

Unless otherwise stated herein, all terms and abbreviations 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 six (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 YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.

All enquiries concerning the Rights Issue of ICULS with Warrants, which is the subject of this Abridged Prospectus, should be addressed to our Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

This Abridged Prospectus has been registered by the SC. The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue of ICULS 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 the Rights Issue of ICULS with Warrants. A copy of this Abridged Prospectus, together with the accompanying NPA and RSF (collectively, the "Documents") has also been lodged with the Registrar of Companies who takes no responsibility for the contents of the Documents.

Our shareholders have approved the Rights Issue of ICULS with Warrants at our EGM held on 9 June 2021. The SC had, vide its letter dated 7 May 2021, approved the issuance of the ICULS pursuant to the Rights Issue of ICULS with Warrants. Bursa Securities had, vide its letter dated 18 May 2021, approved the admission of the ICULS and Warrants to the Official List of Bursa Securities and the listing of and quotation for all the ICULS and Warrants as well as new Scanwolf Shares to be issued arising from the conversion of the ICULS and the exercise of the Warrants on the Main Market of Bursa Securities. The approval of the SC for the issuance of the ICULS, the approval from Bursa Securities for the admission of the ICULS and Warrants to the Official List of Bursa Securities and the listing of and quotation for the ICULS, Warrants and new Scanwolf Shares to be issued arising from the conversion of the ICULS and the exercise of the Warrants on the Main Market of Bursa Securities are not to be taken as an indication of the merits of the Rights Issue of ICULS with Warrants.

The Documents are only despatched to our shareholders whose names appear in the Record of Depositors as at 5.00 p.m. on 8 July 2021 at their registered address in Malaysia or who have provided our Share Registrar with a registered address in Malaysia in writing by 5.00 p.m. on 8 July 2021. The Documents are not intended to be (and will not be) issued, circulated or distributed, and the Rights Issue of ICULS with Warrants is not intended to be (and will not be) made or offered or deemed to be made or offered for purchase or subscription in any countries or jurisdictions other than Malaysia or to persons who are or may be subject to the laws of any countries or jurisdictions other than the laws of Malaysia. No action has been or will be taken to ensure that the Rights Issue of ICULS with Warrants complies with the laws of any countries or jurisdictions other than the laws of Malaysia. Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers and/or other professional advisers as to whether the acceptance and/or renunciation (as the case may be) of their entitlements to the ICULS with Warrants and the application for excess ICULS with Warrants would result in a contravention of any laws of such countries or jurisdictions. Neither our Company, AmInvestment Bank nor any other professional advisers shall accept any responsibility or liability if any acceptance and/or renunciation (as the case may be) made by Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions.

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

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH YOU SHOULD CONSIDER, PLEASE REFER TO "RISK FACTORS" AS SET OUT IN SECTION 7 OF THIS ABRIDGED PROSPECTUS.



SCANWOLF CORPORATION BERHAD
(Registration No. 200601021156 (740909-T))
(Incorporated in Malaysia)

RENOUNCEABLE RIGHTS ISSUE OF UP TO RM10,497,120 NOMINAL VALUE OF 5-YEAR 3% IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS ("ICULS") AT 100% OF ITS NOMINAL VALUE OF RM0.10 ON THE BASIS OF 2 ICULS FOR EVERY 2 EXISTING ORDINARY SHARES IN SCANWOLF HELD AS AT 5.00 P.M. ON 8 JULY 2021, TOGETHER WITH UP TO 52,485,600 FREE WARRANTS ("WARRANTS") ON THE BASIS OF 1 WARRANT FOR EVERY 2 ICULS SUBSCRIBED

Principal Adviser



AmInvestment Bank

AmInvestment Bank Berhad
(Registration No: 197501002220 (23742-V))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Trustee

MTRUSTEE BERHAD
SINCE 1987

MTrustee Berhad
(Registration No: 198701004362 (163032-V))

IMPORTANT RELEVANT DATES AND TIMES:

Entitlement Date	: Thursday, 8 July 2021 at 5.00 p.m.
Last date and time for:	
Sale of Provisional Allotments	: Thursday, 15 July 2021 at 5.00 p.m.
Transfer of Provisional Allotments	: Monday, 19 July 2021 at 4.30 p.m.
Acceptance and payment	: Monday, 26 July 2021 at 5.00 p.m.
Excess application and payment	: Monday, 26 July 2021 at 5.00 p.m.

This Abridged Prospectus is dated 8 July 2021

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

RESPONSIBILITY STATEMENTS

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

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

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.

OTHER STATEMENTS

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

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

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

THE DOCUMENTS HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE OF ICULS 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 July 2021
Act	:	Companies Act 2016
Advisers	:	Collectively, the Principal Adviser, solicitors, company secretaries, share registrar and paying agent, and trustee, being the advisers appointed by our Company for the Rights Issue of ICULS with Warrants as disclosed in the Advisers' Directory
AmInvestment Bank or Principal Adviser	:	AmInvestment Bank Berhad (Registration No: 197501002220 (23742-V))
ATM(s)	:	Automated teller machine(s)
Authorised Nominee(s)	:	A person who is authorised to act as a nominee as defined under the Rules of Bursa Depository
Board	:	Board of Directors of Scanwolf
Bursa Anywhere	:	Mobile application operated by Bursa Depository to enable depositors to perform their CDS transactions electronically from their mobile phones
Bursa Depository	:	Bursa Malaysia Depository Sdn. Bhd. (Registration No: 198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No: 200301033577 (635998-W))
CDS	:	Central Depository System, the system established and operated by Bursa Depository for the central handling of securities deposited with Bursa Depository
CDS Account(s)	:	Securities account(s) established by Bursa Depository for a depositor pursuant to the SICDA and the Rules of Bursa Depository for the recording of deposit or withdrawal of securities and dealings in such securities by the depositor
Closing Date	:	26 July 2021 at 5.00 p.m., being the last date and time for the acceptance of and payment for the Provisional Allotments and the excess ICULS with Warrants
CMSA	:	Capital Markets and Services Act 2007
CNFS	:	Choong Nam Father & Sons Construction Sdn Bhd (Registration No: 199601018354 (390705-U))
Corporate Exercises	:	Collectively, the Rights Issue of ICULS with Warrants, Creditor Capitalisation and SIS
COVID-19	:	Coronavirus disease 2019
Creditor Capitalisation	:	Settlement of part of the amount owing to CNFS, a creditor of SDSB, of RM3,000,000 via the issuance of 30,000,000 ICULS by Scanwolf

DEFINITIONS (Cont'd)

Deed Poll	:	The deed poll dated 10 June 2021 constituting the Warrants
Director(s)	:	The director(s) of Scanwolf having the meaning given in Section 2(1) of the Act and Section 2(1) of the CMSA
Documents	:	Collectively, this Abridged Prospectus together with the NPA and the RSF
Dolphin Paint	:	Dolphin Paint (KL) Sdn Bhd (Registration No: 201401031524 (1107608-M))
eDividend Bank Account	:	The bank account nominated to receive dividends of the securities deposited in the CDS Account
EGM	:	Extraordinary general meeting
Electronic Application	:	Electronic application for the subscription of Provisional Allotments and/or the excess ICULS with Warrants via ATMs or internet services of the Participating Financial Institutions
Entitled Shareholder(s)	:	Shareholder(s) whose names appear in the Record of Depositors of our Company on the Entitlement Date
Entitlement Date	:	8 July 2021 at 5.00 p.m., being the time and date on which the names of our shareholders must appear in the Record of Depositors in order to be entitled to participate in the Rights Issue of ICULS with Warrants
EPS	:	Earnings per share
Foreign Entitled Shareholders	:	Shareholders who have not provided us with a registered address in Malaysia
FPE	:	Financial period ended
FYE	:	Financial year ended or ending, as the case may be
Guidelines on Issuance of Corporate Bonds and Sukuk	:	Guidelines on Issuance of Corporate Bonds and Sukuk to Retail Investors issued by the SC
ICULS	:	Irredeemable convertible unsecured loan stocks
LAT	:	Loss after tax
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	16 June 2021, being the latest practicable date prior to the printing of this Abridged Prospectus
LPS	:	Loss per share
Market Day(s)	:	A day on which Bursa Securities is open for trading of securities

DEFINITIONS (Cont'd)

Maximum Scenario	: Assuming:
	(i) all the Entitled Shareholders, including the Undertaking Shareholders subscribe in full for their respective entitlements of ICULS with Warrants;
	(ii) the ICULS are fully converted based on the combination of 1 ICULS together with cash payment of RM0.20 for 1 Scanwolf Share; and
	(iii) the Warrants are fully exercised at an exercise price of RM0.30 per Warrant.
Minimum Scenario	: Assuming:
	(i) only the Undertaking Shareholders subscribe in full for their entitlements of ICULS with Warrants and additional ICULS with Warrants not taken up by the other Entitled Shareholders by way of excess application pursuant to their undertakings;
	(ii) the ICULS are fully converted at a conversion rate of 3 ICULS to 1 Scanwolf Share; and
	(iii) the Warrants are fully exercised at an exercise price of RM0.30 per Warrant.
NA	: Net assets attributable to the owners of our Company
Nissha	: Nissha Industrial and Trading Malaysia Sdn Bhd (Registration No. 201401027397 (1103483-W))
NPA	: Notice of provisional allotment of ICULS with Warrants pursuant to the Rights Issue of ICULS with Warrants
NRS	: Nominee Rights Subscription service offered by Bursa Depository at the request of our Company, to Authorised Nominees for electronic subscription of the Rights Issue of ICULS with Warrants through Bursa Depository's existing network facility with the Authorised Nominees
Official List	: A list specifying all securities listed on the Main Market of Bursa Securities
Participating Financial Institutions	: Participating financial institutions for Electronic Applications
PAT	: Profit after tax
PVC	: Polyvinyl chloride
Provisional Allotments	: ICULS with Warrants provisionally allotted to the Entitled Shareholders pursuant to the Rights Issue of ICULS with Warrants
Record of Depositors	: A record of securities holders established and maintained by Bursa Depository under the Rules of Bursa Depository

DEFINITIONS (Cont'd)

Rights ICULS Entitlement File	:	An electronic file forwarded by Bursa Depository to an Authorised Nominee who has subscribed for NRS, containing information of such Authorised Nominee's entitlement under the Rights Issue of ICULS with Warrants as at the Entitlement Date
Rights ICULS Subscription File	:	An electronic file submitted by an Authorised Nominee who has subscribed for NRS, to Bursa Depository containing information pertaining to such Authorised Nominee's subscription of the ICULS with Warrants
Rights Issue of ICULS with Warrants	:	Renounceable rights issue of up to RM10,497,120 nominal value of 5-year 3% ICULS on the basis of 2 ICULS for every 2 Scanwolf Shares, together with up to 52,485,600 Warrants on the basis of 1 Warrant for every 2 ICULS subscribed
RM and sen	:	Ringgit Malaysia and sen, respectively
RSF	:	Rights subscription form for the Rights Issue of ICULS with Warrants
Rules	:	Rules on Take-Overs, Mergers and Compulsory Acquisitions
Rules of Bursa Depository	:	The rules of Bursa Depository as issued pursuant to the SICDA
SC	:	Securities Commission Malaysia
Scanwolf or Company	:	Scanwolf Corporation Berhad (Registration No. 200601021156 (740909-T))
Scanwolf Group or Group	:	Scanwolf and its subsidiaries
Scanwolf Share(s) or Share(s)	:	Ordinary share(s) in Scanwolf
SDSB	:	Scanwolf Development Sdn Bhd (Registration No. 201101007492 (935630-D)), a wholly-owned subsidiary of Scanwolf
SFISB	:	Scanwolf Flooring Industries Sdn Bhd (Registration No. 201601040951 (1211892-X)), a wholly-owned subsidiary of Scanwolf
Share Registrar	:	Tricor Investor & Issuing House Services Sdn Bhd (Registration No: 197101000970 (11324-H))
SICDA	:	Securities Industry (Central Depositories) Act 1991
SIS	:	Share issuance scheme
SIS Options	:	The right of a participant to subscribe for new Scanwolf Shares pursuant to the acceptance of an offer from the SIS committee by an eligible person in the manner provided in the by-laws
SPISB	:	Scanwolf Plastic Industries Sdn Bhd (Registration No. 199301020659 (275397-M)), a wholly-owned subsidiary of Scanwolf
SPSB	:	Scanwolf Properties Sdn Bhd (Registration No. 201101007491 (935629-P)), a wholly-owned subsidiary of Scanwolf

DEFINITIONS (Cont'd)

Trust Deed	:	The trust deed dated 10 June 2021 constituting the ICULS
Trustee	:	MTrustee Berhad (Registration No: 198701004362 (163032-V))
Undertaking Shareholders	:	Collectively, Bernadette Jeanne De Souza, Ng Chee Wai, Dato' Tan Sin Keat and Lau Tiang Hua
USD	:	United States Dollar
VWAMP	:	Volume-weighted average market price
Warrants	:	Up to 52,485,600 free warrants to be issued pursuant to the Rights Issue of ICULS with Warrants

All references to "our Company" or "Scanwolf" in this Abridged Prospectus are to Scanwolf Corporation Berhad, and references to "our Group" or "Scanwolf Group" are to our Company and our subsidiaries. References to "we", "us", "our" and "ourselves" are to our Company and, where the context requires, our Group.

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

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

Any reference in this Abridged Prospectus to any statute is a reference to that statute as for the time being amended or re-enacted. Any reference to a time of day or date in this Abridged Prospectus shall be a reference to Malaysian time and date respectively, unless otherwise specified. Any discrepancies in the tables included in this Abridged Prospectus between the amounts listed, actual figures and the totals thereof are due to rounding.

Certain statements in this Abridged Prospectus may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by 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 any forward-looking statements 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

- PRINCIPAL ADVISER** : AmInvestment Bank Berhad
22nd Floor, Bangunan AmBank Group
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur
Malaysia
- Tel. No.: 03-2036 2633
Fax. No.: 03-2078 2842
- COMPANY SECRETARIES** : Hing Poe Pyng (MAICSA 7053526)
(SSM PC No. 202008001322)
- Wong Yee Lin (MIA 15898)
(SSM PC No. 201908001793)
- 51-8-A Menara BHL
Jalan Sultan Ahmad Shah
10050 George Town
Pulau Pinang
Malaysia
- Tel. No.: 04-373 6616
Fax. No.: 04-373 6615
- SHARE REGISTRAR AND PAYING AGENT** : Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Malaysia
- Tel. No.: 03-2783 9299
Fax. No.: 03-2783 9222
- SOLICITORS** : Zaid Ibrahim & Co
51-22-B & C Menara BHL
Jalan Sultan Ahmad Shah
10050 George Town
Pulau Pinang
Malaysia
- Tel. No.: 04-227 0888
Fax. No.: 04-228 6755
- TRUSTEE** : MTrustee Berhad
Level 15, Menara AmFirst
No .1, Jalan 19/3
46300 Petaling Jaya
Selangor Darul Ehsan
Malaysia
- Tel. No.: 03-7954 6862
Fax. No.: 03-7954 6595
- STOCK EXCHANGE** : Main Market of Bursa Securities

SUMMARY OF THE RIGHTS ISSUE OF ICULS WITH WARRANTS

THIS SUMMARY OF THE RIGHTS ISSUE OF ICULS WITH WARRANTS ONLY HIGHLIGHTS THE KEY INFORMATION FROM THE OTHER PARTS OF THIS ABRIDGED PROSPECTUS. IT DOES NOT CONTAIN ALL THE INFORMATION THAT MAY BE IMPORTANT TO YOU. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE WHOLE ABRIDGED PROSPECTUS.

Basis of allotment, nominal value of ICULS and number of Warrants to be issued pursuant to the Rights Issue of ICULS with Warrants : The Rights Issue of ICULS with Warrants entails the issuance of up to RM10,497,120 nominal value of ICULS at 100% of its nominal value of RM0.10 on the basis of 2 ICULS for every 2 existing Scanwolf Shares held by the Entitled Shareholders on the Entitlement Date together with up to 52,485,600 Warrants on the basis of 1 Warrant for every 2 ICULS subscribed by the Entitled Shareholders.

Any unsubscribed ICULS with Warrants will be made available for excess applications by other Entitled Shareholders and/or their renouncee(s)/transferee(s). It is our Board's intention to allot the excess ICULS with Warrants, if any, in a fair and equitable manner.

Kindly refer to **Section 2.1** of this Abridged Prospectus for further information.

Issue price and conversion price of the ICULS, and exercise price of the Warrants : The issue price of ICULS is RM0.10, conversion price of ICULS is RM0.30 and exercise price of Warrants is RM0.30.

Kindly refer to **Sections 2.2 and 2.3** of this Abridged Prospectus for further information.

Subscription basis, undertakings and underwriting : The Rights Issue of ICULS with Warrants will be undertaken on a minimum subscription basis. To meet the minimum subscription level of RM5,248,590, our Company had, on 2 February 2021, procured irrevocable and unconditional written undertakings from the Undertaking Shareholders, details of which are set out below:

Name	Shareholding as at the LPD		Entitlement		Excess application		Funding required
	No. of Shares ('000)	%	No. of ICULS ('000)	%*	No. of ICULS ('000)	%*	RM ('000)
Bernadette Jeanne De Souza	21,462	20.4	21,462	40.9	18,753	35.7	4,022
Ng Chee Wai	3,190	3.0	3,190	6.1	2,787	5.3	598
Dato' Tan Sin Keat	3,178	3.0	3,178	6.1	2,778	5.3	595
Lau Tiang Hua	181	0.2	181	0.3	158	0.3	34
Total	28,011	26.6	28,011	53.4	24,476	46.6	5,249

Note:

* Based on the 52,485,900 ICULS to be issued pursuant to the undertakings provided by the Undertaking Shareholders.

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

SUMMARY OF THE RIGHTS ISSUE OF ICULS WITH WARRANTS (Cont'd)

- Rationale** :
- (i) enable our Group to secure funding at a fixed funding cost of 3%;
 - (ii) raise additional proceeds for our Group's working capital requirements;
 - (iii) the issuance of the ICULS and Warrants will not have any immediate dilutive effect on the basic EPS of our Group; and
 - (iv) the ICULS and Warrants will provide the Entitled Shareholders with an option to further participate in the equity of our Company.

Kindly refer to **Section 6** of this Abridged Prospectus for further information.

- Utilisation of proceeds** :
- The gross proceeds to be raised from the Rights Issue of ICULS with Warrants of up to RM10,497,120 will be utilised in the following manner:-

Purpose	Minimum Scenario (RM'000)	Maximum Scenario (RM'000)	Estimated time frame for use of proceeds (from the date of listing of the ICULS)
Capital expenditure	3,680	3,680	Within 12 months
Repayment of bank borrowings	-	3,000	Within 12 months
Working capital	719	2,967	Within 12 months
Estimated expenses in relation to the Corporate Exercises	850	850	Within 2 weeks
Total	5,249	10,497	

Kindly refer to **Section 5** of this Abridged Prospectus for further information.

- Risk factors** :
- You should carefully consider the following risk factors:
- (i) our manufacturing business is exposed to, among others, disruptions due to the COVID-19 pandemic, production and operational risks, and fluctuations in raw material prices;
 - (ii) the industry we operate in is exposed to, among others, competition risk and political, economic and regulatory risk; and
 - (iii) the failure or delay in the completion of the Rights Issue of ICULS with Warrants, market risk and the potential dilution in shareholdings of the Entitled Shareholders.

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

- Procedures for acceptance and payment** :
- Acceptance of and payment for the Provisional Allotments and application for the excess ICULS with Warrants must be made by way of the RSF enclosed together with this Abridged Prospectus, Electronic Application, Bursa Anywhere or NRS in accordance with the terms and conditions contained therein.

The last day, date and time for acceptance of and payment for the Provisional Allotments and excess ICULS with Warrants is on **Monday, 26 July 2021 at 5.00 p.m.**

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



SCANWOLF CORPORATION BERHAD
(Registration No. 200601021156 (740909-T))
(Incorporated in Malaysia)

Registered Office:

51-8-A Menara BHL
Jalan Sultan Ahmad Shah
10050 George Town
Pulau Pinang
Malaysia

8 July 2021

Board of Directors

Lau Tiang Hua (Chairman, Non-Independent Non-Executive Director)
Dato' Tan Sin Keat (Executive Director)
Ng Chee Wai (Executive Director)
Liew Peng Chuen @ Liew Ah Choy (Independent Non-Executive Director)
Ong Sing Guan (Independent Non-Executive Director)
Saffie bin Bakar (Independent Non-Executive Director)

To: The Entitled Shareholders

Dear Sir/Madam,

RIGHTS ISSUE OF ICULS WITH WARRANTS

1. INTRODUCTION

On 2 February 2021, AmInvestment Bank had, on behalf of our Board, announced that our Company proposed to undertake the Corporate Exercises.

On 7 May 2021, AmInvestment Bank had, on behalf of our Board, announced that the SC, through its letter dated 7 May 2021, approved the issuance of the ICULS subject to the compliance with the standard conditions and continuing obligations as stipulated in the Guidelines on Issuance of Corporate Bonds and Sukuk.

On 18 May 2021, AmInvestment Bank had, on behalf of our Board, announced that Bursa Securities had, vide its letter dated 18 May 2021, approved the following:

- (i) admission to the Official List and listing of and quotation for up to 134,971,200 new ICULS, comprising of up to 104,971,200 new ICULS to be issued pursuant to the Rights Issue of ICULS with Warrants and 30,000,000 new ICULS to be issued pursuant to the Creditor Capitalisation on the Main Market of Bursa Securities;
- (ii) admission to the Official List and listing of and quotation for up to 52,485,600 new Warrants to be issued pursuant to the Rights Issue of ICULS with Warrants on the Main Market of Bursa Securities; and
- (iii) listing of and quotation for the following on the Main Market of Bursa Securities comprising:-
 - (a) up to 134,971,200 new Scanwolf Shares to be issued upon the conversion of the ICULS;

- (b) up to 52,485,600 new Scanwolf Shares to be issued upon the exercise of the Warrants; and
- (c) up to 15% of the total number of issued Scanwolf Shares to be issued upon the exercise of the SIS Options pursuant to the SIS;

subject to the following conditions:

No.	Conditions	Status of compliance
1.	Scanwolf and AmlInvestment Bank must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Corporate Exercises;	Noted
2.	Scanwolf and AmlInvestment Bank to inform Bursa Securities upon the completion of the Corporate Exercises respectively;	To be complied
3.	Scanwolf and AmlInvestment Bank to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Corporate Exercises are completed respectively;	To be complied
4.	Scanwolf to furnish Bursa Securities with a certified true copy of the resolutions passed by the shareholders in general meeting approving the Corporate Exercises;	To be complied
5.	Scanwolf to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the conversion of the ICULS, exercise of Warrants and issuance of new shares under the SIS as at the end of each quarter together with a detailed computation of listing fees payable; and	To be complied
6.	AmlInvestment Bank is required to submit a confirmation to Bursa Securities of full compliance of the SIS pursuant to Paragraph 6.43(1) of the Listing Requirements and stating the effective date of implementation.	To be complied

On 9 June 2021, our shareholders approved the Corporate Exercises, which include the Rights Issue of ICULS with Warrants at our EGM.

On 10 June 2021, AmlInvestment Bank had, on behalf of our Board, announced the following:

- (i) the execution of the Trust Deed by our Company and the Trustee; and
- (ii) the execution of the Deed Poll by our Company.

On 24 June 2021, AmlInvestment Bank had, on behalf of our Board, announced that the Entitlement Date has been fixed for 8 July 2021.

No person is authorised to give any information or to make any representation not contained in this Abridged Prospectus and if given or made, such information or representation must not be relied upon as having been authorised by us or AmlInvestment Bank.

YOU ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.

2. RIGHTS ISSUE OF ICULS WITH WARRANTS

2.1 Details of the Rights Issue of ICULS with Warrants

The Rights Issue of ICULS with Warrants entails the issuance of up to RM10,497,120 nominal value of ICULS at 100% of its nominal value of RM0.10 on the basis of 2 ICULS for every 2 existing Scanwolf Shares held by Entitled Shareholders on the Entitlement Date together with up to 52,485,600 Warrants on the basis of 1 Warrant for every 2 ICULS subscribed by the Entitled Shareholders.

As at the LPD, the issued share capital of our Company is RM49,724,007 comprising 104,971,200 Scanwolf Shares (excluding 780,900 treasury shares). For the purposes of the implementation of the Rights Issue of ICULS with Warrants, our Board has undertaken to ensure that our Company shall not purchase/sell/cancel any Scanwolf Shares currently held as treasury shares pursuant to our Company's share buy-back scheme until the completion of the Rights Issue of ICULS with Warrants.

The Rights Issue of ICULS with Warrants is renounceable in full or in part. However, the ICULS and Warrants cannot be renounced separately. The Warrants are attached to the ICULS and will only be issued to the Entitled Shareholders or renounee(s)/transferee(s) who have subscribed for the ICULS. The Entitled Shareholders accepting only part of their ICULS entitlements shall be entitled to the Warrants in proportion to their acceptance of their ICULS entitlements.

The ICULS with Warrants will be provisionally allotted to the Entitled Shareholders. Any ICULS which are not subscribed or not validly subscribed for shall be made available for excess applications by the Entitled Shareholders or their renounee(s)/transferee(s). Our Board intends to allocate such excess ICULS with Warrants in a fair and equitable manner on a basis to be determined later by our Board.

The Warrants shall be immediately detached from the ICULS upon issuance and shall be traded separately on the Main Market of Bursa Securities.

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

As you are an Entitled Shareholder, you will find enclosed with this Abridged Prospectus the NPA notifying you of the crediting of such number of Provisional Allotments into your CDS Account, and the RSF which is to be used for the acceptance of the ICULS with Warrants provisionally allotted to you, and for the application of any excess ICULS with Warrants should you wish to do so. You may also subscribe for such Provisional Allotments via Electronic Application, Bursa Anywhere or NRS in accordance with the instructions set out in Section 11 of this Abridged Prospectus

Please refer to **Appendix II** and **Appendix III** of this Abridged Prospectus for the salient terms of the ICULS and Warrants respectively.

2.2 Basis and justification of arriving at the issue price of the ICULS and the conversion price of the ICULS

The ICULS shall be issued at 100% of its nominal value of RM0.10 each. The issue price of RM0.10 and the conversion price of RM0.30 were determined after taking into consideration the following:

- (i) the funding requirements of our Group as disclosed in Section 5 of this Abridged Prospectus;
- (ii) the tenure of the ICULS of 5 years with interest rate of 3% per annum;

- (iii) the prospects of our Group as disclosed in Section 8.3 of this Abridged Prospectus; and
- (iv) the latest audited NA per Scanwolf Share of RM0.36 as at 30 June 2020.

For illustrative purposes, the conversion price of the ICULS of RM0.30 represents:

- (i) a premium of RM0.0718 or 31.46% to the 5-day VWAMP of Scanwolf Shares up to and including 26 January 2021, being the latest practicable date immediately prior to the announcement of the Corporate Exercises of RM0.2282;
- (ii) a discount of RM0.0229 or 7.09% to the 5-day VWAMP of Scanwolf Shares up to and including 16 June 2021, being the LPD immediately prior to this Abridged Prospectus of RM0.3229; and
- (iii) a discount of RM0.06 or 16.67% to the latest audited NA per Scanwolf Share of RM0.36 as at 30 June 2020.

The interest rate of the ICULS of 3% per annum was determined after taking into consideration the following:

- (i) the financial strength and cost of debt of our Group as well as the annual coupon payment payable by our Group to the ICULS holders during the tenure of the ICULS; and
- (ii) the attractiveness of the interest rate payable from the ICULS as compared to the fixed deposit rate (i.e., less than 2%).

2.3 Basis and justification of arriving at the issue price of the Warrants and the exercise price of the Warrants

The Warrants will be issued at no cost to the Entitled Shareholders and/or their renounee(s) who have successfully subscribed for the ICULS.

Our Board has fixed the exercise price of the Warrants at RM0.30 each after taking into consideration, among others, the following:

- (i) the Warrants will be issued at no cost to the Entitled Shareholders and/or their renounee(s) who have successfully subscribed for the ICULS;
- (ii) the tenure of the Warrants of 5 years;
- (iii) the prospects of our Group as disclosed in Section 8.3 of this Abridged Prospectus; and
- (iv) the latest NA per Scanwolf Share of RM0.36 as at 30 June 2020.

2.4 Ranking of the new Scanwolf Shares to be issued from the conversion of the ICULS and exercise of the Warrants

The new Scanwolf Shares to be issued from the conversion of the ICULS and the exercise of the Warrants shall, upon allotment and issue, rank *pari passu* in all respects with the then existing Scanwolf Shares, save and except that the holders of the new Scanwolf Shares shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment and issuance of the new Scanwolf Shares.

3. OTHER CORPORATE PROPOSALS APPROVED BUT PENDING COMPLETION

Our Board confirms that save for the Rights Issue of ICULS with Warrants and those disclosed below, there are no other corporate proposals that have been announced and/or approved but yet to be completed as at the LPD.

3.1 Creditor Capitalisation

On 9 June 2021, our shareholders approved the Corporate Exercises at our EGM. Pursuant to the Creditor Capitalisation, our Company, on behalf of SDSB, will issue 30,000,000 ICULS to CNFS to set off RM3,000,000 of the amount owing to CNFS of RM13,422,867.69 as at 31 December 2020.

The ICULS to be issued pursuant to the Creditor Capitalisation is expected to be listed and quoted on the Main Market of Bursa Securities on the same day as the ICULS and Warrants to be issued pursuant to the Rights Issue of ICULS with Warrants.

3.2 SIS

On 9 June 2021, our shareholders approved the Corporate Exercises at our EGM. The SIS is intended to reward eligible Executive Directors and employees of our Group (excluding dormant subsidiaries) for their contribution and services.

As at the LPD, our Company has yet to implement the SIS.

3.3 Disposal of land and building

Our Company had, on 30 April 2021, announced that our wholly-owned subsidiary, SPISB had entered into a sale and purchase agreement with Dolphin Paint for the disposal of a piece of leasehold land measuring an area approximately 2,051 square metres together with a unit of three storey detached factory erected thereon located in Shah Alam, Selangor ("**Property**") for a cash sale consideration of RM6,800,000.00 ("**Disposal Consideration**") ("**SPA**").

The details of the Property are as follows:

No.	Item	Description
1.	Property address	No. 16, Jalan U5/16, Bandar Pinggiran Subang, Seksyen U5, 40150 Shah Alam, Selangor
2.	Title particulars	Pajakan Negeri 17230, Lot 40302 Mukim Sungai Buloh, District of Petaling, State of Selangor
3.	Land area	Approximately 2,051 square metres (equivalent to approximately 10,010 sq ft)
4.	Tenure	Leasehold (99 years lease expiring on 11 December 2096)
5.	Category of land use	Industrial
6.	Existing use	Warehouse
7.	Original cost of investment	RM5,620,000.00
8.	Date of investment	18 April 2016

No.	Item	Description
9.	Age of building	7 years
10.	Restriction-in-interest	The land shall not be transferred, leased or charged without the approval by the state authority
11.	Encumbrances	Charged to Pac Lease Berhad
12.	Express condition	Industrial building

3.1.1 Mode of settlement and basis of the Disposal Consideration

The Disposal Consideration shall be settled in the following manner:

No.	Description	Amount (RM)
1.	Earnest deposit prior to the execution of SPA ⁽¹⁾	136,000
2.	Balance deposit on execution of SPA ⁽¹⁾	544,000
3.	Balance Disposal Consideration ⁽²⁾	6,120,000
Total		6,800,000

Notes:

- (1) Both the earnest deposit and balance deposit are collectively treated as payment of 10% deposit (“**Deposit**”) and part payment towards the Disposal Consideration. In the event Dolphin Paint fails to pay the Balance Disposal Consideration in accordance with the terms of the SPA, SPISB shall be entitled to terminate the SPA by giving written notice to Dolphin Paint and, amongst others, the Deposit paid shall be absolutely forfeited to SPISB as agreed liquidated damages.
- (2) The Balance Disposal Consideration of 90% shall be paid by Dolphin Paint to SPISB’s solicitors as stakeholder within 90 days from the unconditional date (“**Completion Period**” and the last date of the Completion Period is referred to as “**Completion Date**”), or within an extension of another 30 days commencing from the Completion Date subject to late payment interest at the rate of 8% per annum calculated on a daily basis on the Balance Disposal Consideration or any part thereof remaining outstanding commencing from the day following the Completion Date until the date of actual payment of the Balance Disposal Consideration.

The Disposal Consideration was arrived at on a “willing buyer-willing seller” basis after taking into consideration the audited net book value of the Property of RM5,530,417.45 as at 30 June 2020.

3.1.2 Liabilities to be assumed

Our Company will not assume any liabilities arising from the disposal.

3.1.3 Rationale for the disposal

Our Board plans to centralise all business administration at our factory located in Tronoh, Perak while maintaining a reasonable marketing presence in Selangor so to improve efficiency and reduce duplicating operating expenses.

3.1.4 Utilisation of proceeds

The net proceeds from the disposal after accounting for the repayment of banking facilities attributable to the Property of RM2,946,000 and estimated expenses incurred in relation to the disposal of RM243,000 will be utilised for the repayment of bank borrowings and working capital of our Group, as follows:

No.	Purpose	Amount (RM)
1.	Repayment of bank overdraft	2,500,000
2.	Working capital	1,111,000
Total		3,611,000

The expected timeframe for the utilisation of the proceeds of RM3,611,000 is within one (1) month from the Completion Date.

Save and except for the state authority's approval to transfer the Property in favour of Dolphin Paint, the disposal is not subject to the approval of Scanwolf's shareholders or any other regulatory authorities. Barring any unforeseen circumstances, the disposal is expected to be completed by 31 October 2021.

Further details on the disposal are set out in our announcement dated 30 April 2021.

4. SUBSCRIPTION BASIS, UNDERTAKINGS AND UNDERWRITING

The Rights Issue of ICULS with Warrants will be undertaken on a minimum subscription basis. The minimum subscription basis was determined after taking into consideration, among others, the funding requirements of our Group as set out in Section 5 of this Abridged Prospectus and the quantum of undertakings secured by our Company from the Undertaking Shareholders.

To meet the minimum subscription level of RM5,248,590, our Company had, on 2 February 2021, procured irrevocable and unconditional written undertakings from the Undertaking Shareholders to subscribe in full for their entitlements of ICULS with Warrants and additional ICULS with Warrants, if necessary, by way of excess application to the extent such that the aggregate subscription proceeds arising from the subscription of ICULS with Warrants by all Entitled Shareholders and/or their renounee(s)/transferee(s) amount to not less than RM5,248,590.

In the event the minimum subscription level of RM5,248,590 is fully met via the subscription of ICULS with Warrants by the Entitled Shareholders (excluding the Undertaking Shareholders), the said Undertaking Shareholders will still be obligated to subscribe in full for their entitlements of ICULS with Warrants pursuant to their undertakings, but will not be obligated to subscribe for additional ICULS with Warrants by way of excess application. However, in the event the minimum subscription level of RM5,248,590 is not met even after the Undertaking Shareholders subscribe in full for their entitlements of ICULS with Warrants, the Undertaking Shareholders are required to subscribe for additional ICULS with Warrants not subscribed by the Entitled Shareholders on a pro-rata basis until the said minimum subscription level has been met.

A summary of the undertakings are as set out below:

Name	Shareholding as at the LPD		Subscription via entitlement		Subscription via excess application		Funding required RM ('000)
	No. of Shares (‘000)	%	No. of ICULS (‘000)	%*	No. of ICULS (‘000)	%*	
Bernadette Jeanne De Souza	21,462	20.4	21,462	40.9	18,753	35.7	4,022
Ng Chee Wai	3,190	3.0	3,190	6.1	2,787	5.3	598
Dato’ Tan Sin Keat	3,178	3.0	3,178	6.1	2,778	5.3	595
Lau Tiang Hua	181	0.2	181	0.3	158	0.3	34
Total	28,011	26.6	28,011	53.4	24,476	46.6	5,249

Note:

* Based on the 52,485,900 ICULS to be issued pursuant to the undertakings provided by the Undertaking Shareholders.

The Undertaking Shareholders have confirmed that they have sufficient financial resources to subscribe in full for their respective entitlements and the excess application as mentioned above pursuant to their undertakings. AmInvestment Bank, being the Principal Adviser for the Rights Issue of ICULS with Warrants, has verified the confirmation made by the Undertaking Shareholders.

As the Rights Issue of ICULS with Warrants will be undertaken on a minimum subscription basis, we have not procured any underwriting arrangements for the remaining open portion of 52,485,300 ICULS representing approximately 50.0% of the ICULS to be issued under the Maximum Scenario, not subscribed by the other Entitled Shareholders and/or their renouncee(s)/transferee(s) pursuant to the Rights Issue of ICULS with Warrants.

Upon the completion of the Rights Issue of ICULS with Warrants (but before the conversion of ICULS and/or exercise of Warrants), the resultant shareholdings of the Undertaking Shareholder(s) and any persons connected to them will not increase to above 33%. Hence, the undertakings will not give rise to any mandatory take-over obligation under the Rules.

The shareholdings of the Undertaking Shareholders assuming full conversion of the ICULS and Warrants subscribed by them into new Scanwolf Shares under the Minimum Scenario are as follows:

	As at the LPD			
	Direct		Indirect	
	No. of Shares (‘000)	(%)	No. of Shares (‘000)	(%)
Bernadette Jeanne De Souza	21,462	20.4	181 ⁽¹⁾	0.2
Dato’ Tan Sin Keat	3,178	3.0	742 ⁽²⁾	0.7
Ng Chee Wai	3,190	3.0	-	-
Lau Tiang Hua	181	0.2	21,462 ⁽³⁾	20.4

	Assuming full conversion of the ICULS and exercise of the Warrants			
	Direct		Indirect	
	No. of Shares ('000)	(%)	No. of Shares ('000)	(%)
Bernadette Jeanne De Souza	54,975	34.6	463 ⁽¹⁾	0.3
Dato' Tan Sin Keat	8,140	5.1	1,360 ⁽²⁾	0.9
Ng Chee Wai	8,171	5.1	-	-
Lau Tiang Hua	463	0.3	54,975 ⁽³⁾	34.6

Notes:

- (1) Deemed interested by virtue of her spouse, Lau Tiang Hua pursuant to Section 8 of the Act.
- (2) Deemed interested by virtue of shareholdings held by his son, Tan Yann Kang pursuant to Section 59(11)(c) of the Act.
- (3) Deemed interested by virtue of his spouse, Bernadette Jeanne De Souza pursuant to Section 59(11)(c) of the Act.
- (4) The above table does not take into account the granting and exercise of SIS Options by the eligible persons which will further dilute the shareholdings of Bernadette Jeanne De Souza and Lau Tiang Hua, who are not eligible to participate in the SIS.

For illustration purposes only, assuming that the Undertaking Shareholders convert their ICULS and/or exercise their Warrants under the Minimum Scenario and that 23,806,417 SIS Options are granted and fully exercised by the eligible persons ("**Minimum Scenario with SIS Options**"), the shareholdings of the Undertaking Shareholders are as follows:

	Assuming full conversion of the ICULS and exercise of the Warrants and SIS Options ⁽⁴⁾			
	Direct		Indirect	
	No. of Shares ('000)	(%)	No. of Shares ('000)	(%)
Bernadette Jeanne De Souza	54,975	30.1	463 ⁽¹⁾	0.3
Dato' Tan Sin Keat	10,521	5.8	1,360 ⁽²⁾	0.7
Ng Chee Wai	10,552	5.8	-	-
Lau Tiang Hua	463	0.3	54,975 ⁽³⁾	30.1

Notes:

- (1) Deemed interested by virtue of her spouse, Lau Tiang Hua pursuant to Section 8 of the Act.
- (2) Deemed interested by virtue of shareholdings held by his son, Tan Yann Kang pursuant to Section 59(11)(c) of the Act.
- (3) Deemed interested by virtue of his spouse, Bernadette Jeanne De Souza pursuant to Section 59(11)(c) of the Act.
- (4) Assuming 10% of the total number of SIS Options issued are granted and exercised by each of our eligible Executive Directors, namely Dato' Tan Sin Keat and Ng Chee Wai.

In view of the above, should the Undertaking Shareholder(s) convert their ICULS and/or exercise their Warrants under the Minimum Scenario and/or Minimum Scenario with SIS Options, such that the shareholdings of the Undertaking Shareholder(s) and persons connected with them in our Company increase to more than 33%, whether on an individual or collective basis, the Undertaking Shareholder(s) and persons connected to them are obliged to undertake a mandatory take-over offer pursuant to the Rules.

For the avoidance of doubt, it is not the intention of the Undertaking Shareholders to undertake a mandatory take-over offer in such event. In this regard, the Undertaking Shareholders have confirmed that they will at all times observe and ensure compliance with the provisions of the Rules to avoid triggering such obligation to extend a mandatory take-over offer. In addition, should the need arise, the Undertaking Shareholders will make an application to the SC to seek an exemption under the Rules from the obligation to undertake a mandatory take-over offer prior to any conversion of their ICULS and/or exercise of their Warrants.

Under the Minimum Scenario, our Company will still be in compliance with the public shareholding spread requirement pursuant to Paragraph 8.02(1) of the Listing Requirements by having at least 25% of total listed Scanwolf Shares (excluding treasury shares) in the hands of public shareholders.

5. UTILISATION OF PROCEEDS

The gross proceeds to be raised from the Rights Issue of ICULS with Warrants of up to RM10,497,120 will be utilised in the following manner:

Purpose	Minimum Scenario (RM'000)	Maximum Scenario (RM'000)	Estimated time frame for use of proceeds (from the date of listing of the ICULS)
Capital expenditure ⁽¹⁾	3,680	3,680	Within 12 months
Repayment of bank borrowings ⁽²⁾	-	3,000	Within 12 months
Working capital ⁽³⁾	719	2,967	Within 12 months
Estimated expenses in relation to the Corporate Exercises ⁽⁴⁾	850	850	Within 2 weeks
Total	5,249	10,497	

Notes:

- (1) Our Group intends to utilise approximately RM3.7 million of the gross proceeds from the Rights Issue of ICULS with Warrants to purchase additional production lines for our manufacturing business, as detailed below.
- (a) Our Group has since November 2020 received a hike in purchase orders for its plastic edging business from the southern region of Peninsular Malaysia. However, due to the limited production capacity, our Group has had to turn down a high amount of the orders. To accommodate the surge in demand, our Group intends to utilise approximately RM2.4 million of the proceeds to purchase two (2) new production lines for its plastic edging business, which consist of the following machineries:

Details	Units	Amount RM'000
Printing machine with winder/rewinder	2	1,000
PVC sheet extrusion line	3	450
Circular cutter slitting machine	4	680
Automatic primer machine	1	250
Total		2,380

As at the LPD, our Group's plastic edging division has maximum production capacity of 300 MT per month and is operating at maximum capacity. In addition, the plastic edging division is encountering a total backlog of 540 MT as at 31 May 2021. The new production lines are mainly to produce plastic edging for the furniture industry and are expected to increase the maximum production capacity from 300 MT per month to 440 MT per month. The installation of the new production lines is nearing completion and scheduled to commence operations in full by end of July 2021. As at the LPD, our Group has issued purchase order and received the abovesaid machineries from the relevant suppliers and expects to pay the purchase consideration within a month from the listing of the ICULS with Warrants.

- (b) To further enhance our manufacturing business, our Group intends to utilise RM1.3 million of the proceeds to acquire the following:

Details	Unit	Amount RM'000
Pressing machine (aa)	1	500
PVC calendar 6 roller (bb)	1	800
Total		1,300

(aa) Our Group had, on 9 July 2019, completed the acquisition of SFISB whose principal business activity is the production of luxury vinyl tiles. As at the LPD, our Group owns four (4) units of pressing machines. Our Group intends to add one (1) unit of pressing machine amounting to RM500,000 for our flooring business to be fully funded through the proceeds from the Rights Issue of ICULS with Warrants. As at the LPD, our Group's flooring division has maximum production capacity of 1,100 boxes per day and is currently operating at 40% capacity due to the full movement control order imposed as a result of the COVID-19 pandemic (as compared to 90% utilisation rate in May 2021 prior to the implementation of the full movement control order commencing 1 June 2021). The new pressing machine is expected to produce 360 boxes of vinyl tiles per day and hence contribute to the increase in maximum production capacity from 1,100 boxes per day to 1,460 boxes per day. As at the LPD, our Group has not placed any purchase order for the pressing machine.

(bb) Our Group had, on 15 January 2021, announced that our Group via our wholly-owned subsidiary, SPISB:

- will further expand our product segments by venturing into the manufacturing of plastic films for the packaging industry; and
- is in the midst of installing three (3) production lines with an initial production capacity of approximately 3,576 MT of plastic films per annum. Such production lines are expected to commence operations by the end of March 2021.

As at the LPD, one (1) production line has commenced operations while the other two (2) production lines are expected to commence operations by September 2021 and December 2021 respectively. The delay is attributed to, among others, disruptions to the installation works by contractors and delay in shipment of machineries as a result of the ongoing COVID-19 pandemic.

In view of the encouraging outlook for the packaging industry and our Group's expansion plan, our Group intends to add another one (1) unit of PVC calendar 6 roller with the latest automation features for our packaging division by using RM800,000 of the proceeds raised from the Rights Issue of ICULS with Warrants. The completion of the three (3) production lines will contribute an initial production capacity of 298 MT per month for our Group's packaging business and as at the LPD, one (1) production line has commenced operations. The other two (2) production lines are scheduled to commence commercial production by September 2021 and December 2021 respectively. The new PVC calendar 6 roller is expected to increase the maximum production capacity from 298 MT per month to 408 MT per month. As at the LPD, our Group has not placed any purchase order for the purchase of the PVC calendar 6 roller.

Any surplus or shortfall for the capital expenditure will be adjusted accordingly to/from the working capital of our Group.

- (2) As at the LPD, our Group's total bank borrowings amount to RM28.1 million. Under the Maximum Scenario, our Group intends to utilise RM3.0 million of the gross proceeds from the Rights Issue of ICULS with Warrants to partially repay our bank borrowings, as follows:

Name	Outstanding amount as at the LPD RM'000	Repayment amount RM'000	Interest rate per annum %	Expected gross interest savings per annum RM'000
Overdraft facility	6,000	3,000	5.95	179

Our Group has decided to prioritise the repayment of overdraft facility as the finance cost charged is based on reducing balances and it has a higher interest rate as compared to bankers' acceptances. The above overdraft facility was drawn down to finance the working capital requirements of our Group and is repayable on demand. The partial repayment of the above overdraft facility under the Maximum Scenario is expected to result in gross interest savings of approximately RM0.18 million annually based on the interest rate of 5.95% per annum.

- (3) Our Group intends to utilise up to approximately RM3.0 million of the gross proceeds from the Rights Issue of ICULS with Warrants for our working capital requirements, as follows:

Machinery	Minimum Scenario RM'000	Maximum Scenario RM'000
Purchase of raw materials ^(a)	719	2,500
Other operating and administrative expenses ^(b)	-	467
Total	719	2,967

(a) Comprise plastic resin and chemicals.

(b) Comprise utilities, administrative and maintenance expenses.

- (4) The estimated expenses relating to the Rights Issue of ICULS with Warrants are as follows:

Details	Amount RM'000
Professional fees (such as Principal Adviser, Solicitors, Company Secretaries, Share Registrar and Trustee)	556
Fees payable to authorities	120
Other expenses in connection with the Rights Issue of ICULS with Warrants (such as advertising, printing and convening of EGM)	174
Total	850

Any surplus or shortfall of funds for the payment of the expenses for the Corporate Exercises will be adjusted to/from the working capital of our Group.

Pending utilisation of the proceeds from the Rights Issue of ICULS with Warrants, the proceeds will be placed in interest-bearing deposit accounts with financial institution(s) and/or investments in short term money market fund(s) as our Board deems fit and in the best interest of our Company. Any interest income generated from the deposits with financial institution(s) and/or dividend income arising from the short-term money market fund(s) will be used for the working capital requirements of our Company.

6. RATIONALE FOR THE RIGHTS ISSUE OF ICULS WITH WARRANTS

After due consideration of the various funding options available to our Company, such as bank borrowings and private placement, our Board is of the opinion that the Rights Issue of ICULS with Warrants is an appropriate avenue to raise the funds required by our Group, as:

- (i) the Rights Issue of ICULS with Warrants will enable our Group to secure funding at a fixed funding cost of 3% which is lower compared to the average effective borrowing cost of our Group of approximately 6%. In addition, the fixed funding cost also reduces our Group's exposure to interest rate fluctuations, which will in turn enable our Group to manage our cash flows more efficiently;
- (ii) the conversion of the ICULS via a combination of the ICULS together with cash consideration (if any) and the exercise of the Warrants will enable our Group to raise additional proceeds for our working capital requirements;
- (iii) our Group is able to strengthen our eventual capital base upon the conversion of the ICULS and the exercise of the Warrants;
- (iv) the Warrants will be issued at no cost to the Entitled Shareholders based on their respective entitlements pursuant to the Rights Issue of ICULS with Warrants to reward the shareholders for their continued support of our Company. Additionally, the Warrants will provide the Entitled Shareholders with an incentive to subscribe for the ICULS;
- (v) the issuance of the ICULS and Warrants will not have any immediate dilutive effect on the basic EPS of our Group (when compared to an issuance of new Scanwolf Shares) as the conversion of the ICULS and/or exercise of the Warrants are expected to occur over a period of time; and
- (vi) the ICULS and Warrants will provide the Entitled Shareholders with an option to further participate in the equity of our Company at a predetermined conversion price during the tenure of the ICULS and a predetermined exercise price during the tenure of the Warrants.

7. RISK FACTORS

You should carefully consider the following risk factors together with other information contained in this Abridged Prospectus before subscribing for the ICULS with Warrants.

7.1 Risks relating to our Group

(i) Disruptions due to the COVID-19 pandemic

The COVID-19 pandemic and the ensuing introduction of the movement control order, recovery movement control order and conditional movement control order have had varying impact on our Group's manufacturing business, where our operations were temporarily halted on 18 March 2020. Subsequently, we received approval to operate from the Ministry of International Trade and Industry Malaysia on 4 April 2020. As a result, our Group's revenue for the FYE 30 June 2020 decreased by 36.56% to approximately RM30.90 million (FYE 30 June 2019: RM48.70 million).

Supply and logistics disruptions also affected our operations during the movement control order period where our suppliers were also required to halt operations. The disruptions to international logistics also affected our export sales, which generally contribute about 35% of our revenue. Delays in the delivery of our products impacted our revenue recognition. Also, delays in the supply of raw materials have made it challenging for us to fulfil customers' orders. In addition, we also incurred extra costs in order to comply with standard operating procedures imposed by the Malaysian government, such as screening tests, sanitisation expenses and purchase of personal protective equipment.

Whilst our Group has continued to receive purchase orders even during the movement control order period, the disruptions mentioned above had led to production backlog and resulted in our Group incurring additional labour and maintenance costs in order for us to satisfy the purchase orders upon the resumption of our operations.

Notwithstanding the re-imposition of the movement control order from 13 January 2021 to 4 March 2021 and from 12 May 2021 to 7 June 2021, our Group was able to continue our manufacturing operations, subject to compliance with the standard operating procedures imposed by the Malaysian government. As such, there has been no significant impact to our operations during these periods.

Nonetheless, prolonged adverse developments brought about by the COVID-19 pandemic may lead to more restrictions being imposed by the authorities which may result in, among others, the halting of our manufacturing operations, higher operating costs and/or disruptions to our suppliers' operations. Such impact may negatively affect the demand for our products and consequently, our financial performance.

(ii) Fluctuations in raw material prices

Plastic resin represents the main raw material used in our manufacturing operations. Our Group sources plastic resin mainly from Thailand, Indonesia and Taiwan.

The purchase of plastic resin constitutes about 45% of our Group's cost of sales for the past three (3) financial years. Any adverse fluctuations in the price of plastic resin and/or other raw materials, as well as shortage of raw materials, may materially affect the profit margins of our Group if we are unable to pass on the increased cost, whether fully or partially, to our customers in a timely manner.

There is no assurance that our Group will be able to correctly anticipate the movement in the price of plastic resin and/or other raw materials to match our purchases or that our Group will be able to pass on the increased cost, if any, to our customers in order to maintain our profit margins.

(iii) Production and operational risk

Given the nature of our manufacturing business, our Group relies heavily on machineries and equipment for our operations. Any frequent breakdown in these machineries and equipment, or unforeseen incidents beyond our control, may materially impact our production and consequently, negatively impact our financial performance.

As at the LPD, our Group has not experienced any significant breakdown and disruptions to our operations. Nonetheless, there is no assurance that our machineries and equipment will be able to operate reliably and will not cause any unforeseen disruptions to our operations.

(iv) Foreign exchange fluctuations

As at the LPD, our Group does not have any currency hedging arrangements in place. Our Group's revenue arising from export sales and our purchase of main raw material, plastic resin are primarily denominated in USD and therefore, there is some natural hedge with respect to our foreign exchange risk.

However, there is no assurance that any adverse foreign exchange fluctuations will not result in foreign exchange losses that may negatively affect our financial performance.

7.2 Risks relating to our industry

(i) Dependency on supply of foreign workers

Our Group's manufacturing business is rather labour intensive. As it is challenging to hire local workers, our Group is heavily reliant on foreign workers. As at the LPD, our manufacturing business has a total workforce of 188 people, of which 39% consist of foreign workers mainly from Nepal, Myanmar and Bangladesh.

Any changes to foreign worker visa policies in Malaysia or in the countries which our foreign workers are from and potential suspension on the intake of foreign workers in Malaysia may result in our Group facing difficulties to maintain an adequate production workforce for our manufacturing operations. Any increase in the levy rate for foreign workers or additional requirements imposed by the Malaysian government to combat the COVID-19 pandemic such as the increase in screening frequency and provision of personal protective equipment will increase our labour costs. In the event we are not able to pass on such increase in costs to our customers, we may not be able to preserve our profit margins.

(ii) Competition risk

Our Group's manufacturing business encounters competition from both local and foreign manufacturers. We compete with our competitors in terms of, among others, pricing, product quality and product offerings.

Competition from foreign manufacturers in countries with lower cost of production may result in lower profit margins and/or reduction in our market share. As such, it is important to maintain cost efficiency for our manufacturing business to enable us to be competitive.

There is no assurance that we will be able to compete effectively with our competitors in the manufacturing business and there is no assurance that such competition will not intensify further to the extent that it may adversely affect our Group's financial performance.

(iii) Political, economic and regulatory risks

The financial and business prospects of our Group are subject to prevailing political, economic and regulatory circumstances in Malaysia and/or other countries in which our Group has business dealings.

Any adverse developments in political, economic or regulatory conditions in Malaysia and/or such countries which we transact business may materially and adversely affect the business and financial performance of our Group. These include, but are not limited to, the risk of war, terrorist attacks, riots, changes in political leadership, global economic downturn and unfavourable changes in governmental policies such as interest rates, licensing or introduction of new regulations.

Our Group will continue to monitor the political, economic and regulatory conditions in Malaysia and/or countries in which we have business dealings. However, there is no assurance that any changes to the political, economic or regulatory environment will not have any material adverse impact to the financial performance of our Group.

7.3 Risks relating to the Rights Issue of ICULS with Warrants

(i) Market risk

The market price of our Shares is influenced by, amongst others, prevailing market sentiments, volatility of the stock market, liquidity of our Shares, movements in interest rates, our financial performance and future profitability, government regulations, legislations, duties and taxation as well as the future outlook of our Group's business operations.

The market price of the ICULS and Warrants, like all listed securities traded on Bursa Securities, are subject to, amongst others, price discovery by investors, fluctuation in tandem with the overall outlook of stock market in Malaysia and globally, and will be influenced by, amongst others, the market price, potential payments of dividends and volatility of our Shares, and the remaining conversion period of the ICULS and the remaining exercise period of the Warrants.

Accordingly, there is no assurance that the market price of the ICULS and Warrants will be at a level that meets the specific investment objectives of the ICULS holders and Warrants holders, and that the conversion price of the ICULS and/or the exercise price of the Warrants will be in the money during the tenure of the conversion period of the ICULS and the exercise period of the Warrants.

(ii) No prior market

There is no prior market for the ICULS and Warrants, and as such there is no assurance that an active market for the ICULS and Warrants will develop upon its listing and quotation on the Main Market of Bursa Securities, or, if developed, that such a market is sustainable or adequately liquid during the tenure of the ICULS and Warrants. The ICULS and Warrants will be traded on Bursa Securities at prices which are dependent upon market forces which are beyond the control of our Company.

(iii) Credit risk

The ICULS bear a fixed coupon rate of 3% per annum calculated on the outstanding nominal value of the ICULS, payable in arrears on a semi-annual basis. There is no assurance that the financial performance of our Group would be favourable to sustain the financial condition of our Group at a satisfactory level to generate sufficient cash flows to service the coupon payments when due.

Our Company will endeavour to ensure that our Company will maintain prudent cash flow management and monitor our cash flow position regularly to fulfil our obligation to service the coupon payments in order to mitigate the credit risk of the ICULS and minimise coupon payment default.

However, upon the declaration of an event of default under the Trust Deed, the outstanding nominal value of the ICULS and all the accrued coupon payments will immediately be due and payable by our Company to the ICULS holders whereupon the Trustee shall be entitled to exercise their rights to enforce any provisions under the Trust Deed. Notwithstanding the declaration of an event of default and subject to the compliance with the conditions for conversion of the ICULS, the ICULS holders shall have the right to convert their ICULS into new Scanwolf Shares at the conversion price of the ICULS at any time during the conversion period of the ICULS.

Our Company will endeavour and use our best efforts to comply with the provisions as set out in the Trust Deed to avoid any event of default.

(iv) Delay in or abortion of the Rights Issue of ICULS with Warrants

The Rights Issue of ICULS with Warrants may be delayed or aborted if any material adverse events/circumstances which are beyond the control of our Company arise prior to the completion of the Rights Issue of ICULS with Warrants.

Although we will exercise our best endeavour to ensure the successful listing of the ICULS and Warrants, there can be no assurance that material adverse events/circumstances will not occur and cause a delay in or abortion of the Rights Issue of ICULS with Warrants. In the event the Rights Issue of ICULS with Warrants is aborted, our Company will undertake the necessary procedures to ensure the refund of monies is made in full without interest, in respect of the accepted applications for the subscription of the ICULS including the excess ICULS with Warrants within 14 days after our Company is required to do so. If such monies are not refunded within 14 days after our Company becomes liable, our Company will repay such monies with interest at the rate of ten percent (10%) per annum or at such other rate as may be prescribed by the SC in accordance with Section 245(7) of the CMSA.

(v) Potential dilution

Entitled Shareholders who do not or are unable to subscribe for their entitlements pursuant to the Rights Issue of ICULS with Warrants will have their proportionate percentage of shareholdings and voting interests in our Company reduced in the enlarged issued share capital of our Company as and when the ICULS are converted and the Warrants are exercised into new Scanwolf Shares, respectively. Consequently, their proportionate entitlement to any future dividends, rights, allotments and/or other distributions that our Company may declare, make or pay after completion of the Rights Issue of ICULS with Warrants will correspondingly be diluted.

7.4 Forward-looking statements

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

All forward-looking statements contained in this Abridged Prospectus are based on estimates and assumption made by our Group and although our Board believes these forward-looking statements to be reasonable at this point in time, they are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. Such factors include, among others, the risk factors as set out in this section.

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

8. INDUSTRY OVERVIEW AND PROSPECTS OF OUR GROUP

8.1 Overview and outlook of the Malaysian economy

The Malaysian economy registered a smaller decline of 0.5% in the first quarter (4Q 2020: -3.4%). The growth performance was supported mainly by the improvement in domestic demand and robust exports performance, particularly for electrical and electronics products. Growth was also supported by the continued policy measures. The imposition of the second movement control order and the continued closure of international borders and restrictions on inter-state travel, however, weighed on economic activity. Nevertheless, as restrictions were eased in February and March, economic activity gradually picked up. All economic sectors registered an improvement, particularly in the manufacturing sector.

On the expenditure side, growth was driven by better private sector spending and strong growth in trade activity. On a quarter-on-quarter seasonally-adjusted basis, the economy registered a growth of 2.7% (4Q 2020: -1.5%).

Domestic demand recorded a smaller decline of 1.0% (4Q 2020: -4.5%) in the first quarter of 2021, weighed down by the contraction in private sector expenditure amid the imposition of the second movement control order. However, the impact of the second movement control order was smaller given that most economic sectors were allowed to operate and with continued policy support for households and businesses. On the external front, robust external demand particularly for electrical and electronics products, contributed to a continued expansion in net exports.

Private consumption contracted by 1.5% during the quarter (4Q 2020: -3.5%). Although household spending was affected by the imposition of the second movement control order, the impact was smaller compared to the movement control order last year amid relatively less restrictive containment measures. While wage and employment growth remain in contraction, the overall growth improved, as most businesses continued to operate, which lent support to household spending. Spending on online platforms also continued to increase, cushioning the impact of the drop of in-store spending, as reflected in the expansion of the index of online retail sales (1Q 2021: 22.8%; 4Q 2020: 30.4%). Furthermore, consumer expenditure remained supported by various stimulus measures including the EPF i-Sinar withdrawals, wage subsidies as well as the Targeted Repayment Assistance.

Private investment recorded its first positive growth since the fourth quarter of 2019 (1Q 2021: 1.3%; 4Q 2020: -6.6%). This was supported mainly by the increase in capital expenditure from new and ongoing investment projects, particularly in the services and manufacturing sectors.

Despite the recent re-imposition of containment measures, the impact on growth would be less severe than that experienced in 2020, as almost all economic sectors are allowed to operate. Overall, the growth recovery will benefit from better global demand, increased public and private sector expenditure as well as continued policy support. This will also be reflected in the recovery in labour market conditions, especially in the gradual improvement in hiring activity. Higher production from existing and new manufacturing facilities, particularly in the electrical and electronics and primary-related subsectors, as well as oil and gas facilities will provide further impetus to growth. The roll-out of the domestic COVID-19 vaccine programme will also lift sentiments and contribute towards recovery in economic activity. Nevertheless, the pace of recovery will be uneven across economic sectors.

(Source: Economic and Financial Developments in the Malaysian Economy in the First Quarter of 2021, Bank Negara Malaysia)

8.2 Overview and outlook of the manufacturing industry in Malaysia

The manufacturing sector expanded at a higher pace of 6.6% (4Q 2020: 3.0%), driven by the robust electrical and electronics production and continued recovery in the consumer-, primary- and construction-related clusters. The strong performance of the electrical and electronics subsectors reflected the higher global demand for semiconductors components, as reflected by the improvement in the World Semiconductor Trade Statistics. Despite the imposition of the second movement control order, the consumer- and primary-related manufacturing also recorded higher growth, as most manufacturing sectors were allowed to operate while adhering to stringent standard operating procedures. Global concerns surrounding electronic-chip shortages on the automotive sector had only a limited impact on the strong domestic passenger car production due to the lower chip intensity of most mass market vehicles. In addition, the extension of Sales and Services Tax exemption for the purchase of motor vehicles until June 2021 also helped Malaysia's motor vehicle production.

(Source: Economic and Financial Developments in the Malaysian Economy in the First Quarter of 2021, Bank Negara Malaysia)

8.3 Prospects of our Group

Our Group is principally involved in the manufacturing of plastic extrusion products in Malaysia. Its secondary activities include the processing of PVC coils, trading of industrial consumables as well as other building materials, and property development.

In view of the challenging operating environment brought about by the COVID-19 pandemic, our Group is focusing on maintaining cost efficiencies for its manufacturing business. Our Group will continue to improve its extrusion production process and grow business volume by completing the research and development of the new process ways to maximise the production output and quality of its products (i.e. investing in new machineries to integrate with the existing machineries to improve production capacity).

As stated in Section 5 of this Abridged Prospectus, the gross proceeds of up to approximately RM10 million to be raised from the Rights Issue of ICULS with Warrants will be utilised to fund the capital expenditure and working capital requirements for the expansion of the manufacturing segment of our Group. The Rights Issue of ICULS with Warrants would also result in cost savings as our Company will not be required to incur higher interest expenses to raise funds from bank borrowings.

Part of the proceeds to be raised from the Rights Issue of ICULS with Warrants will be used by our Group to acquire two (2) new production lines for the plastic edging segment which are expected to increase the production capacity for the plastic edging segment by approximately 47%. The purchase of new production lines and increased manufacturing capacity will enable our Group to grow our orderbook and product sales from the southern region of Peninsular Malaysia, where our Group has had to turn down several orders due to limited production capacity, as well as orders from countries such as Thailand, Indonesia, Australia and New Zealand. For our newly set-up vinyl flooring business, in addition to focusing on Malaysia, Thailand and Bangladesh, our Group is planning to penetrate into Indonesia, the Philippines, India and the Middle East by establishing local and overseas network of distributors and retailers. As at the LPD, our Group has a total orderbook of RM3.9 million, comprising RM0.7 million for the vinyl flooring segment and RM3.2 million for the plastic edging segment.

Our Board noted that the demand for packaging materials is expected to remain resilient as a result of the booming e-commerce industry, where consumers are switching from offline to online purchases. The imposition of various movement control orders and social distancing measures aided by rising internet penetration and growing middle class have increased e-commerce adoption and contributed towards the rising demand for packaging materials.

In addition, the changing consumer trends amid the COVID-19 pandemic, predominantly driven by the shift towards packaged products and stay-at-home orders, have resulted in increased demand for the packaging industry as consumers are readjusting to the new normal as well as the disruptions brought about by the pandemic. The strong demand for packaging materials is also supported by the high plastic packaging consumption in the country.

As such, our Group is targeting to expand our product segments by producing plastic films for the food and beverages, stationery, medical, and semiconductor packaging industries. Our Group intends to commission three (3) new production lines for the packaging division and as at the LPD, one (1) production line has commenced operations. Our Group expects the other two (2) production lines to commence operations by September 2021 and December 2021 respectively. As at the LPD, our Group has received several purchase orders from local customers. This is expected to contribute positively to the financial performance of our Group, which is in line with the improved outlook for plastic manufacturers in the country.

In view of the above, the prospects of the manufacturing division should remain positive given the various plans our Group has put in place. Our Board believes that further improvement in quality, cost control, efficiency, product mix and economies of scale across its manufacturing business will enhance our Group's profitability and returns on shareholders' funds. As such, our Board is of the opinion that the Corporate Exercises are expected to facilitate our Group's growth as well as further improve the financial performance of our Group moving forward.

(Source: The management of our Company)

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9. EFFECTS OF THE RIGHTS ISSUE OF ICULS WITH WARRANTS

The pro forma effects of the Rights Issue of ICULS with Warrants are illustrated based on the Minimum Scenario and Maximum Scenario.

9.1 Issued share capital

For illustration purposes, the pro forma effects of the Rights Issue of ICULS with Warrants on the issued share capital of Scanwolf (excluding treasury shares) are as follows:

	Minimum Scenario		Maximum Scenario	
	No. of Shares ('000)	Amount (RM '000)	No. of Shares ('000)	Amount (RM '000)
Issued share capital as at the LPD	104,971	49,724	104,971	49,724
To be issued assuming full conversion of ICULS pursuant to the Rights Issue of ICULS with Warrants	17,495 ⁽¹⁾	5,249 ⁽³⁾	104,971 ⁽²⁾	31,491 ⁽³⁾
To be issued assuming full conversion of ICULS pursuant to the Creditor Capitalisation	10,000 ⁽⁴⁾	3,000	30,000 ⁽⁵⁾	9,000
	132,466	57,973	239,942	90,215
To be issued assuming full exercise of Warrants	26,243	9,717 ⁽⁶⁾	52,486	19,434 ⁽⁶⁾
Enlarged issued share capital	158,709	67,690	292,428	109,649

Notes:

- (1) Assuming the issuance of 52,485,900 ICULS pursuant to the Rights Issue of ICULS with Warrants and based on the conversion rate of 3 ICULS to 1 Scanwolf Share.
- (2) Assuming the issuance of 104,971,200 ICULS pursuant to the Rights Issue of ICULS with Warrants and based on the combination of 1 ICULS together with cash payment of RM0.20 for 1 Scanwolf Share.
- (3) Based on the conversion price of RM0.30 per ICULS.
- (4) Assuming the issuance of 10,000,000 ICULS pursuant to the Creditor Capitalisation and based on the conversion rate of 3 ICULS to 1 Scanwolf Share.
- (5) Assuming the issuance of 30,000,000 ICULS pursuant to the Creditor Capitalisation and based on the combination of 1 ICULS together with cash payment of RM0.20 for 1 Scanwolf Share.
- (6) Based on the exercise price of RM0.30 per Warrant and includes the reversal of the warrants reserve upon the exercise of the Warrants.

9.2 NA, NA per Scanwolf Share and gearing

Based on the latest unaudited consolidated statement of financial position of Scanwolf as at 31 March 2021, the pro forma effects of the Rights Issue of ICULS with Warrants on the NA, NA per Scanwolf Share and gearing of Scanwolf are as follows:

Minimum Scenario

	Unaudited as at 31 March 2021	(I) Rights Issue of ICULS with Warrants ⁽¹⁾	(II) After (I) and the Creditor Capitalisation	(III) After (II) an assuming full conversion of the ICULS and exercise of the Warrants ⁽²⁾
	RM('000)	RM('000)	RM('000)	RM('000)
Share capital	49,724	49,724	49,724	67,690 ⁽⁷⁾
Treasury shares	(307)	(307)	(307)	(307)
Reverse acquisition reserve	(19,524)	(19,524)	(19,524)	(19,524)
Revaluation reserve	4,717	4,717	4,717	4,717
ICULS – Equity component	-	2,980 ⁽³⁾	5,737 ⁽⁶⁾	-
Warrants reserve	-	1,844 ⁽⁴⁾	1,844	-
Retained profits	2,219	1,369 ⁽⁵⁾	1,369	(475) ⁽⁸⁾
Total equity/NA	36,829	40,803	43,560	52,101
Number of Shares ('000)	104,971	104,971	104,971	158,709
NA per Share (RM)	0.35	0.39	0.41	0.33
Total borrowings	27,934	27,934	27,934	27,934
Gearing (times) ⁽⁹⁾	0.76	0.68	0.64	0.54

Notes:

- (1) Assuming the issuance of 52,485,900 ICULS pursuant to the Rights Issue of ICULS with Warrants.
- (2) Assuming the ICULS are fully converted at a conversion rate of 3 ICULS to 1 Scanwolf Share and the Warrants are fully exercised at an exercise price of RM0.30 per Warrant.

- (3) The estimated equity component of the ICULS to be issued pursuant to the Rights Issue of ICULS with Warrants is determined by deducting the fair value of the liability component of the ICULS of approximately RM0.6 million, which is estimated by discounting the 3% coupon payments over the tenure of 5 years, from the fair value of the gross proceeds to be raised under the Rights Issue of ICULS with Warrants. The equity component of the ICULS also includes the resulting deferred tax assets of approximately RM0.1 million, which is recognised based on the Malaysian statutory tax rate of 24%.
- (4) Allocated from the gross proceeds to be raised from the ICULS under the Rights Issue of ICULS with Warrants in proportion to the fair value of the Rights Issue of ICULS with Warrants, which is calculated based on the theoretical fair values of approximately RM0.24 per ICULS and RM0.26 per Warrant as extracted from Bloomberg.
- (5) After taking into consideration the estimated expenses of approximately RM0.9 million in relation to the Corporate Exercises.
- (6) The estimated equity component of the ICULS to be issued pursuant to the Creditor Capitalisation is determined by deducting the fair value of the liability component of the ICULS of approximately RM0.3 million from the RM3,000,000 nominal value of ICULS to be issued under the Creditor Capitalisation. It also includes deferred tax assets of RM76,677, which is recognised based on the Malaysian statutory tax rate of 24%.
- (7) Including the reversal of the warrants reserve upon the exercise of the Warrants.
- (8) After taking into account the reversal of the warrants reserve.
- (9) Calculated as total borrowings divided by NA.

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Maximum Scenario

		(I)	(II)	(III) After (II) an assuming full conversion of the ICULS and exercise of the Warrants ⁽²⁾
	Unaudited as at 31 March 2021	Rights Issue of ICULS with Warrants ⁽¹⁾	After (I) and the Creditor Capitalisation	
	RM('000)	RM('000)	RM('000)	RM('000)
Share capital	49,724	49,724	49,724	109,649 ⁽⁸⁾
Treasury shares	(307)	(307)	(307)	(307)
Reverse acquisition reserve	(19,524)	(19,524)	(19,524)	(19,524)
Revaluation reserve	4,717	4,717	4,717	4,717
ICULS – Equity component	-	5,959 ⁽³⁾	8,717 ⁽⁷⁾	-
Warrants reserve	-	3,688 ⁽⁴⁾	3,688	-
Retained profits	2,219	1,369 ⁽⁵⁾	1,369	(2,319) ⁽⁹⁾
Total equity/NA	36,829	45,626	48,384	92,216
Number of Shares ('000)	104,971	104,971	104,971	292,428
NA per Share (RM)	0.35	0.43	0.46	0.32
Total borrowings	27,934	24,934 ⁽⁶⁾	24,934	24,934
Gearing (times) ⁽¹⁰⁾	0.76	0.55	0.52	0.27

Notes:

- (1) Assuming the issuance of 104,971,200 ICULS pursuant to the Rights Issue of ICULS with Warrants.
- (2) Assuming the ICULS are fully converted based on the combination of 1 ICULS together with cash payment of RM0.20 for 1 Scanwolf Share and the Warrants are fully exercised at an exercise price of RM0.30 per Warrant.

- (3) The estimated equity component of the ICULS to be issued pursuant to the Rights Issue of ICULS with Warrants is determined by deducting the fair value of the liability component of the ICULS of approximately RM1.1 million, which is estimated by discounting the 3% coupon payments over the tenure of 5 years, from the fair value of the gross proceeds to be raised under the Rights Issue of ICULS with Warrants. The equity component of the ICULS also includes the resulting deferred tax assets of approximately RM0.3 million, which is recognised based on the Malaysian statutory tax rate of 24%.
- (4) Allocated from the gross proceeds to be raised from the ICULS under the Rights Issue of ICULS with Warrants in proportion to the fair value of the Rights Issue of ICULS with Warrants, which is calculated based on the theoretical fair values of approximately RM0.24 per ICULS and RM0.26 per Warrant as extracted from Bloomberg.
- (5) After taking into consideration the estimated expenses of approximately RM0.9 million in relation to the Corporate Exercises.
- (6) After taking into account the repayment of RM3.0 million in bank borrowings as part of the utilisation of proceeds to be raised from the Rights Issue of ICULS with Warrants under the Maximum Scenario.
- (7) The estimated equity component of the ICULS to be issued pursuant to the Creditor Capitalisation is determined by deducting the fair value of the liability component of the ICULS of approximately RM0.3 million from the RM3,000,000 nominal value of ICULS to be issued under the Creditor Capitalisation. It also includes deferred tax assets of RM76,677, which is recognised based on the Malaysian statutory tax rate of 24%.
- (8) Including the reversal of the warrants reserve upon the exercise of the Warrants.
- (9) After taking into account the reversal of the warrants reserve.
- (10) Calculated as total borrowings divided by NA.

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9.3 Substantial shareholders' shareholdings

The pro forma effects of the Rights Issue of ICULS with Warrants on the substantial shareholders' shareholdings are as follows:

Minimum Scenario

	As at the LPD				(I) After the Rights Issue of ICULS with Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Shares ('000)	(%)	No. of Shares ('000)	(%)	No. of Shares ('000)	(%)	No. of Shares ('000)	(%)
Bernadette Jeanne De Souza	21,462	20.4	181 ⁽¹⁾	0.2	21,462	20.4	181 ⁽¹⁾	0.2
Dato' Tan Sin Keat	3,178	3.0	742 ⁽²⁾	0.7	3,178	3.0	742 ⁽²⁾	0.7
Ng Chee Wai	3,190	3.0	-	-	3,190	3.0	-	-
Lau Tiang Hua	181	0.2	21,462 ⁽³⁾	20.4	181	0.2	21,462 ⁽³⁾	20.4
Law Teik Ean	13,734 ⁽⁵⁾	13.1	-	-	13,734 ⁽⁵⁾	13.1	-	-

	(II) After (I) and assuming full conversion of the ICULS and exercise of the Warrants ⁽⁴⁾			
	Direct		Indirect	
	No. of Shares ('000)	(%)	No. of Shares ('000)	(%)
Bernadette Jeanne De Souza	54,975	34.6	463 ⁽¹⁾	0.3
Dato' Tan Sin Keat	8,140	5.1	1,360 ⁽²⁾	0.9
Ng Chee Wai	8,171	5.1	-	-
Lau Tiang Hua	463	0.3	54,975 ⁽³⁾	34.6
Law Teik Ean	13,734 ⁽⁵⁾	8.7	-	-
Creditor	10,000 ⁽⁴⁾	6.3	-	-

Notes:

- (1) Deemed interested by virtue of her spouse, Lau Tiang Hua pursuant to Section 8 of the Act.
- (2) Deemed interested by virtue of shareholdings held by his son, Tan Yann Kang pursuant to Section 59(1)(c) of the Act.
- (3) Deemed interested by virtue of his spouse, Bernadette Jeanne De Souza pursuant to Section 59(1)(c) of the Act.
- (4) Assuming the ICULS are fully converted at a conversion rate of 3 ICULS to 1 Scanwolf Share and the Warrants are fully exercised.
- (5) After taking into account the transfer of 9,580,121 Shares held by her deceased spouse, Dato' Loo Bin Keong and 4,153,599 Shares held in her own name.

Maximum Scenario

	As at the LPD		(i)	
	Direct		Indirect	
	No. of Shares ('000)	(%)	No. of Shares ('000)	(%)
Bernadette Jeanne De Souza	21,462	20.4	181 ⁽¹⁾	0.2
Dato' Tan Sin Keat	3,178	3.0	742 ⁽⁵⁾	0.7
Ng Chee Wai	3,190	3.0	-	-
Lau Tiang Hua	181	0.2	21,462 ⁽³⁾	20.4
Law Teik Ean	13,734 ⁽²⁾	13.1	-	-
			21,462	20.4
			3,178	3.0
			3,190	3.0
			181	0.2
			13,734 ⁽²⁾	13.1
			181 ⁽¹⁾	0.2
			742 ⁽⁵⁾	0.7
			-	-
			21,462 ⁽³⁾	20.4
			-	-

	(ii) After (i) and assuming full conversion of the ICULS and exercise of the Warrants ⁽⁴⁾			
	Direct		Indirect	
	No. of Shares (‘000)	(%)	No. of Shares (‘000)	(%)
Bernadette Jeanne De Souza	53,656	18.3	452 ⁽¹⁾	0.2
Dato’ Tan Sin Keat	7,944	2.7	1,855 ⁽⁵⁾	0.6
Ng Chee Wai	7,975	2.7	-	-
Lau Tiang Hua	452	0.2	53,656 ⁽³⁾	18.3
Law Teik Ean	34,334 ⁽²⁾	11.7	-	-
Creditor	30,000 ⁽⁴⁾	10.3	-	-

Notes:

- (1) Deemed interested by virtue of her spouse, Lau Tiang Hua pursuant to Section 8 of the Act.
- (2) After taking into account the transfer of 9,580,121 Shares held by her deceased spouse, Dato’ Loo Bin Keong and 4,153,599 Shares held in her own name.
- (3) Deemed interested by virtue of his spouse, Bernadette Jeanne De Souza pursuant to Section 59(11)(c) of the Act.
- (4) Assuming the ICULS are fully converted based on the combination of 1 ICULS together with cash payment of RM0.20 for 1 Scanwolf Share and the Warrants are fully exercised.
- (5) Deemed interested by virtue of shareholding held by his son, Tan Yann Kang pursuant to Section 59(11)(c) of the Act.

9.4 Earnings and EPS

Save for the expenses to be incurred in relation to the Corporate Exercises, the Rights Issue of ICULS with Warrants is not expected to have any material effect on the earnings of our Group for the FYE 30 June 2021 as the Rights Issue of ICULS with Warrants is only expected to be completed by the third quarter of 2021.

The Rights Issue of ICULS with Warrants is expected to contribute positively to the future earnings of our Group when the benefits of utilisation of proceeds are realised. However, the EPS of our Group shall be correspondingly diluted as and when new Scanwolf Shares are issued pursuant to the conversion of the ICULS and the exercise of the Warrants in the future. The extent of the dilution of the EPS of our Group may also be impacted by the annual coupon payable to the ICULS holders during the tenure of the ICULS.

9.5 Convertible securities

As at the LPD, our Company does not have any convertible securities.

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

10.1 Working capital

Our Group's working capital is funded through a combination of internal and external sources of funds. The internal source is cash generated from our operating activities, whereas the external sources are credit terms granted by our suppliers and borrowings from financial institutions. As at the LPD, our Group has cash and bank balances of RM0.31 million and unutilised bank overdrafts and trade facilities with a limit of RM0.71 million and RM0.29 million respectively.

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

Our Board is of the opinion that after taking into consideration the proceeds to be raised from the Rights Issue of ICULS with Warrants, our cash and bank balances, banking facilities available to our Group and the funds to be generated from our operations, our Group will have sufficient working capital for a period of twelve (12) months from the date of this Abridged Prospectus.

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10.2 Borrowings

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

	Total (RM'000)
Short-term borrowings	
Bank overdrafts	6,000
Bankers' acceptances	8,372
Bridging loans	8,114
Term loans	1,137
Total short-term borrowings	23,623
Long-term borrowings	
Term loans	4,463
Total long-term borrowings	4,463
Total borrowings	28,086

Our Group has not defaulted on payments of either interest and/or principal sums in respect of any borrowings for the FYE 30 June 2020 and the subsequent period up to the LPD.

10.3 Contingent liabilities

As at the LPD, our Board, after making all reasonable enquiries, is not aware of any contingent liabilities incurred or known to be incurred by our Group, which upon becoming enforceable, may have a material impact on our Group's financial results/position.

10.4 Material commitments

As at the LPD, save as disclosed below, our Board is not aware of any material commitments incurred or known to be incurred by our Group, which upon becoming enforceable, may have a material impact on our Group's financial results/position:

	Amount (RM'000)
Contracted but not yet provided for:	
Purchase of vehicle (lorry)	233

Our Group intends to fund the above purchase of vehicle via internally generated funds.

10.5 Material transactions

Our Board confirms that save for the Corporate Exercises and the disposal of the Property as set out in Section 3.3 of this Abridged Prospectus, there are no other material transactions which may have a material effect on our Group's operations, financial position and results since the date of announcement of our Group's latest unaudited consolidated financial statements for the 9-month FPE 31 March 2021.

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

11.1 General

As an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Allotments which you are entitled to subscribe for in full or in part in accordance with the terms of the Rights Issue of ICULS 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 the Provisional Allotments allotted to you, as well as to apply for the excess ICULS with Warrants, if you choose to do so.

If you are an Authorised Nominee who has subscribed for NRS with Bursa Depository, an electronic copy of this Abridged Prospectus and the Rights ICULS Entitlement File will be transmitted to you electronically by Bursa Depository through its existing network facility with the Authorised Nominees. Please refer to Sections 11.5 and 11.9 of this Abridged Prospectus for the procedures for acceptance as well as to apply for excess ICULS with Warrants, if you choose to do so.

This Abridged Prospectus and RSF are also available on Bursa Securities' website (<http://www.bursamalaysia.com>).

11.2 NPA

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

11.3 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the Provisional Allotments and excess ICULS with Warrants is at **5.00 p.m. on Monday, 26 July 2021**.

11.4 Methods of acceptance and application

You may subscribe for the Provisional Allotments as well as apply for excess ICULS with Warrants, if you choose to do so, using either of the following methods:

Method	Category of Entitled Shareholders
RSF	All Entitled Shareholders
Electronic Application ⁽¹⁾	All Entitled Shareholders
Bursa Anywhere ⁽²⁾	All Entitled Shareholders who have registered for Bursa Anywhere
NRS	Authorised Nominees who have subscribed for NRS

Notes:

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

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

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

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

11.5 Procedures for acceptance and payment

11.5.1 By way of RSF

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

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

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

If you and/or your renounee(s) and/or transferee(s) (if applicable) wish to accept the Provisional Allotments, either in full or in part, please complete Parts I(A) and II of the RSF in accordance with the notes and instructions contained in the RSF. Each completed and signed RSF together with the relevant payment must be sent to our Share Registrar using the reply envelope provided (at your own risk) **BY ORDINARY POST, COURIER or DELIVERY BY HAND** at the following address:

Tricor Investor & Issuing House Services Sdn Bhd

Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

or

Tricor Customer Service Centre

Unit G-3, Ground Floor, Vertical Podium
Avenue 3, Jalan Kerinchi
59200 Kuala Lumpur

Tel. No.: 03-2783 9299

Fax No.: 03-2783 9222

so as to arrive **not later than 5.00 p.m.** on **Monday, 26 July 2021**, being the last date and time for acceptance and payment for the Provisional Allotments.

If you and/ or your renounee(s) and/ or transferee(s) (if applicable) lose, misplace or for any other reasons require another copy of the RSF, you and/ or your renounee(s) and/ or transferee(s) (if applicable) may obtain additional copies from your stockbroker, our Share Registrar at the address stated above, our registered office or the website of Bursa Securities (<https://www.bursamalaysia.com>).

One (1) RSF can be used for acceptance of Provisional Allotments standing to the credit of one (1) CDS Account. Separate RSF(s) must be used for the acceptance of Provisional Allotments standing to the credit of more than 1 CDS Account(s). If successful, the ICULS subscribed will be credited into your CDS Account(s) as stated in the completed RSF(s).

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

You should take note that a trading board lot for the ICULS will comprise one hundred (100) units of ICULS. Successful applicants of the ICULS will be given Warrants on the basis of one (1) Warrant for every two (2) ICULS successfully subscribed. You are entitled to accept part of your entitlement to the Provisional Allotments, PROVIDED ALWAYS that the minimum number of ICULS that may be accepted is one (1) ICULS, but you would not be entitled to any Warrants.

If acceptance of and payment for the Provisional Allotments (whether in full or in part) is not received by our Share Registrar by **5.00 p.m. on Monday, 26 July 2021**, being the last time and date for acceptance and payment, you and/ or your renounee(s) and/ or transferee(s) (if applicable) will be deemed to have declined the Provisional Allotments and it will be cancelled. Proof of time of postage shall not constitute proof of time of receipt by our Share Registrar.

In the event that the ICULS with Warrants are not fully taken up by such applicants, our Board will then have the right to allot such ICULS with Warrants to the applicants who have applied for the excess ICULS with Warrants in the manner as set out in Section 11.9 of this Abridged Prospectus. Our Board reserves the right to accept any application in full or in part only without assigning any reasons.

Each completed RSF must be accompanied by the appropriate remittance made in RM for the full amount payable for the Provisional Allotments accepted, in the form of banker's draft(s), cashier's order(s), money order(s) or postal order(s) drawn on a bank or post office in Malaysia and made payable to "**SCANWOLF ICULS ACCOUNT**", crossed "**ACCOUNT PAYEE ONLY**" and endorsed on the reverse side with your name in block letters and CDS Account number so as to be received by our Share Registrar by the Closing Date.

THE PAYMENT MUST BE MADE FOR THE EXACT AMOUNT PAYABLE FOR THE ICULS WITH WARRANTS ACCEPTED. ANY EXCESS OR INSUFFICIENT PAYMENT MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE OF ICULS WITH WARRANTS. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

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

WHERE AN APPLICATION IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE CREDITED DIRECTLY INTO YOUR BANK ACCOUNT IF YOU HAVE PROVIDED SUCH BANK ACCOUNT INFORMATION TO BURSA DEPOSITORY FOR THE PURPOSE OF CASH DIVIDEND/DISTRIBUTION. IF YOU HAVE NOT PROVIDED SUCH BANK ACCOUNT INFORMATION TO BURSA DEPOSITORY, THE REFUND WILL BE MADE BY ISSUANCE OF CHEQUE AND SHALL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.

ALL ICULS AND WARRANTS TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE OF ICULS WITH WARRANTS WILL BE ALLOTTED BY WAY OF CREDITING SUCH ICULS AND THE WARRANTS INTO THE CDS ACCOUNTS OF THE ENTITLED SHAREHOLDERS AND/ OR THEIR RENOUNCEE(S) (IF APPLICABLE). NO PHYSICAL SHARE OR WARRANT CERTIFICATES WILL BE ISSUED.

11.5.2 By way of Electronic Application

Only Malaysian individuals who are Entitled Shareholders may apply for the ICULS with Warrants by way of Electronic Application.

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

The procedures for Electronic Applications at the ATMs and internet financial services website of the Participating Financial Institutions are set out on the ATM screens and internet financial services website of the relevant Participating Financial Institutions ("**Steps**"). For illustration purposes, the procedures for Electronic Applications are set out below. Please read carefully the terms of this Abridged Prospectus, the Steps and the terms and conditions of Electronic Applications set out in Section 11.5.2(ii) of this Abridged Prospectus before making an Electronic Application.

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

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

You shall apply for the ICULS via the ATM or internet financial services website of the Participating Financial Institutions by choosing the Electronic Application option. Mandatory statements required in the application are as set out in Section 11.5.2(ii) of this Abridged Prospectus.

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

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

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

(i) Participating Financial Institutions

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

- (a) Public Bank Berhad; and
- (b) Affin Bank Berhad.

(ii) Terms and conditions for Electronic Applications

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

- (a) you are required to confirm the following statements and undertake that the following information given are true and correct:
 - (i) you have attained 18 years of age as at the Closing Date;
 - (ii) you have read the Abridged Prospectus and understood and agreed with the terms and conditions of the application; and
 - (iii) you give consent to our Company, Bursa Depository, our Share Registrar, the relevant Participating Financial Institutions, their respective agents and any third party involved in facilitating the application/refund, to disclose information pertaining to yourself and your account with the Participating Financial Institutions and Bursa Depository to the relevant authorities and any persons as may be necessary or expedient to facilitate the making of the application/refund.

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

- (b) you confirm that you are not applying for the ICULS with Warrants as a nominee of any other person and that any Electronic Application that you make is made by you as the beneficial owner;

- (c) you must have sufficient funds in your account with the relevant Participating Financial Institutions at the time you make your Electronic Application, failing which your Electronic Application will not be completed. Any Electronic Application which does not strictly conform to the instructions set out on the ATM or screen of financial services website of the Participating Financial Institutions through which the Electronic Application is being made, will be rejected;
- (d) you agree and undertake to subscribe for or purchase and to accept the number of ICULS with Warrants applied for as stated on the Transaction Record in respect of your Electronic Application. Your confirmation (by action of pressing the pre-designated keys or buttons) of the number of ICULS with Warrants applied for will signify, and shall be treated as, your acceptance of the number of ICULS with Warrants that may be allotted to you.

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

- (e) by making and completing your Electronic Application, you, if successful, request and authorise our Company to credit the ICULS with Warrants allotted to you into your CDS Account;
- (f) you acknowledge that your Electronic Application is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of our Company, Bursa Depository, our Share Registrar or the Participating Financial Institutions and you irrevocably agree that if:
 - (i) our Company, Bursa Depository or our Share Registrar does not receive your Electronic Application; or
 - (ii) data relating to your Electronic Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company, Bursa Depository or our Share Registrar,

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

- (g) all of your particulars, including your nationality and place of residence, in the records of the relevant Participating Financial Institutions at the time you make your Electronic Application shall be true and correct, and our Company, Bursa Depository, our Share Registrar and the relevant Participating Financial Institutions shall be entitled to rely on the accuracy thereof;
- (h) you shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institutions are correct and identical. Otherwise, your Electronic Application will be rejected. You must inform Bursa Depository promptly of any change in address, failing which the notification letter of successful allocation will be sent to your correspondence address last maintained with Bursa Depository;

- (i) by making and completing an Electronic Application, you agree that:
 - (i) in consideration of our Company agreeing to allow and accept your application for the ICULS with Warrants via the Electronic Application facility established by the Participating Financial Institutions at their respective ATMs and financial services websites, your Electronic Application is irrevocable and cannot be subsequently withdrawn;
 - (ii) our Company, Bursa Depository, our Share Registrar or the relevant Participating Financial Institutions shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Application due to a breakdown or failure of transmission or communication facilities or any cause beyond our control;
 - (iii) notwithstanding the receipt of any payment by or on behalf of our Company, the notice of successful allocation for the ICULS with Warrants for which your Electronic Application has been successfully completed is the only confirmation for the acceptance of this offer to subscribe for and purchase the said ICULS with Warrants; and
 - (iv) you agree that in relation to any legal action, proceedings or dispute arising out of or in relation to the Electronic Application and/or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that you irrevocably submit to the jurisdiction of the Courts of Malaysia;
- (j) our Share Registrar, on the authority of our Company, reserves the right to reject applications which do not conform to these terms/instructions; and
- (k) notification on the outcome of your application for the ICULS with Warrants will be despatched to you by ordinary post to the correspondence address as shown in the Record of Depositors of our Company at your own risk within the timelines as follows:
 - (i) successful application – a notice of allotment will be despatched within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities; or
 - (ii) unsuccessful/partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the Closing Date.

The refund will be credited directly into your bank account from which your Electronic Application was made. Kindly take note of the terms and conditions as stated in Section 11.5.2(ii) of this Abridged Prospectus and the required consent in making your Electronic Application.

If the crediting of the refund into your bank account from which your Electronic Application was made is unsuccessful, the refund will then be made via cheque which will be despatched to you by ordinary post to the correspondence address as shown in the Record of Depositors of our Company at your own risk.

11.5.3 By way of Bursa Anywhere

Only Malaysian individuals who are Entitled Shareholders who have registered for Bursa Anywhere and subscribed for eDividend service could apply for the ICULS with Warrants by way of Bursa Anywhere mobile application.

The procedures for submitting an application via Bursa Anywhere are set out on the Bursa Anywhere mobile application screen. Please read carefully the terms of this Abridged Prospectus, the steps and the terms and conditions as set out in Section 11.5.3(ii) of this Abridged Prospectus before making an application.

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

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

(i) Procedures for submitting an application through Bursa Anywhere

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

- (l) Select the subscription type, enter the number of ICULS that you would like to subscribe. Click “NEXT” once you complete the required information;
 - (m) You will come to a “Preview” page, where it displays the following information of your subscription:
 - units and RM amount of your ICULS subscription
 - Subscription fee (charged by Bursa Securities)
 - Tax, if applicable
 - Stamp duty, if applicable
 - (n) Check the summary information on the “Preview” page. Click “CONFIRM” at the bottom of the same page, if the information is correct;
 - (o) Next, you will receive a six-digit SMS TAC verification code via your mobile phone (the mobile number that you registered with Bursa Anywhere);
 - (p) You are required to key-in and submit the verification code;
 - (q) Upon successful validation of the verification code, you will be led to the Payment Gateway for payment;
 - (r) You are required to select the bank for your ICULS subscription payment **(IMPORTANT NOTE: You are required to use the bank account that you have registered for Bursa Depository’s eDividend service. Your subscription will be rejected if another bank account is used for payment. You will be notified if your subscription is rejected. Your subscription monies will be refunded within three (3) working days, to your subscription bank account that you have just subscribed);**
 - (s) You will be brought to your selected bank login page for payment;
 - (t) Once payment is made successfully via your selected bank, you will be brought to the “Thank You” page, which displays your bank transaction details;
 - (u) Click “DONE” at the bottom, you will be led back to the “My Services” landing page;
 - (v) You will receive a push notification message in your Bursa Anywhere account inbox; and
 - (w) You can made multiple applications during the subscription period subject to the maximum quantity that you are entitled.
- (ii) Terms and conditions of applications via Bursa Anywhere**
- (a) The Abridged Prospectus is available at the “Prospectus” landing page of “Company Announcements” on Bursa Securities’ website and can be accessed via the hyperlink on Bursa Anywhere. You have read the Abridged Prospectus prior to making an investment decision and should make the investment decision based on the Abridged Prospectus rather than on advertising or promotional materials. The ICULS with Warrants offered for subscription by Scanwolf are solely on the basis of the information contained in the Abridged Prospectus;

- (b) Scanwolf has appointed Bursa Depository to provide eRights Services via Bursa Anywhere. Bursa Depository is not responsible for, has not authorised and shall not be deemed to have authorised the contents of the Abridged Prospectus and therefore, shall not have any liability in respect of the Abridged Prospectus or the application submitted;
- (c) The physical printed copy of the Abridged Prospectus is available upon request from Scanwolf at the location specified in the Abridged Prospectus during the subscription period;
- (d) Payment of subscription to the Rights Issue of ICULS with Warrants via Bursa Anywhere is required to be made from your eDividend Bank Account. Failing which, the request of the eRights application will be rejected;
- (e) By submitting an eRights application via Bursa Anywhere, you confirm that:
 - (i) You have read and understood the contents of the Abridged Prospectus;
 - (ii) You have read and agreed to be bound by these Terms and Conditions and Notices for Application of Rights Issues and the terms and conditions of Bursa Anywhere;
 - (iii) You are eligible to apply for the ICULS in Malaysia or in jurisdictions where the ICULS offering is intended to be available;
 - (iv) You irrevocably consent to the receipt of any cash payment or refund in relation to the application to be made via direct credit into the eDividend Bank Account; and
 - (v) You agree to give irrevocable consent to Bursa Depository to disclose your information, including bank account information, which is necessary or expedient to the relevant entities involved in the application process and to the relevant entities involved in facilitating the payment of any cash payments or refunds via direct credit into the eDividend Bank Account in relation to the application;
- (f) Applications shall close on the Closing Date;
- (g) An application is deemed to be received by Bursa Anywhere only upon its completion, that is, when you have:
 - (i) successfully made full subscription payment via the payment gateway; and
 - (ii) received an email indicating that the application has been submitted to Scanwolf and/or the Share Registrar.
- (h) You are advised to print out and retain a copy of the transaction records for record purposes. The transaction records are only a record of the completed transactions received at Bursa Anywhere and not a record of the receipt of the application or any data relating to such an application by Scanwolf or the Share Registrar. No application or monies can be accepted electronically in respect of the ICULS offered once the application closes on the Closing Date;
- (i) Upon your receipt of the transaction record, cancellation of the application will not be allowed;

- (j) Bursa Depository shall not be liable for any applications made through any alternative methods of application;
- (k) If Bursa Depository has any reason to believe that the Abridged Prospectus or processes for collection and handling of applications have been tampered with, Bursa Depository may reject the application and Bursa Depository shall not be liable for such rejection;
- (l) No ICULS will be allotted or issued on the basis of the Abridged Prospectus after the Closing Date. Bursa Depository and Bursa Securities do not guarantee any allotment of ICULS as a result of the application and are not responsible for any non-allotment of ICULS or part thereof by Scanwolf pursuant to the application;
- (m) Any request for any refunds related to the allotment of ICULS must be referred to Scanwolf;
- (n) No refund of any subscription fee charged by Bursa Depository and applicable tax (if any), will be made to you if your subscription is rejected by the Share Registrar;
- (o) Abridged prospectuses made available on the Bursa Securities' website after the close of any application period as described in the Terms & Conditions are solely for informational and archiving purposes;
- (p) Risk of submitting applications via Bursa Anywhere:
 - (i) By submitting an application via Bursa Anywhere, you agree to assume the risks associated with conducting transactions online, including risks of electrical, electronic, technical and mobile-related faults and breakdowns, faults with mobile applications, problems occurring during data transmission, mobile security threats such as viruses, hackers and crackers, fires, acts of God and other events beyond the control of Bursa Depository and/or Scanwolf. You acknowledge that the aforementioned events may result in (i) interruption, transmission blackout or delayed transmission; and/or (ii) incorrect data transmission due to the public nature of the Internet and agree to bear such risks. The applicant agrees that neither Bursa Depository, Bursa Securities, Scanwolf nor the Share Registrar shall be liable for any delay, failure or inaccuracy in the recording, storage or transmission or delivery of data, breakdown or failure in communication facilities or due to any cause beyond their control; and
 - (ii) If Bursa Depository, Scanwolf and/or the Share Registrar does not receive your application and/or the relevant payment, or in the event that any data relating to the application is lost, corrupted, destroyed or otherwise not accessible, whether wholly or partially and for any reason whatsoever, you shall be deemed not to have made an application. In such an event, you shall have no claim whatsoever against Bursa Depository and/or Bursa Securities and/or Scanwolf and/or the Share Registrar, in relation to the purported application;
- (q) Instead of submitting an application via Bursa Anywhere, you may alternatively submit applications through the existing manual paper-based application method as well as other means of application specified in the Abridged Prospectus, such as via ATM or internet facilities of financial institutions offering such services within Malaysia and such other methods as may from time to time be permitted by the SC;

- (r) In the event a supplementary prospectus is issued, you are entitled to revise or withdraw your application by contacting the Share Registrar directly. Bursa Depository or Bursa Anywhere will not be able to facilitate any revision or withdrawal of the application in such circumstances; and
- (s) Bursa Depository is committed to protecting the security of the applicant's personal information. It uses a variety of security technologies and procedures to help protect the confidentiality and security of an applicant's personal information provided through Bursa Anywhere from unauthorised access, use, or disclosure. In addition, Bursa Depository has put in place appropriate measures to minimise the risks of unauthorised access and to maintain the security of the information it collects through Bursa Anywhere.

11.5.4 By way of NRS

We have appointed Bursa Depository to provide NRS to our shareholders who are Authorised Nominees. Only our Entitled Shareholders who are Authorised Nominees and who have subscribed for NRS with Bursa Depository may apply via NRS.

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

(i) Steps for applications via NRS

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

- (h) Together with the Rights ICULS Subscription File, you will also need to submit a confirmation to Bursa Depository of the following information:
- (i) Confirmation that you have, prior to making the application via NRS, received and/or had access to the electronic copy of this Abridged Prospectus, the contents of which you have read, understood and agreed; and
 - (ii) Consent to the disclosure of your information to facilitate electronic refunds where applicable.
- (i) With regard to payment for the ICULS with Warrants which you have applied for, you must transfer the amount payable directly to our bank account, the details of which are as follows:
- | | | |
|------------------|---|-------------------------------|
| Bank | : | Malayan Banking Berhad |
| Account name | : | SCANWOLF ICULS ACCOUNT |
| Bank account no. | : | 514012443967 |
- (j) Upon completion of the transfer/payment, you may receive a transaction slip ("**Transaction Slip**") from the transacting financial institution confirming the details of your transfer/payment. The Transaction Slip is only a record of the completed transaction and not a record of the receipt of the application via NRS or any data relating to such an application by our Company or Bursa Depository. The Transaction Slip is for your record and is not required to be submitted with your application via NRS.
- (k) You will be notified on the outcome of your application for the ICULS with Warrants electronically within the timelines as stated below. No physical notice of allotment will be mailed to you.
- (i) successful application – an electronic notification will be sent to you within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities; or
 - (ii) unsuccessful/partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the Closing Date.
- The refund will be credited directly into your bank account(s) from which payment of your subscription monies was made. Kindly take note of the terms and conditions as stated in this Abridged Prospectus and the required consent in making the application via NRS.
- If the crediting of the refund into your bank account(s) (as provided by you in the Rights ICULS Subscription File) from which payment of your subscription monies was made is unsuccessful, the refund will then be made via cheque(s) which will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk.
- (l) Upon crediting of the ICULS with Warrants allotted to you into your CDS Account(s), you will also receive an electronic confirmation of the crediting from Bursa Depository.
- (m) You should note that all applications made for the ICULS with Warrants submitted under NRS will be irrevocable upon submission of the Rights ICULS Subscription File to Bursa Depository and cannot be subsequently withdrawn.

(ii) Terms and conditions for applications via NRS

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

- (a) For purposes of making the electronic refund, you hereby give consent in accordance with the relevant laws of Malaysia, including Section 134(1)(a) of the Financial Services Act 2013 and Section 45(1)(a) of the SICDA, to the disclosure by our Company, Bursa Depository, our Share Registrar, the relevant financial institution, their respective agents and any third party involved in facilitating the payment of refunds to you as the case may be, of information pertaining to yourself and your account with the relevant financial institution and Bursa Depository, to the relevant authorities and any person as may be necessary or expedient to facilitate the making of refunds or for any other purpose in connection with such payments. You will be required to provide confirmation of your consent in the manner prescribed in Bursa Depository's terms and conditions for NRS;
- (b) You agree and undertake to subscribe for or purchase and to accept the number of ICULS with Warrants applied for as stated on your Rights ICULS Subscription File in respect of your application via NRS. Your application will signify, and will be treated as, your acceptance of the number of ICULS with Warrants that may be allotted to you;
- (c) You acknowledge that by completing and submitting the Rights ICULS Subscription File to Bursa Depository, you, if successful, request and authorise our Company to credit the ICULS with Warrants allotted to you into the respective CDS Account(s) as indicated in the Rights ICULS Subscription File;
- (d) You acknowledge that your application via NRS is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of our Company, our Share Registrar, the relevant financial institution or Bursa Depository, and irrevocably agree that if:
 - (i) our Company, our Share Registrar or Bursa Depository does not receive your application via NRS; or
 - (ii) the data relating to your application via NRS is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company, our Share Registrar or Bursa Depository,you shall be deemed not to have made your application and you shall not make any claim whatsoever against our Company, Bursa Depository, our Share Registrar or the relevant financial institution for the ICULS with Warrants applied for or for any compensation, loss or damage relating to the application for the ICULS with Warrants;
- (e) By completing and submitting the Rights ICULS Subscription File to Bursa Depository, you agree that:
 - (i) in consideration of our Company agreeing to allow and accept your application for ICULS with Warrants via the NRS facility established by Bursa Depository, your application via NRS is irrevocable and cannot be subsequently withdrawn;

- (ii) our Company, the relevant financial institutions, Bursa Depository and our Share Registrar shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your application via NRS due to a breakdown or failure of transmission or communication facilities or to any cause beyond our control;
 - (iii) notwithstanding the receipt of any payment by or on behalf of our Company, the electronic notification of allotment in respect of the ICULS with Warrants issued is the only confirmation for the acceptance of this offer to subscribe for and purchase the said ICULS with Warrants; and
 - (iv) you agree that in relation to any legal action, proceedings or dispute arising out of or in relation to the contract between the parties and/or the application via NRS and/or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that you irrevocably submit to the jurisdiction of the Courts of Malaysia;
- (f) Our Share Registrar and Bursa Depository, on the authority of our Company, reserve the right to reject applications which do not conform to these instructions.

11.6 Procedures for part acceptance

You are entitled to accept part of your Provisional Allotments, provided always that the minimum number of ICULS that can be subscribed or accepted is one (1) ICULS. Fractional entitlements arising from the ICULS with Warrants, if any, will be disregarded and dealt with by our Board in such manner and on such terms and conditions as our Board in its absolute may deem fit and expedient and in the best interest of our Company.

You must complete both Parts I(A) and II of the RSF by specifying the number of ICULS which you are accepting and deliver the completed and signed RSF together with the relevant payment to our Share Registrar in the manner set out in Section 11.5.1 of this Abridged Prospectus.

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

The portion of the Provisional Allotments that have not been accepted shall be allotted to any other persons allowed under the law, regulations or rules to accept the transfer of the Provisional Allotments.

11.7 Procedures for sale or transfer of the Provisional Allotments

As the Provisional Allotments are prescribed securities, should you wish to sell or transfer all or part of your entitlement to one (1) or more persons, you may do so through your stockbrokers without first having to request for a split of the Provisional Allotments standing to the credit of your CDS Account. You may sell such entitlement on the open market or transfer such entitlement to such persons as may be allowed pursuant to the Rules of Bursa Depository. 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. Please refer to Section 11.5 of this Abridged Prospectus for the procedures for acceptance and payment.

In disposing or transferring all or part of your Provisional Allotments, you need not deliver any document including the RSF, to any stockbroker. However, you must ensure that there are sufficient Provisional Allotments standing to the credit of your CDS Account that are available for settlement of the sale or transfer.

Purchaser(s) or transferee(s) of the Provisional Allotments may obtain a copy of this Abridged Prospectus and the RSF from our Share Registrar or at our registered office. This Abridged Prospectus and the RSF are also available on the Bursa Securities' website at <http://www.bursamalaysia.com>.

11.8 Procedures for acceptance by renouncee(s) and/or transferee(s)

Renouncee(s) or transferee(s) (if applicable) who wish to accept the Provisional Allotments must obtain a copy of the RSF from their stockbrokers, Bursa Securities' website at <http://www.bursamalaysia.com>, our Share Registrar or at our registered office. Please complete the RSF and submit the same together with the remittance to our Share Registrar at the above-stated address in accordance with the notes and instructions printed therein.

As a renouncee or transferee, the procedures for acceptance and payment are the same as that applicable to the Entitled Shareholders as set out in Sections 11.4 and 11.5 of this Abridged Prospectus.

RENOUNCEE(S) AND/OR TRANSFEREE(S) ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS ABRIDGED PROSPECTUS AND THE RSF.

11.9 Procedures for application for excess ICULS with Warrants

11.9.1 By way of RSF

You and/ or your renouncee(s) and/ or transferee(s) (if applicable) may apply for additional ICULS with Warrants in excess of your entitlement by completing Part I(B) of the RSF (in addition to Parts I(A) and II) and forwarding it (together with a **separate remittance made in RM** for the full amount payable in respect of the excess ICULS with Warrants applied for) to our Share Registrar so as to arrive **not later than 5.00 p.m. on Monday, 26 July 2021**, being the last time and date for application and payment for the excess ICULS with Warrants.

Payment for the excess ICULS with Warrants applied for should be made in the same manner as described in Section 11.5.1 of this Abridged Prospectus, except that the banker's draft(s)/ cashier's order(s)/ money order(s) or postal order(s) drawn on a bank or post office in Malaysia be made payable to "**SCANWOLF EXCESS ICULS ACCOUNT**", crossed "**ACCOUNT PAYEE ONLY**" and endorsed on the reverse side with your name in block letters and CDS Account number so as to be received by our Share Registrar **not later than 5.00 p.m. on Monday, 26 July 2021**. The payment must be made for the exact amount payable for the excess ICULS with Warrants applied. Any excess or insufficient payment may be rejected at the absolute discretion of our Board.

11.9.2 By way of Electronic Application

You and/ or your renouncee(s) and/ or transferee(s) (if applicable) may apply for additional ICULS with Warrants in excess of your entitlement via Electronic Application. If you wish to do so, you may apply for the excess ICULS with Warrants by following the same steps as set out in Section 11.5.2 of this Abridged Prospectus.

The Electronic Application for excess ICULS with Warrants will be made on, and subject to, the same terms and conditions appearing in Section 11.5.2 of this Abridged Prospectus.

11.9.3 By way of Bursa Anywhere

You and/ or your renounee(s) and/ or transferee(s) (if applicable) may apply for additional ICULS with Warrants in excess of your entitlement via Bursa Anywhere mobile application. If you wish to do so, you may apply for the excess ICULS with Warrants by following the same steps as set out in Section 11.5.3 of this Abridged Prospectus.

The application for excess ICULS with Warrants will be made on, and subject to, the same terms and conditions appearing in Section 11.5.3 of this Abridged Prospectus.

11.9.4 By way of NRS

You and/ or your renounee(s) and/ or transferee(s) (if applicable) may apply for additional ICULS with Warrants in excess of your entitlement via NRS. If you wish to do so, you may apply for the excess ICULS with Warrants by following the same steps as set out in Section 11.5.4 of this Abridged Prospectus, save and except for the amount payable to be directed to "**SCANWOLF EXCESS ICULS ACCOUNT**" (**BANK ACCOUNT NO. 514012443973 WITH MALAYAN BANKING BERHAD**) for the excess ICULS with Warrants applied and also that you should complete the details for excess rights application at the designated fields for excess applications in the Rights ICULS Subscription File.

The NRS for excess ICULS with Warrants will be made on, and subject to, the same terms and conditions appearing in Section 11.5.4 of this Abridges Prospectus.

It is the intention of our Board to allot the excess ICULS with Warrants, if any, on a fair and equitable basis and in the following priority:

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, for allocation to the Entitled Shareholders who have applied for the excess ICULS with Warrants, on a pro-rata basis and in board lot, calculated based on their respective shareholdings in our Company as at the Entitlement Date;
- (iii) thirdly, for allocation to the Entitled Shareholders who have applied for the excess ICULS with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of their respective excess ICULS with Warrants applied for; and
- (iv) finally, for allocation to renounee(s) and/ or transferee(s) (if applicable) who have applied for the excess ICULS with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of their respective excess ICULS with Warrants applied for.

In the event there is any remaining balance of the excess ICULS with Warrants applied for by the Entitled Shareholders and/ or renounee(s) and/ or transferee(s) (if applicable) who have applied for the excess ICULS with Warrants after carrying out steps (i) to (iv) as set out above, steps (ii) to (iv) will be repeated again in the same sequence to allocate the remaining balance of the excess ICULS with Warrants to the Entitled Shareholders and/ or renounee(s) and/ or transferee(s) (if applicable) who have applied for the excess ICULS with Warrants until such balance is fully allocated.

Nevertheless, our Board reserves the right to allot any excess ICULS with Warrants applied for by the Entitled Shareholders and/ or renounee(s) and/ or transferee(s) (if applicable) in such manner as our Board deems fit, expedient and in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in steps (i)-(iv) above are achieved. Our Board also reserves the right at its absolute discretion to accept in full or in part any application for the excess ICULS with Warrants without assigning any reason thereof.

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

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

WHERE AN APPLICATION FOR THE EXCESS ICULS WITH WARRANTS IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE CREDITED DIRECTLY INTO YOUR BANK ACCOUNT IF YOU HAVE PROVIDED SUCH BANK ACCOUNT INFORMATION TO BURSA DEPOSITORY FOR THE PURPOSE OF CASH DIVIDEND/DISTRIBUTION. IF YOU HAVE NOT PROVIDED SUCH BANK ACCOUNT INFORMATION TO BURSA DEPOSITORY, THE REFUND WILL BE MADE BY ISSUANCE OF CHEQUE AND SHALL BE DESPACHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE LAST DATE OF APPLICATION AND PAYMENT OF THE EXCESS ICULS WITH WARRANTS.

11.10 Form of issuance

Bursa Securities has already prescribed our Shares to be listed on the Main Market of Bursa Securities and to be deposited with Bursa Depository. Accordingly, the ICULS with Warrants are prescribed securities and as such, the SICDA and the Rules of Bursa Depository shall apply in respect of the dealings in the said securities.

Failure to comply with the specific instructions for applications or inaccuracy in the CDS Account number may result in the application being rejected. No physical ICULS or Warrant certificate will be issued to you under the Rights Issue of ICULS with Warrants. Instead, the ICULS with Warrants will be credited directly into your CDS Account.

A notice of allotment will be despatched to you and/ or your renounee(s) and/ or transferee(s) (if applicable) by ordinary post to the address shown in our Record of Depositors provided by Bursa Depository at your own risk within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities.

If you are an Authorised Nominee who has subscribed for NRS with Bursa Depository, an electronic notification will be sent to you within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities through Bursa Depository's existing network facility with the Authorised Nominees in the manner as set out in Bursa Depository's User Guide for NRS.

Where the ICULS and the Warrants are provisionally allotted to the Entitled Shareholders in respect of their existing Scanwolf Shares standing to the credit in their CDS Accounts as at the Entitlement Date, the acceptance by the Entitled Shareholders of the Provisional Allotments shall mean that they consent to receive such Provisional Allotments as prescribed or deposited securities which will be credited directly into their CDS Accounts.

Any person who has purchased the Provisional Allotments or to whom the Provisional Allotments have been transferred and intends to subscribe for the ICULS with Warrants must state his or her CDS Account number in the space provided in the RSF. The ICULS and the Warrants will be credited directly as prescribed or deposited securities into his or her CDS Account upon allotment and issuance.

The excess ICULS with Warrants, if allotted to the successful applicant who applies for excess ICULS with Warrants, will be credited directly as prescribed securities into his or her CDS Account. The allocation will be made on a fair and equitable basis in such manner as our Board in its absolute discretion deems fit and expedient and in the best interest of our Company, as disclosed in Section 11.9 of this Abridged Prospectus.

11.11 Laws of foreign jurisdictions

The Documents have not been (and will not be) made to comply with the laws of any foreign jurisdiction and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) of any jurisdiction other than Malaysia. The Rights Issue of ICULS with Warrants to which the Documents relate is only available to Entitled Shareholders receiving the Documents electronically or otherwise within Malaysia.

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

Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) may accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue of ICULS with Warrants only to the extent that it would be lawful to do so.

The Principal Adviser, our Company and our Directors and officers (collectively, the "**Parties**") would not, in connection with the Rights Issue of ICULS with Warrants, be in breach of the laws of any jurisdiction to which the Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) are or may be subject. Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) are solely responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject. The Parties do not accept any responsibility or liability in the event that any acceptance or renunciation made by any Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable), is or will become unlawful, unenforceable, voidable or void in any such jurisdiction.

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

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The Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such jurisdiction and we will be entitled to be fully indemnified and held harmless by such Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) for any issue, transfer or other taxes or duties as such person may be required to pay. The Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable), will have no claims whatsoever against the Parties in respect of their rights and entitlements under the Rights Issue of ICULS with Warrants. Such Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue of ICULS with Warrants.

By signing any of the forms in the Documents, the Foreign Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) the Parties that:

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

Persons receiving the Documents (including, without limitation, custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any jurisdiction where to do so would or might contravene local securities, exchange control or relevant laws or regulations.

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 ICULS with Warrants unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other regulatory or legal requirements in such territory.

We reserve the right, in our absolute discretion, to treat any acceptance of the ICULS with Warrants 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 excess ICULS with Warrants available for excess application by the other Entitled Shareholders. You and/or your renouncee(s) and/or transferee(s) (if applicable) will also have no claims whatsoever against the Parties in respect of your, and/or your renouncee(s)'s and/or transferee(s)'s entitlement under the Rights Issue of ICULS with Warrants or to any net proceeds thereof.

12. TERMS AND CONDITIONS

The issuance of the ICULS and Warrants pursuant to the Rights Issue of ICULS with Warrants is governed by the terms and conditions as set out in the Documents as well as the Trust Deed and Deed Poll.

13. FURTHER INFORMATION

Please refer to the attached appendices for further information.

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



LAU TIANG HUA
Chairman, Non-Independent Non-Executive Director

APPENDIX I – INFORMATION ON OUR COMPANY**1. BOARD OF DIRECTORS**

As at the LPD, the details of our Board are as follows:

Name/Designation	Age	Address	Nationality
Lau Tiang Hua (Chairman, Non-Independent Non-Executive Director)	68	No. 1 Lebuhraya Maktab, 10250 George Town, Pulau Pinang, Malaysia	Malaysian
Dato' Tan Sin Keat (Executive Director)	57	No. 7 Jalan Ixora Tropika 1, Taman Ixora Tropika, 30350 Ipoh, Perak, Malaysia	Malaysian
Ng Chee Wai (Executive Director)	46	No. 17, Laluan Bandar Baru Tambun 5, Bandar Baru Tambun, 31400 Ipoh, Perak, Malaysia.	Malaysian
Ong Sing Guan (Independent Non-Executive Director)	55	25, Lorong Jaya, Taman Assam Kumbang Jaya 3, 34000 Taiping, Perak, Malaysia.	Malaysian
Liew Peng Chuen @ Liew Ah Choy (Independent Non-Executive Director)	73	66 Jalan USJ 2/5C, UEP Subang Jaya, 47600 Subang Jaya, Selangor, Malaysia	Malaysian
Saffie Bin Bakar (Independent Non-Executive Director)	68	14 Jalan Permai 2, Taman Sena Indah, 01000 Kangar, Perlis, Malaysia	Malaysian

2. SHARE CAPITAL

As at the LPD, the issued share capital of our Company is RM49,724,007 comprising 104,971,200 Scanwolf Shares (excluding 780,900 treasury shares).

As at the date of this Abridged Prospectus, save for the Provisional Allotments as well as the excess ICULS with Warrants and the SIS Options to be issued pursuant to the SIS, no option to subscribe for Scanwolf Shares has been granted or is entitled to be granted to anyone.

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APPENDIX I – INFORMATION ON OUR COMPANY (Cont'd)**3. HISTORICAL SHARE PRICES**

The monthly highest and lowest market prices of Scanwolf Shares traded on the Main Market of Bursa Securities for the past 12 months from July 2020 to June 2021 are set out below:

	High RM	Low RM
<u>2020</u>		
July	0.265	0.190
August	0.320	0.200
September	0.270	0.210
October	0.230	0.195
November	0.240	0.180
December	0.250	0.205
<u>2021</u>		
January	0.245	0.205
February	0.280	0.215
March	0.250	0.225
April	0.395	0.215
May	0.410	0.275
June	0.415	0.285
Last transacted market price of Scanwolf on 29 January 2021 (being the last trading day prior to the announcement of the Corporate Exercises)		0.220
Last transacted market price of Scanwolf Shares as at the LPD		0.335
Last transacted market price on 6 July 2021, being the last Market Day prior to the ex-date for Rights Issue of ICULS with Warrants		0.345

(Source: Bloomberg)

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

The following sets out a summary of the financial information of our Group based on the audited consolidated financial statements for the FYE 30 June 2018, FYE 30 June 2019 and FYE 30 June 2020 as well as the unaudited condensed consolidated financial statements for the 9-month FPE 31 March 2020 and 31 March 2021.

4.1 Historical financial performance

	←----- Audited -----→			←----- Unaudited -----→	
	FYE 30 June			9-month FPE 31 March	
	2018 ⁽¹⁾	2019	2020	2020	2021
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	57,512	48,701	30,896	27,660	33,203
Other operating income	484	433	13,897	13,042	223
Operating expenses	(54,977)	(53,439)	(40,539)	(37,154)	(32,757)
Results from operating activities	3,019	(4,305)	4,254	3,548	669
Net finance costs	(894)	(1,358)	(2,295)	(1,833)	(1,117)
Share of loss in associate	(607)	(129)	-	-	-
Profit/(loss) before tax	1,518	(5,792)	1,959	1,715	(448)
Tax expense	(1,359)	161	(1,337)	38	(38)
PAT/(LAT) for the year/period	159	(5,631)	622	1,753	(486)
Basic EPS/(LPS) (sen)	0.18	(5.90)	0.64	1.84	(0.46)

Note:

- (1) Our Group's financial figures for the FYE 30 June 2018 have been restated due to the adoption of Malaysian Financial Reporting Standards for our Group's financial statements for the FYE 30 June 2019.

Commentary on financial performance**(i) 9-month FPE 31 March 2021 vs. 9-month FPE 31 March 2020**

Our Group's revenue for the 9-month FPE 31 March 2021 increased by 20.04% to approximately RM33.20 million (9-month FPE 31 March 2020: RM27.66 million). The increase in revenue for the 9-month FPE 31 March 2021 was mainly due to higher revenue from both the manufacturing (comprising the plastic and flooring segments) and property divisions of approximately RM2.23 million and RM3.31 million respectively to RM27.68 million and RM5.52 million respectively (FPE 31 March 2020: RM25.45 million and RM2.21 million respectively). The higher revenue recorded from the manufacturing division was due to improved demand from customers for our plastic edging business whereas the property division witnessed a higher take-up rate during the period.

Our Group recorded a significant drop in other operating income from approximately RM13.04 million for the 9-month FPE 31 March 2020 to approximately RM0.22 million for the 9-month FPE 31 March 2021 due to the one-off gain on bargain purchase of a subsidiary in the corresponding financial period.

APPENDIX I – INFORMATION ON OUR COMPANY (Cont'd)

Despite the increase in revenue, our Group recorded a LAT of approximately RM0.49 million for the 9-month FPE 31 March 2021 (9-month FPE 31 March 2020: PAT of RM1.75 million). This was mainly due to the loss incurred by our flooring business which has been impacted by, among others, the COVID-19 pandemic that has disrupted our marketing efforts and exports to overseas customers. The PAT recorded for the 9-month FPE 31 March 2020 was also due to the one-off gain on bargain purchase of a subsidiary.

(ii) FYE 30 June 2020 vs. FYE 30 June 2019

Our Group's revenue for the FYE 30 June 2020 decreased by 36.56% to approximately RM30.90 million (FYE 30 June 2019: RM48.70 million). The decrease in revenue for the FYE 30 June 2020 was mainly due to lower revenue from the manufacturing and property divisions of approximately RM29.43 million and RM1.46 million respectively (FYE 30 June 2019: RM37.22 million and RM11.48 million respectively) as a result of the COVID-19 pandemic and the consequent restrictions imposed by the Malaysian government which had affected our business operations.

Our Group recorded a significant increase in other operating income from approximately RM0.43 million for the FYE 30 June 2019 to approximately RM13.90 million for the FYE 31 June 2020 due to the recognition of a one-off gain on bargain purchase of a subsidiary.

Despite the decrease in revenue, our Group recorded a PAT of approximately RM0.62 million for the FYE 30 June 2020 (FYE 30 June 2019: LAT of RM5.63 million). The PAT recorded was mainly due to the one-off gain of bargain purchase of a subsidiary of RM12.37 million and equipment and cost-cutting measures implemented by our Group during the movement control order to improve operational efficiency.

(iii) FYE 30 June 2019 vs. FYE 30 June 2018

Our Group's revenue for the FYE 30 June 2019 decreased by 15.32% to approximately RM48.70 million (FYE 30 June 2018: RM57.51 million). The decrease in revenue for the FYE 30 June 2019 was mainly due to lower revenue from the property division of approximately RM11.48 million (FYE 30 June 2018: RM20.42 million) as a result of lower take-up rate for the commercial suites of the Kampar Putra project in Kampar, Perak.

In line with the decrease in revenue, our Group recorded a LAT of approximately RM5.63 million for the FYE 30 June 2019 (FYE 30 June 2018: PAT of RM0.16 million). The LAT incurred was mainly due to:-

- (a) LAT recognised from the property division of approximately RM0.45 million for the FYE 30 June 2019 (FYE 30 June 2018: PAT of RM6.14 million) due to lower revenue from our Group's property division as mentioned above; and
- (b) finance costs of approximately RM1.71 million for the FYE 30 June 2019 (FYE 30 June 2018: RM1.17 million) due to higher bank borrowings during the FYE 30 June 2019, which were mainly utilised for the working capital requirements of SFISB.

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APPENDIX I – INFORMATION ON OUR COMPANY (Cont'd)**4.2 Historical financial position**

	Audited FYE 30 June			Unaudited FPE 31 March	
	2018 ⁽¹⁾ RM'000	2019 ⁽²⁾ RM'000	2020 ⁽³⁾ RM'000	2020 RM'000	2021 ⁽⁴⁾ RM'000
Non-current assets	45,187	48,033	53,297	55,218	52,316
Current assets	74,701	66,503	62,296	59,734	59,554
Total assets	119,888	114,536	115,593	114,592	111,870
Share capital	49,056	49,056	49,724	49,056	49,724
Reserves	(7,400)	(13,030)	(12,408)	(11,278)	(12,895)
Total equity/NA	41,656	36,026	37,316	37,778	36,829
Non-current liabilities	14,594	9,720	9,421	11,298	9,944
Current liabilities	63,638	68,790	68,856	65,876	65,097
Total liabilities	78,232	78,510	78,277	77,174	75,041
Total equity and liabilities	119,888	114,536	115,593	114,592	111,870

Notes:

- (1) Our Group's financial figures for the FYE 30 June 2018 have been restated due to the adoption of Malaysian Financial Reporting Standards for our Group's financial statements for the FYE 30 June 2019.
- (2) Non-current assets increased by 6.30% to approximately RM48.03 million as at 30 June 2019 (30 June 2018: RM45.19 million) mainly due to the increase in receivables from an associate. This was offset by a 10.97% decrease in current assets to approximately RM66.50 million as at 30 June 2019 (30 June 2018: RM74.70 million) mainly attributable to lower inventories and trade receivables. The increase in current liabilities of 8.10% to approximately RM68.79 million as at 30 June 2019 (30 June 2018: RM63.64 million) was mainly due to the reclassification of our bridging loans.
- (3) Non-current assets increased by 10.96% to approximately RM53.30 million as at 30 June 2020 (30 June 2019: RM48.03 million) mainly due to the increase in plant and equipment as a result of the acquisition of SFISB during the FYE 30 June 2020. This was offset by a 6.33% decrease in current assets to approximately RM62.30 million as at 30 June 2020 (30 June 2019: RM66.50 million) mainly attributable to lower inventories and trade receivables. Share capital increased to approximately RM49.72 million as at 30 June 2020 (30 June 2019: 49.06 million) as a result of the completion of a private placement exercise on 3 April 2020 which raised total proceeds of approximately RM0.67 million.
- (4) Non-current assets decreased by 5.26% to approximately RM52.32 million as at 31 March 2021 (31 March 2020: RM55.22 million) mainly due to the decrease in deferred tax assets and plant and equipment as a result of depreciation. Non-current liabilities and current liabilities also decreased by 11.98% and 1.18% respectively to approximately RM9.94 million and RM65.10 million respectively (31 March 2020: RM11.30 million and RM65.88 million respectively) as a result of the repayment of some of our Group's bank borrowings.

APPENDIX I – INFORMATION ON OUR COMPANY (Cont'd)**4.3 Historical cash flow**

	Audited FYE 30 June			Unaudited 9-month FPE 31 March	
	2018 ⁽¹⁾ RM'000	2019 ⁽²⁾ RM'000	2020 ⁽³⁾ RM'000	2020 RM'000	2021 ⁽⁴⁾ RM'000
Net cash (used in)/from operating activities	7,561	1,542	276	(820)	3,851
Net cash (used in)/from investing activities	(4,814)	(3,846)	2,418	1,718	(1,495)
Net cash from/(used in) financing activities	(6,996)	501	(2,610)	(1,821)	(2,607)
Net increase/(decrease) in cash and cash equivalents	(4,249)	(1,803)	84	(923)	(251)
Cash and cash equivalents at beginning of financial year/period	880	(3,380)	(5,181)	(5,182)	(5,089)
Effect of exchange differences	(10)	2	8	-	-
Cash and cash equivalents at the end of financial year/period	(3,379)	(5,181)	(5,089)	(6,105)	(5,340)

Notes:

- (1) Our Group's financial figures for the FYE 30 June 2018 have been restated due to the adoption of Malaysian Financial Reporting Standards for our Group's financial statements for the FYE 30 June 2019.
- (2) Net cash from operating activities dropped significantly to approximately RM1.54 million for the FYE 30 June 2019 (FYE 30 June 2018: RM7.56 million) mainly attributable to the LAT of approximately RM5.63 million recorded for the FYE 30 June 2019. Net cash from financing activities was approximately RM0.50 million for the FYE 30 June 2019 (FYE 30 June 2018: net cash used in financing activities: RM7.00 million) mainly due to the repayment of our Group's bridging loans during the FYE 30 June 2018.
- (3) Net cash from operating activities dropped to approximately RM0.28 million for the FYE 30 June 2020 (FYE 30 June 2019: RM1.54 million) mainly attributable to the increase in finance costs for the FYE 30 June 2020. Net cash used in financing activities was approximately RM2.61 million for the FYE 30 June 2020 (FYE 30 June 2019: net cash from financing activities: RM0.50 million) mainly due to the repayment of our Group's bank borrowings during the FYE 30 June 2020.
- (4) Net cash from operating activities increased to approximately RM3.85 million for the 9-month FPE 31 March 2021 (9-month FPE 31 March 2020: net cash used in operating activities: RM0.82 million) mainly attributable to lower finance costs for the 9-month FPE 31 March 2021. Net cash used in financing activities increased to approximately RM2.61 million for the 9-month FPE 31 March 2021 (9-month FPE 31 March 2020: RM1.82 million) due to the repayment of some of our Group's bank borrowings.

APPENDIX I – INFORMATION ON OUR COMPANY (Cont'd)

5. DIRECTORS' SHAREHOLDINGS

The pro forma effects of the Rights Issue of ICULS with Warrants on the shareholdings of our Directors in our Company as at the LPD are as follows:

Minimum Scenario

	As at the LPD				(I) After the Rights Issue of ICULS with Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Shares ('000)	(%)	No. of Shares ('000)	(%)	No. of Shares ('000)	(%)	No. of Shares ('000)	(%)
Lau Tiang Hua	181	0.2	21,462 ⁽¹⁾	20.4	181	0.2	21,462 ⁽¹⁾	20.4
Dato' Tan Sin Keat	3,178	3.0	742 ⁽²⁾	0.7	3,178	3.0	742 ⁽²⁾	0.7
Ng Chee Wai	3,190	3.0	-	-	3,190	3.0	-	-
Liew Peng Chuen @ Liew Ah Choy	3,071	2.9	-	-	3,071	2.9	-	-
Saffie Bin Bakar	30	*	-	-	30	*	-	-
Ong Sing Guan	-	-	-	-	-	-	-	-

	(II) After (I) and assuming full conversion of the ICULS and exercise of the Warrants ⁽³⁾			
	Direct		Indirect	
	No. of Shares ('000)	(%)	No. of Shares ('000)	(%)
Lau Tiang Hua	463	0.3	54,975 ⁽¹⁾	34.6
Dato' Tan Sin Keat	8,140	5.1	1,360 ⁽²⁾	0.9
Ng Chee Wai	8,171	5.1	-	-
Liew Peng Chuen @ Liew Ah Choy	3,071	1.9	-	-
Saffie Bin Bakar	30	*	-	-
Ong Sing Guan	-	-	-	-

APPENDIX I – INFORMATION ON OUR COMPANY (Cont'd)

Notes:

- (1) Deemed interested by virtue of his spouse, Bernadette Jeanne De Souza pursuant to Section 59(1)(c) of the Act.
- (2) Deemed interested by virtue of shareholdings held by his son, Tan Yann Kang pursuant to Section 59(1)(c) of the Act.
- (3) Assuming the ICULS are fully converted at a conversion rate of 3 ICULS to 1 Scanwolf Share and the Warrants are fully exercised.

* Negligible.

Maximum Scenario

	As at the LPD				(I) After the Rights Issue of ICULS with Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Shares ('000)	(%)	No. of Shares ('000)	(%)	No. of Shares ('000)	(%)	No. of Shares ('000)	(%)
Lau Tiang Hua	181	0.2	21,462 ⁽¹⁾	20.4	181	0.2	21,462 ⁽¹⁾	20.4
Dato' Tan Sin Keat	3,178	3.0	742 ⁽²⁾	0.7	3,178	3.0	742 ⁽²⁾	0.7
Ng Chee Wai	3,190	3.0	-	-	3,190	3.0	-	-
Liew Peng Chuen @ Liew Ah Choy	3,071	2.9	-	-	3,071	2.9	-	-
Saffie Bin Bakar	30	*	-	-	30	*	-	-
Ong Sing Guan	-	-	-	-	-	-	-	-

APPENDIX I – INFORMATION ON OUR COMPANY (Cont'd)

	(1)			
	After (1) and assuming full conversion of the ICULS and exercise of the Warrants ⁽³⁾			
	Direct		Indirect	
	No. of Shares ('000)	(%)	No. of Shares ('000)	(%)
Lau Tiang Hua	452	0.2	53,656 ⁽¹⁾	18.3
Dato' Tan Sin Keat	7,944	2.7	1,855 ⁽²⁾	0.6
Ng Chee Wai	7,975	2.7	-	-
Liew Peng Chuen @ Liew Ah Choy	7,679	2.6	-	-
Saffie Bin Bakar	75	*	-	-
Ong Sing Guan	-	-	-	-

Notes:

- (1) Deemed interested by virtue of his spouse. Bernadette Jeanne De Souza pursuant to Section 59(1)(c) of the Act.
- (2) Deemed interested by virtue of shareholding held by his son, Tan Yann Kang pursuant to Section 59(1)(c) of the Act.
- (3) Assuming the ICULS are fully converted based on the combination of 1 ICULS together with cash payment of RM0.20 for 1 Scanwolf Share and the Warrants are fully exercised.

* Negligible.

APPENDIX I – INFORMATION ON OUR COMPANY (Cont'd)

6. CONSENTS

Our Principal Adviser, Company Secretaries, Share Registrar, Solicitors, Trustee and Bloomberg Finance Singapore L.P. have given and have not subsequently withdrawn their written consents before the date of issue of this Abridged Prospectus with the inclusion of their names and all references thereto in the form and context in which they are included in this Abridged Prospectus.

7. MATERIAL CONTRACTS

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

- (i) On 1 July 2019, SPISB entered into a share sale agreement with Nissha to purchase the remaining 1,627,500 ordinary shares in SFISB representing 65.1% equity interest in SFISB, for a total cash consideration of RM1.00 only together with the following waivers:
 - (a) all debts owing from SFISB to Nissha as at 1 July 2019 shall be waived; and
 - (b) all debts owing from SFISB to Nissha Precision Technologies Malaysia Sdn Bhd, Nissha Co. Ltd and Nitec Industries shall be waived.

The purchase transaction has been completed as at the LPD.

- (ii) On 2 February 2021, Scanwolf, SDSB and CNFS entered into a debt settlement agreement whereby Scanwolf has agreed to settle RM3,000,000.00 of the RM13,422,867.69 owing by SDSB to CNFS as at 31 December 2020 via the issuance of 30,000,000 ICULS by Scanwolf.

As at the LPD, the transaction is pending completion.

- (iii) On 30 April 2021, SPISB entered into a sale and purchase agreement with Dolphin Paint whereby SPISB has agreed to the disposal of all that piece of leasehold land (expiring on 11 December 2096) held under individual title Pajakan Negeri 17230, Lot 40302 Mukim Sungai Buloh, District of Petaling, State of Selangor measuring an area approximately 2,051 square metres together with a unit of three storey detached factory erected thereon known as No. 16, Jalan U5/16, Bandar Pinggiran Subang, Seksyen U5, 40150 Shah Alam, Selangor for a cash sale consideration of RM6,800,000.00.

As at the LPD, the transaction is pending completion.

APPENDIX I – INFORMATION ON OUR COMPANY (Cont’d)

8. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

Save as disclosed below, as at the LPD, our Group is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, which has a material effect on the financial position or business of our Group and our Board does not have any knowledge of any proceedings, pending or threatened, against our Group or of any facts likely to give rise to any proceedings which may materially affect the financial position or business of our Group:

(i) Notice of demand issued by Sojitz (Malaysia) Sdn Bhd (“Sojitz”) against SPISB

A notice of demand dated 18 February 2020 was issued by Sojitz through its solicitors, Messrs Chooi & Company + Cheang & Ariff to SPISB claiming for the sum of RM1,437,700.28 for the purchase of PVC under sales contracts dated 23 September 2019 and 24 September 2019. No further action has been taken by Sojitz as at the LPD since the issuance of the notice of demand dated 18 February 2020. As at 3 May 2021, SPISB had repaid a total of RM686,029.22 to Sojitz and the outstanding amount owing to Sojitz by SPISB is RM751,671.06.

Both Sojitz and SPISB have mutually agreed that the remaining RM751,671.06 shall be paid by SPISB by instalments as follows:

Month	Amount (RM)
May 2021	231,283.41
June 2021	173,462.55
July 2021	173,462.55
August 2021	173,462.55
Total	751,671.06

As at the LPD, the outstanding amount owing to Sojitz by SPISB remains at RM751,671.06. In relation to May and June 2021’s instalments which were due for payment, SPISB had verbally informed and communicated with Sojitz that the payment will be deferred until the “full lock-down” phase of the third movement control order is lifted.

(ii) Litigation between Government of Malaysia (Kerajaan Malaysia) (“**Plaintiff**”) and SPSB

The Plaintiff had on 26 March 2021 served a writ of summons and statement of claim both dated 25 February 2021 on SPSB claiming for the sum of RM596,611.21 being the outstanding income tax owed by SPSB for the income tax assessment year of 2018 together with an interest rate of 5% per annum calculated from the date of judgment until the date of full settlement by SPSB.

Judgement in default was obtained against SPSB on 15 April 2021 for the sum of RM596,611.21 with an interest rate of 5% per annum calculated from the date of judgment until the date of full settlement by SPSB together with court costs of RM276.00. SPSB has yet to pay the judgment sum as at the LPD.

APPENDIX I – INFORMATION ON OUR COMPANY (Cont'd)

SPSB had vide its letters dated 1 April 2021 and 26 April 2021 written to the Plaintiff to request for repayment of the outstanding income tax by 12 monthly instalments. The Plaintiff had subsequently vide its letters both dated 28 April 2021 informed SPSB that the Plaintiff is not agreeable to the proposed instalments and demanded for the total amount of RM598,031.39 owed by SPSB as at 28 April 2021 and should SPSB fail to make the payment within 21 days, further court action may be taken against SPSB without any further notice. No further action has been taken by the Plaintiff as at the LPD since the issuance of the said letter dated 28 April 2021. Notwithstanding that, SPSB still wishes to discuss with the Plaintiff to settle the sum claimed by way of instalments where SPSB had vide email dated 2 June 2021 written to the Plaintiff to request to defer the payment of the outstanding income tax by way of 9 instalments to which the Plaintiff had vide email dated 15 June 2021 requested for some supporting documents from SPSB. SPSB had vide email dated 15 June 2021 informed that the said supporting documents will be submitted to the Plaintiff once the “full lock-down” phase of the third movement control order is lifted.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at at 51-8-A, Menara BHL, Jalan Sultan Ahmad Shah, 10050 George Town, Pulau Pinang, during normal business hours from Mondays to Fridays (except public holidays) for a period of six (6) months from the date of this Abridged Prospectus:

- (i) our Constitution;
- (ii) our audited consolidated financial statements for the FYE 30 June 2019 and FYE 30 June 2020, and the latest unaudited condensed consolidated financial statements for the 9-month FPE 31 March 2021;
- (iii) the letters of consent referred to in Section 6 of this Appendix I;
- (iv) the undertaking letters dated 2 February 2021 in relation to the undertakings referred to in Section 4 of this Abridged Prospectus;
- (v) the material contracts referred to in Section 7 of this Appendix I;
- (vi) the relevant cause papers in respect of the material litigation referred to in Section 8(ii) of this Appendix I;
- (vii) Trust Deed; and
- (viii) Deed Poll.

10. RESPONSIBILITY STATEMENTS

Our Directors have seen and approved all the documentation relating to the Rights Issue of ICULS with Warrants. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there are no false or misleading statements or other facts which if omitted, would make any statement in this Abridged Prospectus false or misleading.

AmlInvestment Bank, being the Principal Adviser for the Rights Issue of ICULS 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 of ICULS with Warrants.

APPENDIX II – SALIENT TERMS OF THE ICULS

Issuer	:	Scanwolf.
Type of Offering	:	ICULS.
Issue Price	:	100% of the nominal value of RM0.10 per ICULS.
Tenure	:	Five (5) years commencing from and including the date of issuance of the ICULS.
Maturity Date	:	The last market day prior to the fifth (5 th) anniversary of the date of issuance of the ICULS.
Form and Constitution	:	The ICULS will be issued in registered form and constituted by a trust deed and represented by a global certificate.
Coupon	:	Fixed rate of 3% per annum calculated on the nominal value of the ICULS payable semi-annually in arrears from the date of issuance of the ICULS except that the last coupon payment shall be made on the Maturity Date.
Conversion Price	:	The conversion price for the ICULS is RM0.30.
Conversion Ratio	:	The conversion ratio has been fixed at either of the following: <ul style="list-style-type: none"> a) 3 ICULS to be converted into 1 new Scanwolf Share; or b) A combination of 1 ICULS and cash payment of RM0.20 for 1 new Scanwolf Share.
Conversion Period	:	<ul style="list-style-type: none"> a) The ICULS may be converted at any time within a period of five (5) years commencing from and including the ICULS issue date up to and including the Maturity Date. b) Any remaining ICULS not converted by the Maturity Date shall be automatically converted into new Scanwolf Shares at the Conversion Ratio.
Status and ranking of the ICULS	:	The ICULS shall constitute direct, unconditional, unsecured and unsubordinated obligations of our Company and subject to the provisions contained in the trust deed, at all times rank equally, without discrimination, preference or priority between themselves and all present and future direct, unconditional, unsecured and unsubordinated debts and obligations of our Company except those which are preferred by law.
Mandatory Conversion	:	Unless the ICULS are converted prior to the Maturity Date, the ICULS will be mandatorily converted into new Scanwolf Shares at the conversion price upon the Maturity Date.
Mode of Conversion	:	The ICULS conversion price shall be satisfied by surrendering the ICULS with an aggregate nominal value equivalent to the ICULS conversion price for cancellation by our Company, or by surrendering one (1) ICULS together with cash payment of RM0.20 such that in aggregate it being equivalent to the ICULS conversion price.

APPENDIX II – SALIENT TERMS OF THE ICULS (Cont'd)

There are no terms and conditions on how or when an ICULS holder is to choose which conversion ratio. It is at the ICULS holders' option to choose either one of the conversion ratios above.

Any fractional new Scanwolf Shares arising from the conversion of the ICULS shall be disregarded and shall be dealt with in such manner as our Board shall in its absolute discretion deem fit and in the best interest of Scanwolf.

Board Lot : For purposes of trading on Bursa Securities, a board lot of ICULS shall be 100 units of ICULS, unless otherwise revised by the relevant authorities.

Ranking of new Scanwolf Shares to be issued pursuant to the conversion of ICULS : The new Scanwolf Shares to be issued pursuant to the conversion of ICULS shall, upon issue and allotment rank equally in all respects with the then existing Scanwolf Shares, except that they shall not be entitled to any dividends, rights, allotments and/or any other distributions that may be declared, made or paid where the entitlement date is before the date of allotment of the new Scanwolf Shares.

Rights in the event of winding up, liquidation, compromise and/or arrangement : If a resolution is passed for a voluntary winding up of the Company whilst any of the outstanding ICULS remain capable of being converted, then:

- (i) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the ICULS holders, or some person designated by them for such purpose, shall be a party, the terms of such scheme of arrangement if approved by an extraordinary resolution shall be binding on all the ICULS holders; and
- (ii) in any other case, every ICULS holder shall be entitled to, upon and subject to the trust deed, at any time within 6 weeks (the "**Specified Period**") after the passing of such resolution for a members' voluntary winding-up of the Company, deliver to the share registrar (as agent to the Company) a duly completed conversion notice to elect to be treated as if he/she had on the last day of the month immediately before the commencement of such winding-up, exercised the conversion rights to the extent specified in the conversion notice and be entitled to receive out of the assets of the Company which will be available in liquidation if he/she had on such date been a holder of the new Scanwolf Shares to which he/she would have become entitled pursuant to such exercise and the liquidator of our Company shall give effect to such election accordingly. Upon such election taking effect, all the ICULS converted under such election shall cease to carry any coupon as from the last day of the month immediately before the month in which the ICULS are converted or deemed converted.

All conversion rights which have not been exercised at the expiry date of the Specified Period shall lapse and cease to be valid for any purpose.

APPENDIX II – SALIENT TERMS OF THE ICULS (Cont'd)

Events of default : **“Transaction Documents”** means the Trust Deed, the ICULS and such other legal documents and agreements (if any) necessary in relation thereto in form and substance acceptable to the Principal Adviser, the Trustee and the Issuer and includes any amendments, variations and/or supplemental thereto from time to time, and where the context so requires, reference to “Transaction Document” shall mean any one of them.

“Material Adverse Effect” means, in relation to any event, the occurrence of which would materially and adversely affect:

- (a) the financial condition of the Scanwolf Group taken as a whole;
- (b) the ability of the Issuer to perform any of its obligations under any of the Transaction Documents; or
- (c) the legality, validity or enforceability of any of the Transaction Documents and/or the rights, benefits and remedies available to the Trustee or the ICULS holders under any provision of the Transaction Documents.

“Conditions” means the terms and conditions for the issuance of the ICULS as set out in Part III of the First Schedule of the Trust Deed as the same may from time to time be modified in accordance with the provisions of the Trust Deed.

If any of the following events occur:

- (a) the Issuer fails to pay any amount due from it under the ICULS and/or Transaction Documents on the due date or, if so payable, on written demand and such failure to pay is not remedied by the Issuer within 7 business days from the relevant due date or demand date;
- (b) the Issuer is in breach of any provision, term or condition in the ICULS or the Transaction Documents (other than those as set out in paragraph (a) above), or of any other document relating to the issue, offer or invitation in respect of the ICULS which, in the opinion of the Trustee, is not capable of being remedied or if capable of being remedied, is not remedied within a period of 30 days after the Issuer becomes aware or having been notified by the Trustee in writing of the breach, whichever is the earlier;
- (c) any representation or warranty made or given by the Issuer under the Transaction Documents or which is contained in any certificate, notice, opinion, document, information or statement furnished at any time pursuant to the terms of the Transaction Documents proves to have been incorrect or misleading in any material respect on or as at the date on which the representation or warranty was made or given;
- (d) there is a revocation, withholding, invalidation, suspension or modification of any license, authorisation, approval or consent that impairs or prejudices the Issuer’s ability to comply with the terms and conditions of the ICULS, the Transaction Documents, or any other document relating to the issue, offer or invitation in respect of the ICULS;

APPENDIX II – SALIENT TERMS OF THE ICULS (Cont'd)

- (e) the Issuer enters into or proposes to enter into, or there is declared by any competent court or authority, a moratorium on the payment of indebtedness or other suspensions of payments generally;
- (f) any provision of the Transaction Documents is or becomes illegal, void, voidable or unenforceable;
- (g) any step or action is taken for the winding up, dissolution or liquidation of the Issuer (including but not limited to the presentation of a petition for the winding up against the Issuer, or the making of any order or the passing of any resolution for the winding up, dissolution or liquidation of the Issuer unless it is contested and set aside within 30 days (or such extended period as the Trustee may consent, of which such consent shall not be unreasonably withheld) from the date of service of such winding up petition;
- (h) the Issuer undergoes any scheme of reconstruction arrangement or compromise pursuant to Section 366 of the Act or the same has been instituted against the Issuer;
- (i) a receiver, manager, liquidator, trustee, administrator or similar officer is appointed in respect of the Issuer over all or any substantial part of the respective assets, properties or undertaking of the Issuer. For the purposes of this paragraph, references to “substantial” shall mean such value equivalent to or more than 25.0% of the net asset value of the Scanwolf Group as reflected in the latest annual audited consolidated financial statements of the Issuer;
- (j) the Issuer ceases or threatens to cease to carry on all or substantially all of its business;
- (k) the Issuer becomes insolvent or commits an act of insolvency, or is unable to pay its debts within the meaning of Section 466 of the Act, and the Issuer has not taken any action in good faith to rectify such circumstance within 30 days of the date such circumstance occurred;
- (l) the Issuer stops, suspends or threatens to stop or suspend payment of all or any part of its debts, begins negotiations or takes any proceedings or other steps with a view of readjusting, rescheduling or deferring all of its indebtedness (or of any part of its indebtedness which it will or might otherwise be unable to pay when due) or proposes or makes a general assignment or any arrangement or composition with or for the benefit of its creditors which event would have a Material Adverse Effect;
- (m) the Issuer fails to satisfy any judgment passed against it by any court of competent jurisdiction, which in the reasonable opinion of the Trustee, has a Material Adverse Effect and no appeal against such judgment has been made to the appropriate appellate court within the time prescribed by law or such appeal has been dismissed;

APPENDIX II – SALIENT TERMS OF THE ICULS (Cont'd)

- (n) any other indebtedness of the Issuer becomes due or payable or capable of being declared due or payable prior to its stated maturity by reason of a default by the Issuer in its obligations in respect of the same, or the Issuer fails to make payment in respect thereof on the due date for such payment or if due on demand when demanded, or the security for any such indebtedness becomes legally enforceable, or any guarantee or similar obligations of the Issuer for any indebtedness is not discharged at maturity or when called;
- (o) the Issuer repudiates any of the Transaction Documents or the Issuer does or causes to be done any act or thing evidencing an intention to repudiate any of the Transaction Documents;
- (p) if all or any of the ICULS is delisted or ceases to be listed on Bursa Securities by reason of the Issuer's default of the Listing Requirements;
- (q) all or any part of the property or assets of the Issuer has been condemned, seized or otherwise appropriated, nationalised or compulsorily acquired by any person acting under the authority of any governmental body, which would in the reasonable opinion of the Trustee have a Material Adverse Effect; or
- (r) any event has occurred or a situation exists which in the reasonable opinion of the Trustee would materially and adversely affect the ability of the Issuer to pay any Coupon and/or default interest on any outstanding Coupon and in the case of the occurrence of such event or situation which in the opinion of the Trustee, is not capable of being remedied or if capable of being remedied, is not remedied within a period of 30 days after the Issuer became aware or having been notified by the Trustee of the event or situation, whichever is earlier,

then, subject to the Trustee being fully indemnified to its satisfaction, the Trustee may, at its discretion, or shall, if so instructed by the ICULS holders by way of an extraordinary resolution, declare that an Event of Default has occurred whereupon:

- (i) the Trustee shall be entitled to exercise its rights to enforce any provisions under the Transaction Documents;
- (ii) all the outstanding aggregate nominal value of the ICULS together with all accrued and unpaid Coupon and all other amounts accrued or outstanding under the Transaction Documents, up to but excluding the date of the repayment, shall become immediately due and payable by the Issuer to the ICULS holders; and
- (iii) the ICULS holders shall be entitled within 30 days from the date of such declaration of Event of Default to exercise their conversion rights in respect of all or any part of their ICULS subject to the provisions in the Trust Deed and the conditions.

APPENDIX II – SALIENT TERMS OF THE ICULS (Cont'd)

- Adjustments in the ICULS Conversion Price and nominal value : Necessary adjustments to the ICULS conversion price and/or the nominal value shall be made in the event of any alteration in our Company's share capital on or before the Maturity Date, whether by way of rights issue, bonus issue, consolidation of shares, subdivision of shares or reduction of capital howsoever being effected, in accordance with the provisions of the trust deed.
- Participation in any distribution and/or offer of further securities : The ICULS holders are not entitled to any dividends, rights, allotments, distribution and/or offer of securities in our Company until and unless such ICULS holders have validly converted the ICULS into new Scanwolf Shares, and such new Scanwolf Shares are allotted prior to the entitlement date of such dividend, right, allotment, distribution and/or offer of securities.
- Amendment to the ICULS holders' rights : Save as otherwise provided in the trust deed and consented to in writing by Scanwolf, approval of the ICULS holders by way of special resolution is required to sanction any modification, variation or arrangement requested by Scanwolf in respect of the rights of the ICULS holder.
- Governing laws : Laws of Malaysia and the exclusive jurisdiction of the Courts of Malaysia.
- Redemption : The ICULS will not be redeemable.
- Rating : The ICULS will not be rated.
- Listing : ICULS will be listed on Main Market of Bursa Securities.

APPENDIX III – SALIENT TERMS OF THE WARRANTS

- Issuer : Scanwolf.
- Issue Size : Up to 52,485,600 Warrants to be issued assuming full subscription of the ICULS.
- Tenure : Five (5) years commencing from and including the date of issuance of the Warrants.
- Form and Constitution : The Warrants which are issued with the ICULS are immediately detached upon issuance and will be separately traded. The Warrants will be issued in registered form and constituted by the Deed Poll.
- Exercise Rights : The new Warrants entitle the Warrant holder, at any time during the Exercise Period, to subscribe for new Scanwolf Shares on the basis of one (1) new Scanwolf Share for one (1) Warrant at the Exercise Price, subject to adjustments in accordance with the provisions of the Deed Poll.
- Exercise Period : The Warrants may be exercised at any time within five (5) years commencing from and including the date of issuance of the Warrants and up to the closing of business day on the Expiry Date.
- Any Warrants which are not exercised during the Exercise Period will thereafter lapse and cease to be valid for any purpose.
- Exercise Price : The exercise price of the Warrants is to be fixed at RM0.30, subject to further adjustments (where applicable) in accordance with the provisions of the Deed Poll.
- Expiry Date : At the close of business day on the date which is the fifth (5th) anniversary of the date of the issuance of the Warrants (if such date is not a business day, then on the preceding business day).
- Mode of Exercise : A Warrant holder must complete and sign the exercise notice (which shall be irrevocable) and deliver the duly completed and executed exercise notice to our Company's Share Registrar together with a remittance by way of banker's draft or cashier's order or money order or postal order drawn on a bank or post office operating in Malaysia.
- Board Lot : For the purpose of trading on Bursa Securities, a board lot of Warrants shall be 100 Warrants carrying the right to subscribe for 100 new Scanwolf Shares, or such number of Scanwolf Shares may be varied from time to time by Bursa Securities and/or any other relevant authorities to constitute a board lot.
- Listing status : An application will be made to Bursa Securities for the admission of the Warrants to the Official List of Bursa Securities, and for the listing of and quotation for the Warrants and new Scanwolf Shares to be issued pursuant to the exercise of the Warrants on the Main Market of Bursa Securities.
- Ranking of new Scanwolf Shares arising from the exercise of the Warrants : The new Scanwolf Shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing Scanwolf Shares, save and except that they will not be entitled to any dividends, rights, allotments, and/or any other distributions that may be declared, made or paid to the shareholders of our Company where the entitlement date is prior to the date of allotment and the issuance of the said new Scanwolf Shares.

APPENDIX III – SALIENT TERMS OF THE WARRANTS (Cont'd)

Rights in the event of winding up, liquidation, compromise and/or arrangement : If a resolution is passed for a members' voluntary winding-up of our 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 our Company or the amalgamation of our Company with one or more companies, our Company shall give notice to the Warrant holders in accordance with the Deed Poll of the passing of any such resolution within seven (7) market days after the passing of such resolution, and then:

- (i) for the purpose of such winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which our Company is the continuing corporation) to which the Warrant holders (or some persons designated by them for such purposes by a special resolution will be a party) the terms of such winding-up, compromise and arrangement shall be binding on all the Warrant holders; or
- (ii) every Warrant holder shall be entitled (upon and subject to conditions of the Deed Poll) at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of our Company or six (6) weeks after the granting of the court order approving the winding-up, compromise or arrangement, by the irrevocable surrender of his Warrants to our Company, elect to be treated as if he had immediately prior to the commencement of such winding-up, compromise or arrangement exercised the Exercise Rights represented by such Warrants to the extent specified in the exercise notice(s) (which shall be duly completed, authorising the debiting of his/her Warrants, together with payment of the relevant Exercise Price with a sum equivalent to all taxes, stamp duty and other government charges payable thereunder) and be entitled to receive out of the assets of our Company which would be available in liquidation as if he had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise and the liquidator of our Company shall give effect to such election accordingly.

Subject to the foregoing, if our Company is wound up or an order has been granted for such compromise or arrangement, all Exercise Rights which have not been exercised within six (6) weeks of the passing of such resolution or the granting of the court order. Upon the expiry of the above 6 weeks, all exercise rights of the Warrants shall lapse and cease to be valid for any purpose.

Modifications to the terms of the Warrants : Our Company may, from time to time, without the consent or sanction of the Warrant holders but in accordance with the Deed Poll, modify the Deed Poll, if such modification made does not materially prejudice the interests of the Warrant holders or is made to correct a manifest error or to comply with prevailing laws of Malaysia, rules of Bursa Malaysia Depository Sdn Bhd, Securities Industry (Central Depositories) Act, 1991 and/or the Listing Requirements.
Subject to the above and the approval of any relevant authority, any modification, alteration or abrogation of the covenants or provisions contained in the Deed Poll proposed or agreed to by our Company must be sanctioned by special resolution of the holders of the Warrants.

APPENDIX III – SALIENT TERMS OF THE WARRANTS (Cont'd)

- Adjustments in the Exercise Price and/or number of Warrants : The Exercise Price and/or number of unexercised Warrants in issue shall from time to time be adjusted by our Board, in consultation with an approved adviser appointed by our Company and certified by the auditors of our Company in accordance with the provisions of the Deed Poll.
- Deed Poll : The Warrants will be constituted by a Deed Poll to be executed by our Company
- Governing law : The Deed Poll is governed by and construed in accordance with the laws of Malaysia.