 December 2014, BSL Electronics & Technologies Sdn. Bhd. (formerly known as Crestronics (M) Sdn Bhd) (“**BSLET**”) (a wholly-owned subsidiary of the Company) had received bills of demand from the Royal Malaysian Customs Selangor, being the relevant authority, demanding payment of sales tax and import duties amounting to RM11.1 million for the period from December 2011 to July 2014 of which BSLET disputed. The Directors have been in discussion with the relevant authority and have provided all necessary documentation to support their view. The Directors have obtained advice from a consultant, and based on the advice received, the Directors are of the view that BSLET should only be liable for up to RM0.2 million and a provision for this had been made in the financial statements. The remaining balance of the claim of RM10.9 million represents a contingent liability which is subject to appeal to the authority (“**Contingent Liabilities relating to Bills of Demand**”).

On 30 December 2014, BSLET appealed to the relevant authority. Subsequently, on 15 September 2015, the authority rejected the appeal with no specific reason mentioned.

On 5 November 2015, BSLET appealed to the relevant authority again. However, on 28 June 2017, BSLET received a letter from the relevant authority that the appeal against the bills of demand has been rejected and further appeal will not be considered. Thereafter, the Directors engaged another consultant to look into this matter to appeal to Minister of Finance.

On 30 January 2018, BSLET submitted remission application to the Ministry of Finance. Subsequently, on 10 April 2018, the Ministry of Finance rejected the application with no specific reason mentioned.

On 5 July 2018, BSLET, through its appointed solicitor filed in an application for judicial review to the High Court.

On 6 January 2020, the High Court dismissed BSLET's judicial review application. BSLET proceeded to file a notice of appeal on 14 January 2020 (“**Appeal**”) to the Court of Appeal in relation to the High Court's decision to dismiss BSLET's judicial review application. The High Court had on 17 February 2020 granted BSLET a stay of execution in respect of the bills of demand until the disposal of the Appeal at the Court of Appeal.

Panasonic Manufacturing Malaysia Berhad (“**PMMA**”) had submitted a notice of motion (“**Motion**”) for, amongst others, PMMA to be granted leave to intervene to be heard in the Appeal filed by BSLET and the hearing and determination of the Appeal be stayed pending disposal of the Motion.

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

PMMA claimed, amongst others, that: -

- (a) the subject matter of the Appeal which essentially concerns the dispute on the sales tax and import duties imposed by the Director General of Customs on BSLET in respect of the transactions arising from the sale and purchase agreement between BSLET and PMMA, is similar to the subject matter of the BSLET's originating summons filed against PMMA (as set out in Section 8(ii) below);
- (b) as PMMA has a direct interest in the subject matter of the Appeal, the presence of PMMA in the Appeal is necessary and crucial to ensure that all matters in dispute are heard and adjudicated fairly, effectually and completely; and
- (c) one of the main grounds in BSLET's judicial review application was that the PMMA has represented to BSLET that the PMMA has a LMW (Licensed Manufacturing Warehouse) status, which should and can only be properly answered by PMMA.

At a case management on 11 August 2021, the Court of Appeal instructed that the Appeal hearing initially scheduled on 17 August 2021 to be vacated and the hearing for the Motion to intervene is fixed on 1 November 2021.

On 1 November 2021, the Court of Appeal had allowed PMMA's Motion to intervene BSLET's Appeal proceedings at the Court of Appeal. On 30 November 2021, BSLET had filed an application for leave to appeal to the Federal Court against the Court of Appeal's decision on 1 November 2021 to allow PMMA's application to intervene.

On 24 May 2022, the Federal Court had allowed PMMA to intervene. On 29 June 2022, the Court of Appeal fixed the hearing date of the appeal on 10 May 2023.

The solicitors of BSLET opines that BSLET has an arguable case to contend that there is no legal or factual basis for the 1st respondent (Ministry of Finance) to disallow BSLET's claim for remission of import duties and sales tax and for the 2nd respondent (Royal Malaysian Customs Department) to raise the disputed bills of demand.

(ii) Originating Summons Against PMMA

BSLET had on 18 December 2020 filed via the High Court of Malaya in Kuala Lumpur and served an Originating Summons against PMMA. BSLET had filed the Originating Summons for declaratory relief concerning PMMA's liability to pay to BSLET up to RM9,431,694.60 being import duties and sales tax from the economic transactions between BSLET and PMMA during the period from December 2011 to July 2014 which led to the majority of the total claim of import duties and sales tax from the Royal Malaysian Customs Selangor on BSLET referred to in Section 8(i) above.

PMMA had on 15 February 2021 filed an application to strike out the Originating Summons raised by BSLET. After the hearing for PMMA's application to strike out on 30 September 2021, the High Court of Malaya had fixed the date to deliver the decision on 6 October 2021. Subsequently, the High Court of Malaya had decided to allow PMMA's application to strike out.

On 11 October 2021, BSLET filed a notice of appeal to the Court of Appeal to appeal against the decision of the High Court of Malaya in allowing such striking out of the Originating Summons whereby the hearing of the appeal was fixed on 16 August 2022. On 16 August 2022, the Court of Appeal had dismissed the said appeal by BSLET. BSLET has decided not to further appeal against the decision of Court of Appeal to preserve relationship and business opportunities.

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

9. CONSENTS

The written consents of the company secretaries, Principal Adviser, solicitors, Share Registrar, reporting accountants and independent market researcher for the Rights Issue with Warrants for the inclusion in this Abridged Prospectus of their names and all references thereto in the form and context in which they appear have been given before the issuance of this Abridged Prospectus and have not been subsequently withdrawn.

The written consent of Bloomberg for the inclusion in this Abridged Prospectus of its name and citation of the market data made available to its subscribers in the form and context in which such name and market data appear has been given before the issuance of this Abridged Prospectus and has not been subsequently withdrawn.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at E-10-4, Megan Avenue 1, 189, Jalan Tun Razak, 50400, Kuala Lumpur, W.P. Kuala Lumpur, Malaysia during normal business hours from Monday to Friday (except public holidays) for a period of 6 months from the date of this Abridged Prospectus: -

- (i) the Constitution of the Company;
- (ii) the Undertakings referred to in Section 3 of this Abridged Prospectus;
- (iii) the IMR Report referred to in Sections 7.2 and 7.3 of this Abridged Prospectus;
- (iv) the material contracts referred to in Section 7 of this Appendix I;
- (v) the relevant cause papers in respect of the material litigation referred to in Section 8 of this Appendix I;
- (vi) the letters of consent referred to in Section 9 of this Appendix I; and
- (vii) the Deed Poll B.

11. RESPONSIBILITY STATEMENT

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