

Unless stated otherwise, all abbreviations and defined terms contained in this Abridged Prospectus are defined in the "Definition" section of this Abridged Prospectus.

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

THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY. All enquiries concerning the Rights Issue of ICPS with Warrants should be addressed to our Share Registrar, Securities Services (Holdings) Sdn Bhd [Registration No. 197701005827 (36869-T)] at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur (Tel No: +603 2084 9000).

This Abridged Prospectus, together with the NPA and RSF will be despatched only to the Entitled Shareholders whose names appear in our Record of Depositors and who have provided our Share Registrar with a registered address in Malaysia not later than 5:00 p.m. on Monday, 12 April 2021. This Abridged Prospectus, together with the NPA and RSF, are not intended to be issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue of ICPS with Warrants comply with the law of any countries or jurisdictions other than the laws of Malaysia. Entitled Shareholders and their renounee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers and other professional advisers as to whether the acceptance and/or renunciation (as the case may be) of all or any part of their entitlements to the Rights Issue of ICPS with Warrants would result in the contravention of any laws of such countries or jurisdictions. Our Company, the Principal Adviser and/or the other advisers named herein shall not accept any responsibility or liability in the event that any acceptance or renunciation (as the case may be) of all or any part of the entitlements to the Provisional Allotments made by the Entitled Shareholders or their renounee(s) (if applicable), application for Excess Rights ICPS with Warrants or the subscription, offer, sale, resale, pledge or other transfer of the new securities arising from the Rights Issue of ICPS with Warrants made by any Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) are or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions.

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

Approval for the Rights Issue of ICPS with Warrants has been obtained from our shareholders at our EGM held on 4 August 2020. Approval has also been obtained from Bursa Securities via its letter dated 19 February 2020 for the admission of the Rights ICPS and Warrants B to the Official List as well as the listing of and quotation for the Rights ICPS, Warrants B, additional Warrants A and the new Shares to be issued arising from the exercise of Warrants B and the additional Warrants A as well as the conversion of the Rights ICPS on the Main Market of Bursa Securities (subject to the conditions specified in the said letter), which will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS accounts of the Entitled Shareholders have been duly credited with the Rights ICPS and Warrants B allotted to them and notices of allotments have been despatched to the Entitled Shareholders. However, this is not an indication that Bursa Securities recommends the Right Issue of ICPS with Warrants, and shall not be taken as an indication of merits of the Right Issue of ICPS with Warrants. Bursa Securities does not take any responsibility for the correctness of statements or opinions expressed in this Abridged Prospectus.

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 whatsoever 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, SEE "RISK FACTORS" AS SET OUT IN SECTION 6 OF THIS ABRIDGED PROSPECTUS.



WZ SATU BERHAD

永成壹

Registration No. 200401027590 (666098-X)
(Incorporated in Malaysia)

RENOUNCEABLE RIGHTS ISSUE OF UP TO 643,106,105 IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES IN WZ SATU BERHAD ("WZ SATU") ("RIGHTS ICPS") AT AN ISSUE PRICE OF RM0.11 PER RIGHTS ICPS ON THE BASIS OF 1 RIGHTS ICPS FOR EVERY 1 EXISTING ORDINARY SHARE IN WZ SATU HELD BY THE ENTITLED SHAREHOLDERS AS AT 5:00 P.M. ON 12 APRIL 2021 TOGETHER WITH UP TO 80,388,263 FREE DETACHABLE WARRANTS ("WARRANTS B") ON THE BASIS OF 1 WARRANT B FOR EVERY 8 RIGHTS ICPS SUBSCRIBED ("RIGHTS ISSUE OF ICPS WITH WARRANTS")

Principal Adviser



Hong Leong Investment Bank Berhad
(Registration No. 197001000928 (10209-W))

(A Participating Organisation of Bursa Malaysia Securities Berhad)
(A Trading Participant of Bursa Malaysia Derivatives Berhad)

IMPORTANT RELEVANT DATES AND TIMES:

Entitlement Date	:	Monday, 12 April 2021 at 5:00 p.m.
Last date and time for sale of Provisional Allotments	:	Monday, 19 April 2021 at 5:00 p.m.
Last date and time for transfer of Provisional Allotments	:	Wednesday, 21 April 2021 at 4:30 p.m.
Last date and time for acceptance and payment	:	Tuesday, 27 April 2021 at 5:00 p.m.
Last date and time for Excess Applications and payment	:	Tuesday, 27 April 2021 at 5:00 p.m.

This Abridged Prospectus is dated 12 April 2021

ALL TERMS AND ABBREVIATIONS USED HEREIN SHALL HAVE THE SAME MEANINGS AS THOSE DEFINED IN THE "DEFINITIONS" SECTION OF THIS ABRIDGED PROSPECTUS UNLESS STATED OTHERWISE.

RESPONSIBILITY STATEMENTS

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

HLIB, BEING THE 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 ICPS WITH WARRANTS.

STATEMENT OF DISCLAIMER

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 YOU STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

INVESTORS SHOULD NOTE THAT THEY MAY SEEK RECOURSE UNDER SECTIONS 248, 249 AND 357 OF THE CMSA FOR BREACHES OF SECURITIES LAWS INCLUDING ANY STATEMENT IN 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 ARE OFFERED TO THE PUBLIC ON THE PREMISE OF FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE OF ICPS WITH WARRANTS, FOR WHICH ANY PERSON SET OUT IN SECTION 236 OF CMSA, IS RESPONSIBLE.

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

THE DOCUMENTS HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE OF ICPS 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

For the purpose of this Abridged Prospectus, unless where the context otherwise requires, the following definitions shall apply throughout this Abridged Prospectus:

Abridged Prospectus	:	This abridged prospectus dated 12 April 2021 issued by our Company in relation to the Rights Issue of ICPS with Warrants
Act	:	Companies Act 2016
Amendments	:	Amendments to the Constitution to facilitate the issuance of the ICPS pursuant to the Rights Issue of ICPS with Warrants
Bloomberg	:	Bloomberg Finance Singapore L.P. and its affiliates
Board	:	Board of directors of WZ Satu
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
By-Laws	:	The by-laws governing our Company's long-term incentive plan comprising (i) the executive share grant scheme which comprises of a retention share plan and a performance share plan and (ii) executive share option scheme
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 established by Bursa Depository for a depositor pursuant to the SICDA and the Rules of Bursa Depository for the recording of deposits of securities and dealings in such securities by the depositor
CEC	:	Civil Engineering and Construction
Closing Date	:	27 April 2021 at 5:00 p.m., being the last date and time for the acceptance of and payment for the Provisional Allotments and Excess Application(s)
CMCO	:	Conditional movement control order issued by the Government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967
CMSA	:	Capital Markets and Services Act, 2007 as amended from time to time and any re-enactment thereof
Code	:	Malaysian Code on Take-Overs and Mergers, 2016 as amended from time to time

DEFINITIONS (CONT'D)

Constitution	:	The Constitution of our Company
Conversion Price	:	RM0.11, being the amount to be satisfied in order for an ICPS Holder to convert his/her/its ICPS into 1 new Share. For the avoidance of doubt, no additional cash payment is required for such conversion of the ICPS by the ICPS Holders
COVID-19	:	Coronavirus disease 2019
Deed Poll A	:	The deed poll constituting the Warrants A and governing the rights of Warrants A holders executed by our Company dated 9 October 2014
Deed Poll B	:	The deed poll constituting the new Warrants B and governing the rights of Warrants B holders executed by our Company dated 24 March 2021
Director(s)	:	The director(s) of WZ Satu having the meaning given in Section 2(1) of the Act and Section 2(1) of the CMSA
Documents	:	This Abridged Prospectus and the accompanying NPA and RSF, collectively
e-NPA	:	Electronic NPA
e-RSF	:	Electronic RSF
e-Subscription	:	Electronic subscription
EGM	:	Extraordinary general meeting of our Company held on 4 August 2020 in relation to the Right Issue of ICPS with Warrants as well as the Amendments
Entitled Shareholders	:	Shareholders whose names appear in the Record of Depositors of our Company as at the close of business on the Entitlement Date in order to be entitled to the Rights Issue of ICPS with Warrants
Entitlement Date	:	12 April 2021 at 5:00 p.m., being the date and time on which the names of our shareholders must be registered in our Record of Depositors to be entitled to participate in the Rights Issue of ICPS with Warrants
EPS	:	Earnings per Share
Excess Application(s)	:	Application(s) for Excess Rights ICPS as set out in Section 11.8 of this Abridged Prospectus

DEFINITIONS (CONT'D)

Excess Rights ICPS	:	Rights ICPS with Warrants B which are not taken up or not validly taken up by our Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) by the Closing Date
Exercise Price	:	RM0.16, being the price at which 1 Warrant B is exercisable into 1 new Share, subject to the adjustments in accordance to provisions of the Deed Poll B
Foreign Addressed Shareholders	:	Our shareholders on the Entitlement Date who have not provided an address in Malaysia for service of documents to be issued for purposes of the Rights Issue of ICPS with Warrants
FPE	:	Financial period ended
FYE	:	Financial year ended/ending, as the case may be
Government	:	Government of Malaysia
HLIB or Principal Adviser	:	Hong Leong Investment Bank Berhad
ICPS	:	Irredeemable convertible preference shares of WZ Satu
ICPS Holders	:	Holder(s) of the ICPS
Issue Price	:	RM0.11, being the issue price of each Rights ICPS
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	16 March 2021, being the latest practicable date prior to the printing of this Abridged Prospectus
Market Day	:	A day on which the stock market of Bursa Securities is open for trading in securities
Maximum Scenario	:	Assuming all outstanding Warrants A are exercised into Shares and the Rights Issue of ICPS with Warrants is fully subscribed by the Entitled Shareholders and/or their renounee(s) to raise gross proceeds of about RM70.7 million
MCO	:	Movement control order issued by the Government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967
Minimum Scenario	:	Assuming none of the outstanding Warrants A are exercised into new Shares and the Rights Issue of ICPS with Warrants is undertaken based on a Minimum Subscription Level

DEFINITIONS (CONT'D)

Minimum Subscription Level	:	A minimum level of subscription which entails a minimum issuance to raise the minimum gross proceeds of RM30.0 million
NA	:	Net assets attributable to our shareholders
NPA	:	Notice of provisional allotment in relation to the Rights Issue of ICPS with Warrants
Official List	:	A list specifying all securities listed on the Main Market of Bursa Securities
O&G	:	Oil and gas
Price Fixing Date	:	16 March 2021, being the date on which our Board determined and fixed the Issue Price, the entitlement basis for the Rights Issue of ICPS with Warrants, the Conversion Price for the ICPS as well as the Exercise Price of the Warrant B
Provisional Allotments	:	The Rights ICPS with Warrants B provisionally allotted to our Entitled Shareholders pursuant to the Rights Issue of ICPS with Warrants
Record of Depositors	:	A record of securities holders of our Company established and maintained by Bursa Depository under the Rules of Bursa Depository
Rights ICPS	:	Up to 643,106,105 ICPS in our Company to be issued pursuant to the Rights Issue of ICPS with Warrants
Rights Issue of ICPS with Warrants	:	Renounceable rights issue of up to 643,106,105 Rights ICPS at an issue price of RM0.11 per Rights ICPS on the basis of 1 Rights ICPS for every 1 existing Share held as at the Entitlement Date, together with up to 80,388,263 Warrants B on the basis of 1 Warrant B for every 8 Rights ICPS subscribed
RM and sen	:	Ringgit Malaysia and sen respectively
RSF	:	Rights subscription form in relation to the Rights Issue of ICPS with Warrants
Rules	:	Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the SC
Rules of Bursa Depository	:	Rules of Bursa Depository as issued pursuant to the SICDA
SC	:	Securities Commission Malaysia
Share Registrar	:	Securities Services (Holdings) Sdn Bhd

DEFINITIONS (CONT'D)

SICDA	:	Securities Industry (Central Depositories) Act, 1991, as amended from time to time and any re-enactment thereof
TERP	:	Theoretical ex-rights price
Undertaking Shareholders	:	The following undertaking shareholders who/which have provided his/its respective Undertakings: <ul style="list-style-type: none"> (i) CitaGlobal Energy Resources Sdn Bhd (“CitaGlobal”); (ii) YM Tengku Dato’ Sri Uzir Bin Tengku Dato’ Ubaidillah (“Tengku Uzir”); (iii) Kebawah Duli Yang Maha Mulia Seri Paduka Baginda Yang di-Pertuan Agong XVI Al-Sultan Abdullah Ri’ayatuddin Al-Mustafa Billah Shah Ibni Almarhum Sultan Haji Ahmad Shah Al-Musta’in Billah (“KDYMM”); and (iv) YM Tengku Dato’ Indera Zubir Bin Tengku Dato’ Ubaidillah (“Tengku Zubir”)
Undertakings	:	The written undertakings from the Undertaking Shareholders dated 28 February 2020 pursuant to which the Undertaking Shareholders have irrevocably and unconditionally undertaken, amongst others, to apply and subscribe for such subscription amount of at least RM30.0 million in aggregate under the Rights Issue of ICPS with Warrants, the details of which are set out in Section 3 of this Abridged Prospectus
Warrant A	:	Outstanding warrants issued by our Company on 29 October 2014 constituted under the Deed Poll A
Warrant B	:	Free new detachable warrants to be issued by our Company pursuant to the Rights Issue of ICPS with Warrants where the warrants will be constituted by the Deed Poll B
WZ Satu Group or Group	:	Our Company and our subsidiaries, collectively
WZ Satu or Company	:	WZ Satu Berhad
WZ Satu Share(s) or Share(s)	:	Ordinary share(s) in our Company
5D-VWAMP	:	5-day volume-weighted average market price

All references to “**our Company**” in this Abridged Prospectus are to WZ Satu, and references to “**our Group**” are to our Company and our subsidiaries. References to “**we**”, “**us**”, “**our**” and “**ourselves**” are to our Company and, where the context requires otherwise, include our subsidiaries.

DEFINITIONS (CONT'D)

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

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

All references in this Abridged Prospectus to any legislations, statutes, enactments, rules, codes or guidelines are references to those legislations, statutes, enactments, rules, codes or guidelines as amended or re-enacted from time to time.

All references to the time of day or date in this Abridged Prospectus are references to Malaysian time and date respectively.

Certain amounts and percentage figures included in this Abridged Prospectus have been subject to rounding adjustments. Any discrepancies between the figures shown in this Abridged Prospectus and figures published by our Company, such as quarterly reports or annual reports, 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 our Board after due reasonable 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. All statements other than statements of historical facts included in this Abridged Prospectus, including, without limitation, those regarding our prospects and plans of our Group for future operations, are forward-looking statements. There is no assurance that such forward-looking statements will materialise, be fulfilled or be achieved.

ADVISERS' DIRECTORY

- PRINCIPAL ADVISER** : Hong Leong Investment Bank Berhad
Level 30, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur

Tel. no.: +603 2083 1800
Fax no.: +603 2083 1761
- LEGAL ADVISER FOR THE RIGHTS ISSUE OF ICPS WITH WARRANTS** : Mah-Kamariyah & Philip Koh
Advocates & Solicitors
3A07 Block B, Phileo Damansara II
15 Jalan 16/11, Off Jalan Damansara
46350 Petaling Jaya
Selangor Darul Ehsan

Tel. no.: +603 7956 8686
Fax no.: +603 7956 2208
- SHARE REGISTRAR** : Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

Tel. no.: +603 2084 9000
Fax no.: +603 2094 9940
- STOCK EXCHANGE** : Main Market of Bursa Securities

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SUMMARY OF RIGHTS ISSUE OF ICPS WITH WARRANTS

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

Information	Summary									
Basis of allotment and number of ICPS and Warrants B to be issued	<p>Basis: 1 Rights ICPS for every 1 existing WZ Satu Share held by the Entitled Shareholders on the Entitlement Date and 1 Warrant B for every 8 Rights ICPS subscribed by the Entitled Shareholders.</p> <p>Number of ICPS and Warrants B to be issued:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Minimum Scenario</th> <th style="text-align: center;">Maximum Scenario</th> </tr> </thead> <tbody> <tr> <td>Number of ICPS to be issued*</td> <td style="text-align: center;">511,665,197</td> <td style="text-align: center;">643,106,105</td> </tr> <tr> <td>Number of Warrants B to be issued*</td> <td style="text-align: center;">63,958,149</td> <td style="text-align: center;">80,388,263</td> </tr> </tbody> </table> <p>* <i>The actual number of ICPS and Warrants B to be issued pursuant to the Rights Issue of ICPS with Warrants will depend on the total issued Shares of our Company as at the Entitlement Date and the eventual subscription rate of the Rights Issue of ICPS with Warrants.</i></p> <p>Any unsubscribed Rights ICPS will be made available for subscription by other Entitled Shareholders and/or their renounees/transferees, via Excess Applications. It is our Board's intention to allot the Excess Rights ICPS, if any, in a fair and equitable manner.</p> <p>Please refer to Sections 2.1 and 10.9 of this Abridged Prospectus for further information.</p>		Minimum Scenario	Maximum Scenario	Number of ICPS to be issued*	511,665,197	643,106,105	Number of Warrants B to be issued*	63,958,149	80,388,263
	Minimum Scenario	Maximum Scenario								
Number of ICPS to be issued*	511,665,197	643,106,105								
Number of Warrants B to be issued*	63,958,149	80,388,263								
Issue Price and Conversion Price of the ICPS and the exercise price of the Warrants B	<p>Issue price of the ICPS: RM0.11 Conversion price of the ICPS: RM0.11 Exercise price of the Warrants B: RM0.16</p> <p>Please refer to Section 2.3 of this Abridged Prospectus for further information.</p>									
Undertakings and underwriting arrangements	<p>Our Board has determined to undertake the Rights Issue of ICPS with Warrants on the Minimum Subscription Level. As such, WZ Satu has obtained irrevocable written undertakings from the Undertaking Shareholders to subscribe for such number of Rights ICPS having an aggregate subscription value amounting to RM30.00 million.</p> <p>As the Minimum Subscription Level will be fully satisfied through the Undertakings, our Company will not procure any underwriting arrangement for the remaining Rights ICPS not subscribed by other Entitled Shareholders under the Rights Issue of ICPS with Warrants.</p> <p>The Undertaking Shareholders have confirmed that the Undertakings will not give rise to any consequences of mandatory general offer obligation pursuant to the Code and the Rules immediately upon implementation of the Rights Issue of ICPS with Warrants.</p> <p>Please refer to Section 3 of this Abridged Prospectus for further information including the summary of the Undertakings based on the shareholdings of the Undertaking Shareholders.</p>									

SUMMARY OF RIGHTS ISSUE OF ICPS WITH WARRANTS (CONT'D)

- Rationale for the Rights Issue of ICPS with Warrants**
- (i) The issuance of ICPS with Warrants B minimises the impact of immediate dilution to the shareholdings of our existing shareholders;
 - (ii) It allows the Entitled Shareholders to increase their equity participation in our Company through conversion of their ICPS and/or exercise of their Warrants B into new Shares during the conversion/exercise period; and
 - (iii) It enables our Group to raise the required funds without incurring additional interest expense from bank borrowings.

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

Use of proceeds The details of the utilisation of gross proceeds are as follows:

Description	RM'million		Estimated timeframe for utilisation
	Minimum Scenario	Maximum scenario	
Funding for future construction and/or project/business financing activities	29.0	69.3	Within 36 months
Working capital	0.3	0.7	Within 12 months
Estimated expenses in relation to the Rights Issue of ICPS with Warrants and the Amendments	0.7	0.7	Within 1 month
Total proceeds	30.0	70.7	

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

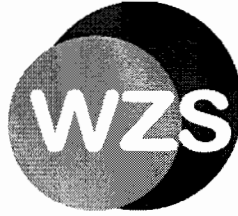
Risk factors Before subscribing for or investing in the Rights Issue of ICPS with Warrants, you should carefully consider the risk factors which include, amongst others:

- (i) risk relating to our Group's existing business and operations of which our Group is exposed to, including amongst others, dependency of award of new contracts, sustainability of order book/project risk, our Group's losses position since FYE August 2018 and the impact of COVID-19 on our Group's business;
- (ii) risk relating to the industry in which we operate, including amongst others, delay in completion of our construction and O&G projects, the availability and prices fluctuation of construction materials, competition risk, fluctuation in the crude oil price and availability and fluctuation in cost of raw materials; and
- (iii) risk relating to the Rights Issue of ICPS with Warrants, of which our Company is exposed to, including investment and capital market risks for ICPS and failure or delay in the completion of the Rights Issue of ICPS with Warrants.

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

Procedures for acceptance and payment Please submit your application in accordance with the procedures for applications as set out in **Section 10** of this Abridged Prospectus.

The last day, date and time for acceptance of and payment for the Provisional Allotments and the Excess Rights ICPS is on **Tuesday, 27 April 2021 at 5.00 p.m.**



WZ SATU BERHAD

سواتو 壹成永

Registration No. 200401027590 (666098-X)
(Incorporated in Malaysia)

Registered office:

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

12 April 2021

Board of Directors

Tan Sri Dato' Sri Mohamad Norza Bin Zakaria (*Executive Chairman*)

YM Tengku Dato' Sri Uzir Bin Tengku Dato' Ubaidillah (*Executive Vice Chairman*)

YM Tengku Dato' Indera Zubir Bin Tengku Dato' Ubaidillah (*Non-Independent Non-Executive Director*)

Ikhlas Bin Kamarudin (*Non-Independent Non-Executive Director*)

Rosli Bin Shafiei (*Independent Non-Executive Director*)

Datuk Idris Bin Haji Hashim J.P. (*Independent Non-Executive Director*)

Dato' Syed Kamarulzaman Bin Dato' Syed Zainol Khodki Shahabudin (*Independent Non-Executive Director*)

Dato' Mohan A/L C Sinnathamby (*Independent Non-Executive Director*)

To: Our Entitled Shareholders

Dear Sir/Madam,

RIGHTS ISSUE OF ICPS WITH WARRANTS

1. INTRODUCTION

On 18 November 2019, on behalf of our Board, HLIB announced that our Company proposed to undertake the Rights Issue of ICPS with Warrants and the Amendments. On 13 January 2020, on behalf of our Board, HLIB announced that a listing application in relation to the Rights Issue of ICPS with Warrants had been submitted to Bursa Securities.

Subsequently on 20 February 2020, on behalf of our Board, HLIB announced that Bursa Securities had, vide its letter dated 19 February 2020, approved the following:

- (i) admission of up to 643,106,105 ICPS and up to 80,388,263 Warrants B to the Official List of the Main Market of Bursa Securities; and
- (ii) listing of and quotation for the following on the Main Market of Bursa Securities:
 - (a) up to 643,106,105 ICPS to be issued pursuant to the Rights Issue of ICPS with Warrants;

- (b) up to 643,106,105 new WZ Satu Shares to be issued arising from the conversion of the ICPS;
- (c) up to 80,388,263 Warrants B to be issued pursuant to the Rights Issue of ICPS with Warrants;
- (d) up to 80,388,263 new WZ Satu Shares to be issued arising from the exercise of the Warrants B;
- (e) up to 51,801,690 additional Warrants A to be issued pursuant to the adjustment in accordance with the Deed Poll A; and
- (f) up to 51,801,690 new WZ Satu Shares to be issued arising from the exercise of the additional Warrants A.

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

Conditions imposed	Status of compliance
(i) The ICPS, Warrants B and additional Warrants A shall be listed and quoted simultaneously;	To be complied.
(ii) Our Company and HLIB, being the Principal Adviser for the Rights Issue of ICPS with Warrants, must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Rights Issue of ICPS with Warrants;	Noted.
(iii) Our Company and HLIB to inform Bursa Securities upon the completion of the Rights Issue of ICPS with Warrants;	To be complied.
(iv) Our Company and HLIB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Rights Issue of ICPS with Warrants is completed;	To be complied.
(v) Our Company to furnish Bursa Securities with a certified true copy of the resolution passed by our shareholders at the EGM for the Rights Issue of ICPS with Warrants; and	Complied
(vi) Our Company to furnish Bursa Securities on a quarterly basis a summary of the total number of ordinary shares listed pursuant to the conversion of ICPS and exercise of the Warrants B respectively, as at the end of each quarter together with a detailed computation of the listing fees payable.	To be complied.

On 4 August 2020, our shareholders approved the Rights Issue of ICPS with Warrants and Amendments as set out in Notice of the postponed EGM dated 13 July 2020. The Constitution of our Company was altered with effect from 4 August 2020.

On 24 August 2020, Bursa Securities has resolved to grant an extension of time until 18 February 2021 for our Company to complete the implementation of the Right Issue of ICPS with Warrants.

On 20 January 2021, Bursa Securities granted a further extension of time until 18 August 2021 for our Company to complete the implementation of the Rights Issue of ICPS with Warrants.

The reasons for the above extension of time to complete the implementation of the Rights Issue of ICPS with Warrants were mainly due to the implementation of the MCO which began on 18 March 2020 and the re-implementation of MCO on 13 January 2021 to curb the spread of COVID-19 pandemic. The continuing MCO and CMCO situations have resulted in uncertainties in the prospects of job tenders due to shrinking job opportunities and delays in projects implementation. As such, the proceeds from the Rights Issue of ICPS with Warrants allocated for future construction and/or project/business financing activities were uncertain and have hindered our Company to complete the implementation of the Rights Issue of ICPS with Warrants. However, based on the current improving market conditions, we have actively tendered for various infrastructure projects under our CEC operating segment and various upstream and downstream projects under our O&G operating segment.

On 16 March 2021, HLIB had, on behalf of our Company, announced that our Board has fixed the following:

- (i) the Issue Price and Conversion Price at RM0.11 per Rights ICPS;
- (ii) the Exercise Price at RM0.16 per Warrant B; and
- (iii) the entitlement basis for the Rights Issue of ICPS with Warrants at 1 Rights ICPS for every 1 existing Share held on the Entitlement Date together with 1 Warrant B for every 8 Rights ICPS subscribed.

The admission, listing and quotation for the Rights ICPS and Warrants B will commence after, among others, the receipt of confirmation from Bursa Depository that all the CDS Accounts of our successful applicants have been duly credited and notices of allotment have been despatched to them.

No person is authorised to give any information or make any representation in connection with the Rights Issue of ICPS with Warrants not contained in the Documents and if given or made, such information or representation must not be relied upon as having been authorised by us or HLIB.

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

2. PARTICULARS OF THE RIGHTS ISSUE OF ICPS WITH WARRANTS

2.1 Details of Rights Issue of ICPS with Warrants

The Rights Issue of ICPS with Warrants entails the issuance of up to 643,106,105 Rights ICPS at the Issue Price of RM0.11 per Rights ICPS on the basis of 1 Rights ICPS for every 1 existing Share held by the Entitled Shareholders on the Entitlement Date together with up to 80,388,263 Warrants B at the Exercise Price of RM0.16 each on the basis of 1 Warrant B for every 8 Rights ICPS subscribed.

As at the LPD, we have an issued share capital of RM242,812,599 comprising 511,665,197 WZ Satu Shares. In addition, as at the LPD, we have 131,440,908 outstanding Warrants A.

The Rights Issue of ICPS with Warrants will be implemented based on a Minimum Subscription Level to raise RM30.0 million. The actual number of ICPS and the corresponding number of Warrants B to be issued under the Rights Issue of ICPS with Warrants will depend on the actual subscription by the Entitled Shareholders and their renounee(s) and transferee(s) (if applicable).

The Rights Issue of ICPS with Warrants is renounceable in full or in part. As such, our Entitled Shareholders can subscribe for and/or renounce their respective entitlements to the Rights Issue of ICPS with Warrants in full or in part.

Only Entitled Shareholders who have an address in Malaysia as stated in our Record of Depositors or who have provided our Share Registrar with an address in Malaysia in writing by Entitlement Date will be received the Documents.

The Rights Issue of ICPS with Warrants will be provisionally allocated to our Entitled Shareholders. Our Entitled Shareholders who have renounced all or any part of their entitlements to the Rights ICPS provisionally allotted to them shall deemed to have renounced their corresponding entitlements to the Warrants B. Nonetheless, the Rights ICPS and Warrants B cannot be renounced separately. Should the Entitled Shareholders renounce all of their Rights ICPS entitlement, they will not be entitled to the Warrants B. However, if our Entitled Shareholders accept only part of their Rights ICPS entitlements under the Rights Issue of ICPS with Warrants, they shall be entitled to the Warrants B in proportion of their acceptances of the Rights ICPS entitlement.

Any fractional entitlements of the Rights ICPS and the Warrant B arising from the Rights Issue of ICPS with Warrants shall be disregarded, and dealt with in such manner and on such terms as our Board in its absolute discretion may deem fit or expedient and in the best interests of our Company. The Warrants B which is attached to the Rights ICPS shall be issued at no cost and only to our Entitled Shareholders and/or their renounee(s) or transferee(s), if applicable, who successfully subscribe for the Rights ICPS.

Any Rights ICPS which are not taken up or not validly taken by our Entitled Shareholders and/or their renounee(s) or transferee(s), if applicable, by the Closing Date shall be made available for applications by the other Entitled Shareholders and/or their transferee(s) and/or their renounee(s) (if applicable) under the application for the Excess Rights ICPS. It is the intention of our Board to allocate the Excess Rights ICPS in a fair and equitable manner on a basis as set out in **Section 10.9** of this Abridged Prospectus.

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

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

Any dealings in our Company's securities will be subject to, amongst others, the provisions of the SICDA, the Rules of Bursa Depository and any other relevant legislation. Accordingly, upon subscription, the Rights ICPS and the Warrants B will be credited directly into the respective CDS Accounts of the Entitled Shareholders and/or their renounee(s) or transferee(s) who have successfully subscribed for the Rights ICPS. No physical share certificate and warrant certificate will be issued to successful applicants of the Rights ICPS and/or their renounee(s) and/or transferee(s), if applicable nor will any physical share certificates be issued for the new Shares to be issued arising from the conversion of the Rights ICPS and exercise of the Warrants B.

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

2.2 Salient terms of the ICPS and Warrants B

The ICPS will be issued in registered form and will be constituted by our Constitution. The Warrants B will be issued in registered form and will be constituted by the Deed Poll B.

The salient terms of the ICPS and Warrants B are set out in **Appendix I** and **Appendix II** of this Abridged Prospectus, respectively.

2.3 Basis of and justification in determining the Issue Price, Conversion Price and Exercise Price

(i) Issue Price and Conversion Price of the ICPS

The Issue Price and Conversion Price was determined and fixed by our Board on the Price Fixing Date after taking into consideration, amongst others, the following:

- (a) the TERP of RM0.16 per WZ Satu Share, calculated based on the 5D-VWAMP of WZ Satu Shares of RM0.2125 commencing from 9 March 2021 up to and including 15 March 2021, being the last market day immediately preceding the Price Fixing date;
- (b) a discount of 31.25% to the TERP of WZ Satu Shares of RM0.16;
- (c) the prevailing market conditions, which includes, amongst others, the market sentiment and volatility of the Malaysian stock market, and the historical market prices of WZ Satu Shares since the first announcement of the Rights Issue of ICPS with Warrants from 18 November 2019 up to the Price Fixing Date; and
- (d) the overall funding requirements of our Group.

Based on the Issue Price of RM0.11, the discount to the TERP of RM0.16 are as follows:

TERP	Issue Price of the ICPS	Discount to the TERP
RM	RM	%
0.16	0.11	31.25

(ii) Exercise Price of the Warrants B

The Exercise Price of the Warrants B was determined by our Board on the Price Fixing Date after taking into consideration, amongst others, the following:

- (a) the Warrants B will be issued at no cost to our Entitled Shareholders and/or their renouncee(s) and/or transferee(s) who successfully subscribed for the Rights ICPS;
- (b) the TERP of RM0.16 per WZ Satu Share, calculated based on the 5D-VWAMP of WZ Satu Shares of RM0.2125 commencing from 9 March 2021 up to and including 15 March 2021, being the last market day immediately preceding the Price Fixing date;
- (c) the prevailing market conditions and the historical trading price of WZ Satu Shares; and
- (d) the overall funding requirements of our Group.

2.4 Ranking of the ICPS and new Shares to be issued upon the conversion of the ICPS and exercise of the Warrants B as well as additional Warrants A

(i) ICPS

The ICPS constitute unsecured obligations of our Company and subject to the provisions contained in our Constitution, shall upon allotment and issue, rank equally amongst themselves and shall rank in priority to any other class of shares in the capital of our Company but shall rank behind all secured and unsecured obligations of our Company, except that:

- (a) they will not be entitled to any rights, allotments and/or other distributions that may be declared by our Company in respect of the Shares; and
- (b) they carry no right to vote at any general meeting of our Company save for the voting rights as set out in the salient terms of the ICPS. Please refer to **Appendix I** of this Abridged Prospectus for further information.

(ii) New Shares to be issued upon the conversion of the ICPS and exercise of Warrants B as well as additional Warrants A

The new Shares to be issued upon the conversion of the ICPS and the exercise of Warrants B and additional Warrants A shall upon allotment and issue, rank equally in all respects with the then existing 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 our shareholders, the entitlement date of which is before the date of allotment of such new Shares to be issued upon the conversion of the ICPS and exercise of Warrants B as well as additional Warrants A.

Please refer to **Appendix I** and **Appendix II** of this Abridged Prospectus for further details of the ranking of new Shares to be issued upon the conversion of the ICPS and exercise of Warrants B, respectively.

3. MINIMUM SUBSCRIPTION LEVEL AND SHAREHOLDERS' UNDERTAKINGS

The Rights Issue of ICPS with Warrants will be undertaken on a Minimum Subscription Level to raise a minimum of RM30.00 million. The Minimum Subscription Level was determined by our Board based on, amongst others, the funding requirement of our Group's future construction and/or project/business financing activities as set out in **Section 5** of this Abridged Prospectus.

To meet the Minimum Subscription Level, our Company has obtained irrevocable written undertakings from the Undertaking Shareholders to subscribe for such number of Rights ICPS having an aggregate subscription value amounting to at least RM30.00 million.

In view that the Minimum Subscription Level will be fully satisfied through the Undertakings, our Company will not procure any underwriting agreement for the remaining Rights ICPS not subscribed for by other Entitled Shareholders under the Rights Issue of ICPS with Warrants.

Pursuant to the Undertakings, our Company will still be in compliance with the public shareholding requirement which requires us to ensure at least 25% of our total listed Shares (excluding treasury shares) are in the hands of public shareholders pursuant to Paragraph 8.02(1) of the Listing Requirements.

The Undertaking Shareholders have confirmed that the Undertakings will not give rise to any consequences of mandatory general offer obligation pursuant to the Code and the Rules immediately upon implementation of the Rights Issue of ICPS with Warrants.

However, should any of the Undertaking Shareholders and/or any of their related parties convert their ICPS and/or exercise their Warrants B into new Shares, such that any of their shareholdings in our Company respectively increases to more than 33%, or in the case where any of the Undertaking Shareholders shareholdings fall between 33% and 50%, an increase by more than 2% in any 6 months period, such Undertaking Shareholders and/or any of their respective related parties are obliged to undertake a mandatory take-over offer for all the remaining WZ Satu Shares and convertible securities not already held by them under Part III of the Code. In such an event, such Undertaking Shareholder will seek the relevant exemptions under the Code if any of them does not intend to undertake such mandatory offer.

If the Minimum Subscription Level is not achieved by reason of the failure to fulfil the obligations under the Undertakings by the Undertaking Shareholders or for any other reason, our Company will not proceed with the implementation of the Rights Issue of ICPS with Warrants. All the subscription monies received pursuant to the Rights Issue of ICPS with Warrants will be returned without interest as soon as practicable to the Entitled Shareholders and/or their renounee(s) who have subscribed for their entitlements. Please refer to **Section 6.3.2** of this Abridged Prospectus for information on the risks relating to the failure or delay in the completion of the Rights Issue of ICPS with Warrants.

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For illustrative purposes, the summary of the Undertakings based on the shareholdings of the Undertaking Shareholders as at the LPD are as follows:

Undertaking Shareholders	As at the LPD		Rights ICPS Entitlement			(A) Entitled Rights ICPS based on the undertaking procured	
	No. of Shares	% ^(a)	No. of Rights ICPS	No. of Warrants B entitled	%	No. of Rights ICPS	No. of Warrants B entitled
	'000		'000	'000		'000	'000
CitaGlobal ^(b)	71,888	14.0	71,888	8,986	14.0	71,888	8,986
Tengku Uzir	53,605	10.5	53,605	6,701	10.5	53,605	6,701
KDYMM	46,398	9.1	46,398	5,800	9.1	46,398	5,800
Tengku Zubir	4,473	0.9	4,473	559	0.9	2,694	337
Total	176,364	34.5	176,364	22,046	34.5	174,585	21,824

Undertaking Shareholders	(B) Excess Rights ICPS based on the undertaking procured		(A)+(B) Total Rights ICPS procured		(c)%	ICPS subscription amount pursuant to the Undertakings RM
	No. of Excess Rights ICPS	No. of Warrants B entitled	Total no. of ICPS	Total no. of Warrants B entitled		
	('000)	('000)	('000)	('000)		
CitaGlobal ^(b)	27,453	3,432	99,341	12,418	19.4	10,927,550
Tengku Uzir	34,779	4,347	88,384	11,048	17.3	9,722,172
KDYMM	35,910	4,489	82,308	10,288	16.1	9,053,922
Tengku Zubir	-	-	2,694	337	0.5	296,358
Total	98,142	12,268	272,727	34,091	53.3	30,000,002

Notes:

- (a) Based on the issued share capital of 511,665,197 Shares as at the LPD.
- (b) For avoidance of doubt, CitaGlobal is not a party acting in concert with Tengku Uzir, KDYMM and Tengku Zubir.
- (c) Calculated based on the respective total Rights ICPS procured from the Undertaking Shareholders divided by the total number of 511,665,197 Rights ICPS available for subscription.

Based on the above, CitaGlobal, Tengku Uzir, KDYMM and Tengku Zubir have confirmed that they shall be obliged to subscribe for such number of Excess Rights ICPS pursuant to their Undertakings (where applicable) to ensure that they comply with their Undertakings respectively regardless of any sale or other disposal or transfer of any part of their existing shareholdings up to the Entitlement Date.

In addition, all the Undertaking Shareholders have also confirmed that:

- (i) they have sufficient financial means and resources to fulfil their Undertakings respectively; and
- (ii) their subscriptions of the Rights ICPS pursuant to their Undertakings will not give rise to any mandatory take-over offer obligation under the Code and the Rules.

HLIB, being the Principal Adviser, has verified that the Undertaking Shareholders have adequate and sufficient financial resources for the purpose of subscribing the Rights ICPS and Excess Rights ICPS pursuant to the Undertakings (where applicable).

4. RATIONALE FOR THE RIGHTS ISSUE OF ICPS WITH WARRANTS

The Rights Issue of ICPS with Warrants will enable our Company to raise funds to fund future construction and/or project/business financing activities of our Group, which will contribute positively to the future performance of our Group. The funds raised are intended to enable our Group to have the funds readily available in order to take advantage of any opportunities as and when they arise. In addition, the cumulative preferential dividend rate of 3.0% per annum to be paid to the ICPS Holders is at the lower range of the existing effective cost of borrowings ranging from 2.31% to 8.00% per annum of our Group for the 16-month FPE 31 December 2020.

Upon completion of the Rights Issue of ICPS with Warrants and assuming the Minimum Subscription Level is achieved, the cash and cash equivalents of our Group will increase from approximately RM28.03 million as at 31 December 2020 to approximately RM58.03 million. These cash reserves will enable our Group to have sufficient funds ready for working capital purposes and to fund any construction and/or project/business financing activities sought without undue delay.

After taking into consideration the above as well as the various funding options available to our Company, our Board is of the opinion that the Rights Issue of ICPS with Warrants is the most appropriate avenue of fund raising for the following reasons:

- (i) the issuance of ICPS with Warrants B minimises the impact of immediate dilution to the shareholdings of our existing shareholders as opposed to an issuance of new Shares as the ICPS with Warrants B will be converted/exercised over a period of time;
- (ii) it will not dilute the shareholdings of the Entitled Shareholders, assuming that all Entitled Shareholders subscribe to their entitlements and fully convert/exercise their ICPS with Warrants B;
- (iii) it allows the Entitled Shareholders to increase their equity participation in our Company through conversion of the ICPS and/or exercise of the Warrants B into new Shares during the conversion/exercise period. In the meantime, the ICPS Holders are, subject to the availability of distributable profits of our Company, expected to benefit from the cumulative preferential dividend rate of 3.0% per annum, subject to the availability of distributable profits of our Company; and
- (iv) it enables our Group to raise the required funds without incurring additional interest expense from bank borrowings, thereby minimising any potential cash outflow, which will in turn allow our Group to manage the cash flow more efficiently.

5. USE OF PROCEEDS

The proceeds raised from the Rights Issue of ICPS with Warrants are envisaged to be utilised in the following manner:

Description	Notes	RM'million		Estimated timeframe for Utilisation
		Minimum Scenario	Maximum Scenario	
Funding for future construction and/or project/business financing activities	(i)	*29.0	*69.3	Within 36 months
Working capital	(ii)	0.3	0.7	Within 12 months
Estimated expenses in relation to the Rights Issue of ICPS with Warrants and the Amendments	(iii)	0.7	0.7	Within 1 month
Total		30.0	70.7	

Note:

* The basis in allocating the amount of RM29.0 million and RM69.3 million under the Minimum Scenario and Maximum Scenario respectively takes into consideration the undertakings from our Undertaking Shareholders to apply and subscribe for the subscription amount of at least RM30.0 million in aggregate under the Rights Issue of ICPS with Warrants and the working capital requirements as well as the estimated expenses in relation to the Rights Issue of ICPS with Warrants and the Amendments.

(i) Funding for future construction and/or project/business financing activities

The proceeds of up to RM69.3 million are intended to enable our Group to have the funds readily available to finance the construction and/or project/business financing activities in areas relating to our Group's businesses as and when they arise. Our Company will make the necessary announcements, if required, if such construction and/or project/business financing activities materialise. If shareholders' approval and/or any relevant authorities' approvals are required, such approvals will be sought accordingly. We will disclose the status of the use of proceeds for the future construction and/or project/business financing activities secured in our quarterly report until the said proceeds are fully utilised.

As at the LPD, our CEC segment had tendered for new projects amounting to approximately RM413.0 million while our O&G segment had tendered for new projects amounting to approximately RM648.1 million. Any proceeds that are not used for construction and/or project/business financing activities after 36 months from the completion of the Rights Issue of ICPS with Warrants will be used for the general working capital requirements of our Group. Our Company will make the necessary announcements on the details and breakdown of the allocation for the general working capital requirements of our Group from any unutilised proceeds allocated for the construction and/or project/business financing activities.

(ii) Working capital

Our Company intends to use up to RM0.7 million to fund the general working capital requirements of our Group, the breakdown of which are as follows:

	<u>Minimum Scenario</u>	<u>Maximum Scenario</u>
	<u>RM'000</u>	<u>RM'000</u>
Staffs' salaries	240	580
Other administrative expenses	60	120
Total	<u>300</u>	<u>700</u>

The proceeds to be used of each component of working capital are subject to the operating requirements of our Group at the time of utilisation.

Notwithstanding the above, any shortfall or surplus in the funds allocated for working capital may be adjusted against the portion earmarked for the funding for future construction and/or project/business financing activities depending on our operating and financing requirements at the time of use.

(iii) Estimated expenses in relation to the Rights Issue of ICPS with Warrants and the Amendments

Our Company intends to use approximately RM0.7 million to defray the estimated expenses in relation to the Rights Issue of ICPS with Warrants and the Amendments.

These expenses include the following:

<u>Estimated expenses</u>	<u>Amount</u>
	<u>RM'000</u>
Professional fees ⁽¹⁾	498
Fees payable to the relevant authorities	120
Printing, despatch and advertising expenses	34
Other ancillary expenses in relation to the Rights Issue of ICPS with Warrants and Amendments	48
Total	<u>700</u>

Note:

- (1) Comprising fees payable to our Principal Adviser, legal adviser, reporting accountant, Share Registrar and company secretary.

Any shortfall or surplus will be adjusted against the portion earmarked for the funding for future construction and/or project/business financing activities of our Group.

Pending the use of the proceeds from the Rights Issue of ICPS with Warrants in the manner set out above, the proceeds will be placed in interest bearing deposit accounts or Shariah-compliant deposits with financial institution(s)/Islamic financial institution(s) or short-term money market instrument(s) as our Board may deem fit. Such interest income or profit generated will be allocated for general working capital requirements of our Group.

The gross proceeds to be raised by our Company from the exercise of the Warrants B are dependent on the total number of Warrants B exercised during the tenure of the Warrants B. Based on the Maximum Scenario, up to 80,388,263 Warrants B will be issued pursuant to the Rights Issue of ICPS with Warrants. Assuming full exercise of up to 80,388,263 Warrants B into new WZ Satu Shares at RM0.16 each, our Company is expected to raise up to approximately RM12.86 million. Such gross proceeds to be raised from the exercise of the Warrants B will be used for the general working capital requirements of our Group.

No proceeds will be raised from the conversion of ICPS into new Shares as the conversion will be wholly satisfied through issuance of new Shares by surrendering the ICPS with an aggregate nominal value equivalent to the Conversion Price. No additional cash payment is required for the conversion of the ICPS into new Shares.

6. RISK FACTORS

In addition to other information contained in this Abridged Prospectus, you should carefully consider the following risk factors before subscribing for or investing in the Rights Issue of ICPS with Warrants.

6.1 Risks relating to our business and operations

Currently, our Group's major business segments comprise of the following:

Segments	Products and services	⁽¹⁾Revenue contribution
		(%)
CEC	Securing and carrying out construction contracts	60.6
O&G	Contractor, sub-contractor, carry on fabrication & assembly and testing works, trading and after service of products for oil and gas industries	21.7
Manufacturing	Manufacturing of steel products	14.4

Note:

(1) Based on the latest audited financial statements for FYE 31 August 2019.

The risk relating to our Group's businesses are as follows:

6.1.1 Dependency on award of new contracts

Our Group's revenue is largely derived from short term (i.e. work orders of below 6 months) to long term contracts (i.e. work orders of more than 6 months) from both our CEC segment and O&G segment. It is generally difficult to predict whether and when we will be awarded with such contracts as the bidding and selection process is often lengthy and complex. Our business, operating results and financial condition may be adversely affected if we are unable to secure new contracts on continuous basis.

6.1.2 Sustainability of order book / project risk

As at the LPD, the order book for our secured projects in CEC segment and O&G segment were approximately RM603.1 million and RM96.7 million, respectively. Our Group's revenue is mainly dependent on the sustainability of order book and/or projects entered into, which in turn is affected by the global economic and business environment. Subject to the global economic and business environment, customers may delay or cancel their projects. Project cancellation will directly jeopardise our revenue. Project delays will also affect profit margin as time spent negotiating and resolving issues will delay the recognition of revenue.

Notwithstanding the above, our Group has maintained cordial rapport and has established good business relationships with our customers and thus far have delivered on our obligations under the various projects. Our Group will also continue to emphasise on providing total quality services for our customers.

6.1.3 Our Group has been recording losses since FYE 31 August 2018

Our Group has been recording losses attributable to owners of our Company of RM89.6 million, RM96.2 million and RM63.7 million for the FYEs 31 August 2018 and 2019 as well as the 16-month FPE 31 December 2020, respectively. During the FYE 31 August 2019, our O&G segment's revenue decrease from RM145.0 million to RM84.4 million while our CEC segment's revenue decrease from RM281.0 million to RM235.5 million. This was mainly due to the disputes in our projects namely Refinery and Petrochemical Integrated Development ("**RAPID**") and the West Coast Expressway ("**WCE**") projects, which had resulted in losses attributable to owners of our Company of approximately RM3.3 million and RM45.1 million, respectively, in FYE 31 August 2019.

With regards to the RAPID project, the disputes arose when the main contractor of Package 4 of the RAPID project had disputed variation orders completed by WZS Misi Setia Sdn Bhd ("**WZS Misi Setia**"), being our wholly-owned subsidiary. Subsequently, in December 2019, WZS Misi Setia and the main contractor had entered into a final settlement agreement whereby both parties agreed that the balance amount to be paid to WZS Misi Setia amounted to approximately RM40.5 million, the said sum has been fully received from the main contractor.

With regards to the WCE project, the disputes arose when variation orders claimed by WZS BinaRaya Sdn Bhd ("**WZS BinaRaya**"), (being our wholly-owned subsidiary) from the main contractor as a result of changes in construction drawings from the original tender drawings which were not part of the initial lump sum contract price quoted by WZS BinaRaya. The main contractor is contending that such variation orders form part of the original lump sum contract price. As at the LPD, such claims by WZS BinaRaya amounted to approximately RM52.3 million. To-date, the main contractor has not approved the variation orders claimed and WZS BinaRaya is in the midst of the deliberating on the next course of action.

During the 16-month FPE 31 December 2020, our Group continued recording loss before taxation attributable to owners of our Company of approximately RM63.7 million mainly due to the losses from our CEC segment, mining segment and other segments. The loss before taxation was mainly due to impairment of contract assets which arose from the Perumahan Rakyat 1Malaysia ("**PR1MA**") project and impairment of goodwill which arose from the acquisition of WZS BinaRaya. The impairment of the contract assets was due to uncertainty in commencement of phase 2 of our PR1MA project. The PR1MA project was undertaken pursuant to the Master En-Bloc Purchase Agreement dated 18 March 2016, which comprises of three (3) phases. Our Company is currently in the midst of developing phase 1 of the PR1MA project and intends to enter into a joint venture agreement with PR1MA Corporation Malaysia for phase 2 and phase 3 of the PR1MA project.

Following the above, notwithstanding the prospects of our Group as set out in **Section 7.3** of this Abridged Prospectus, there is no assurance that our Group will be able to achieve positive financial performance in the future.

6.1.4 Political, economic and regulatory risk

As our revenue is solely generated from Malaysia, any adverse changes or uncertainties in regulation, political condition and investment sentiments in Malaysia could adversely affect our business operations and financial prospects. The political, economic plus regulatory conditions are beyond our control. As such, there is no assurance that any adverse changes in these conditions will not affect our businesses. As at the LPD, we have not experienced any adverse political, economic and regulatory changes or force majeure events (save for the COVID-19 pandemic) which has a direct impact on our business operations. Please refer to **Section 6.1.5** of this Abridged Prospectus for further details relating to the impact of COVID-19 pandemic on our business operations.

6.1.5 Risk relating to the impact of COVID-19 on our Group's business

Since the implementation of the MCO began on 18 March 2020 to curb the spread of the COVID-19, our on-going projects under the CEC and O&G operating segments were partially delayed. We had to temporarily suspend our on-going CEC projects from 18 March 2020 to 5 May 2020, which had impacted our results for the month of March 2020 to June 2020. This had resulted in delay in recognition of revenue for our CEC segment of approximately RM38.2 million during the said period, whilst we still had to incur fixed overhead costs of approximately RM1.21 million per month (which includes salaries and other operating expenses) during the temporary suspension period.

Our Group received letters from the Ministry of International Trade and Industry (“MITI”) on 18 April 2020 and 5 May 2020 for our O&G and CEC segments respectively, which allowed our Group to resume operations at reduced capacity, subject to our Group observing strict compliance with the standard operating procedures which include temperature screening and registration of all employees and visitors entering our premises, ensuring physical distancing during work and resorting to virtual meetings with external parties (“SOP”) at all times. In complying with the abovementioned SOP, our Group had incurred additional costs which primarily relate to the purchase of personal protective equipment (e.g. face shields, masks, glove and sanitisers), sanitisation activities, expenses as well as screening tests, and these additional costs did not have a material impact to our financial performance.

On 11 January 2021, the Government announced implementation of a second MCO in Penang, Selangor, the Federal Territories (Kuala Lumpur, Putrajaya and Labuan), Melaka, Johor and Sabah from 13 January 2021 until 26 January 2021, which was then extended until 4 February 2021. However, the re-implementation of the MCO did not have a significant impact on our Group as we were permitted to operate during the said period by MITI vide its letters dated 12 January 2021 and 13 January 2021 for our O&G and CEC segments respectively, subject to the strict compliance of SOP by our Group. On 2 March 2021, the Government announced the upliftment of the MCO in Selangor, Kuala Lumpur, Johor and Penang and the replacement of the MCO with a CMCO on 5 March 2021.

As the outbreak of COVID-19 is an event of force majeure that is beyond the control of our Group, there can be no assurance that the COVID-19 pandemic and/or new conditions that may be imposed by the Government for the movement restriction will not have a material adverse impact on the market conditions and/or the industry in which our Group operates in. The continuing MCO and CMCO have resulted uncertainties in the prospects of job tenders due to shrinking of job opportunities and delays in projects implementation. As such, the proceeds to be raised from the Rights Issue of ICPS with Warrants for future construction and/or project/business financing activities remain uncertain.

Premise on the above, and barring any unforeseen circumstances, our Board is of the view that the COVID-19 outbreak and the imposition of various stages of MCO are not expected to have any material adverse impact on our business and operations.

6.1.6 Adequacy of insurance coverage

The operation of our Group's facilities involves inherent risks and operational hazards. If we incur substantial liabilities uninsurable or uninsured risk or insufficient insurance coverage, it could have material adverse effect on our Group's operations and financial performance.

In this regard, our Group has purchased insurances covering equipment, general third parties' liabilities (such as injuries, loss or property damage) and other liabilities relating to business which we deem are adequate to protect us against liabilities for such events. There can be no assurance that the insurance coverage of our Group will be adequate to cover all losses and liabilities which might occur in the future.

6.2 Risks relating to the industries in which we operate

Risk relating to the construction industry

6.2.1 Delay in completion of our construction projects

The performance of our Group's CEC business is dependent on the timely completion of our construction projects, which in turn is triggered by various external factors, such as the timely receipt of requisite licenses, permits or regulatory approvals, the work performance of the sub-contractors and consultants and the availability of financing and labour.

Other incidental events such as site accidents, shortage or late arrival of raw materials and equipment, unexpected weather condition as well as change in regulatory environment and framework can also result in delay in completion of construction projects.

Any prolonged delay due to the above factors may subsequently lead to project cost overrun, premature termination of our contract or the postponement of or scaling down of the projects by our customers. Material project delays will also affect our profitability, delay the recognition of revenue, incur additional costs and/or result in our customers imposing liquidated and ascertained damages on us, all of which may adversely affect our financial performance.

Any adverse developments may lead to interruptions or delay in the completion of a project, which may subsequently result in cost overruns that impact our Group's profitability and cash flow operations. This may affect our Group's ability to continuously replenish our order book.

Our Group will take proactive measures to mitigate these risks by monitoring the progress and milestones of all projects undertaken on a regular basis to ensure timely completion of the projects.

6.2.2 Availability and fluctuations in prices of our construction materials

Due to the nature of our construction businesses, we will constantly source and purchase a wide range of construction materials, which includes steel bars, ready mixed concrete, precast products, electrical cables and fittings from our suppliers.

The unavailability of certain construction materials such as earthfill/borrow pit, batching plant, sand pit, marble/granite species specified and timber species may require us to source for suitable replacements in a timely manner. Failure to obtain the replacements in a timely manner may lead to delays in our construction works and as a result thereof, our business operations may be adversely affected. Hence, under such circumstances, there is no assurance that we are able to obtain sufficient quantities of construction materials for our projects at competitive prices at all times without any adverse impact to our financial performance.

Further, construction raw materials such as steel bar, cement and diesel/bitumen are subject to price fluctuations which are beyond our control and may result in increased costs that have a material adverse effect on our financial performance.

Notwithstanding the above, we have not experienced any fluctuations in prices or shortages of construction materials in the past up to the LPD which have had a material adverse impact on our financial performance.

6.2.3 Competition risk

Our CEC operating segment is highly fragmented and as such, we often face intense competition from the industry players. Some of our competitors may have longer operating track record and more resources in terms of capital, machinery and manpower as compared to us.

Due to the intense competition, we often compete with other construction companies by offering highly competitive pricing to bid and secure the construction contracts/projects, which resulted lower profit margin. Hence, there is no assurance that we will be able to compete effectively with the current and new entrants in the construction industry in the future and that such competition will not become more intense in the future.

Our CEC segment operates in a market characterised by strong competition resulting from the competitive tendering between the industry players for construction projects. The sustainability of our Group's construction segment is dependent on our ability to continuously replenish our order book of construction projects for the future financial years. This is dependent on our Group's ability to successfully tender for construction projects from contract awarders, competing in terms of pricing, timely delivery, performance as well as value-added solutions.

Risk relating to the O&G industry

6.2.4 Dependence on skilled workforce and key personnel

The O&G activities of our Group require a highly skilled workforce. In this respect, to a certain extent, our Group's ability to attract and retain our highly skilled workforce, especially experts in our O&G segment, which is crucial to sustain an efficient level of operations within our Group. If our Group is unable to attract and retain skilled workforce, the performance and future prospects of our Group may be adversely affected. With a view to retaining their services and encouraging them to improve their performance standard and efficiency, our Group has adopted talent and management development programmes to provide incentives and training programmes for our staff. Nonetheless, there remains no assurance that the talent and management programmes will be able to retain our skilled workforce and key personnel.

6.2.5 Delay in completion of our O&G projects

We may not always be able to control the time and quality of the contracts awarded to our Group. In the event the deliverables are not satisfactory due to work that does not meet the contractual quality standards, we may face delays in the completion of the project and incur additional costs in order to complete the project in time. This may lead to our cost exceeding estimates and we may not be able to pass these increased costs to our clients.

Further, if we are unable to obtain materials, machineries, and engage the requisite labour/personnel in a timely manner, it could have an adverse impact on our operating results. In the event of any interruption to the services provided, we may not be able to make adequate replacement on a timely basis, if at all, or on an acceptable commercial term. This may result in our Group not being able to complete our contractual obligations in a timely manner or if we are not able to obtain adequate replacement on satisfactory terms, we may not be able to complete our contractual obligations within our cost constraints.

6.2.6 Fluctuation in the crude oil price

Fluctuation in crude oil prices has an indirect impact on our Group's business, as oil majors may vary their activities relating to the development and production of offshore and onshore O&G fields. This will, in turn, create uncertainty in number of contracts available for tenders.

Crude oil prices have historically been volatile and may continue to be volatile in the future. Crude oil prices have a direct bearing on the levels of activity in the O&G industry, including both upstream and downstream activities. Prices for crude oil fluctuate in response to variety of factors including, but not limited to:

- (i) the level of demand for crude oil, which closely correlates with global economic growth;
- (ii) costs pertaining to the exploration, development, production and delivery of crude oil;
- (iii) technological advances in exploration, development and production;
- (iv) competition from alternative fossil fuels, including but not limited to shale O&G, oil sands and gas to liquids;

- (v) government policies, including those related to the exploration, development and production of their oil and natural gas reserves and policies to energy security and environmental guidelines;
- (vi) adverse global weather conditions and natural disasters;
- (vii) global political and economic conditions;
- (viii) shifts in end-client preferences toward fuel efficiency;
- (ix) progress in development of alternative energy, including but not limited to renewable energy; and
- (x) continuous discovery of hydrocarbon reserves globally.

A drop in global crude oil prices below a certain level may lead to O&G companies reducing capital expenditures until such time global crude oils prices increase and stabilise. Significant and continuous cuts in capital expenditure by oil majors have a significant impact on our Group's revenue and financial position. A drop in the level of capital expenditure in the market would have an impact on our business as the number of activities leading to contracting would correspondingly reduce.

6.2.7 Operating in a strict environmental regime

Our Group is subject to increasingly stringent laws and regulations relating to environmental protection in conducting the majority of our operations, such as in the generation, storage, handling, treatment and disposal of waste materials. We incur and expect to continue to incur capital and operating costs to comply with environments laws and regulations as our business involves working around and with volatile, toxic and hazardous substances and other highly-regulated materials. Nevertheless, as there is a possibility of changes to the relevant environmental regulations and/or legislations, no assurance can be given that ensuing steps to be taken by our Group to comply with such new regulations and/or legislations will not have a material effect on our operating results.

Risk relating to the manufacturing industry

6.2.8 Availability and fluctuation in cost of raw materials

The price of steel, which is the main raw material for our cold-drawn bright steel products, is dependent upon the demand and supply in the world market. A shortage of supply may increase the pricing of steel and vice versa. Our Company has established long-term relationships with an extensive network of dealers and is able to source the steel at commercially viable prices.

In instances of cost fluctuations, we believe we are able to address such costs increase by adjusting the selling price accordingly, and we are able to procure sufficient amounts of raw materials from our long-term suppliers. To-date, we have not encountered any shortage in the supply of steel as the suppliers have been able to meet our manufacturing operational requirements. Nonetheless, there can be no assurance that our Company will be able to continually source the steel material at competitive prices or that an increase in the steel prices will not have a material adverse effect on the business or future earnings of our Company.

6.2.9 Dependence on automobile and industrial sectors and cyclical nature of demand

The main product used in our Group's manufacturing segment, being the cold-drawn bright steel products, is mainly used in the automobile and industrial sectors. As such, the demand for our products is dependent on the prospects of the automobile and industrial sector, which in turn, is affected by the general economic conditions in Malaysia. The Malaysian economy, the automobile industry and the steel industry are cyclical in nature. Any downturn in the Malaysian economy in general or in either of these industries specifically could reduce our sales volume and selling prices, thereby adversely affecting our financial performance. However, there can be no assurance that we will be able to mitigate any material adverse effect suffered as a consequence of any downturn in the Malaysian economy.

6.3 Risks relating to the Rights Issue of ICPS with Warrants

6.3.1 Investment and capital market risks for the ICPS

The ICPS is a new class of securities to be issued by our Company for which there is no prior market and is subject to price discovery by investors. There can be no assurance that an active market for the ICPS will develop upon or subsequent to the listing of and quotation for the ICPS on the Main Market of Bursa Securities, or if developed, there is no assurance that such market is sustainable or having adequate liquidity during the tenure of the ICPS.

The market price of the ICPS which will be listed and traded on Bursa Securities is influenced by, amongst others, the prevailing market sentiments, liquidity, interest rate movements, the outlook of the industries in which our Group operates in, volatility of the equity markets as well as our financial performance. As such, there can be no assurance that the ICPS will trade above the Issue Price.

6.3.2 Failure or delay in the completion of the Rights Issue of ICPS with Warrants

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

Where prior to the allotment and issuance of the ICPS to the successful applicants:

- (a) the SC issues a stop order pursuant to Section 245(1) of the CMSA, any issue of our ICPS shall be deemed to be void and all monies received from the applicants shall be forthwith repaid without interest and if such monies are not repaid within 14 days from the date of the service of stop order, we will be liable to return the money with interest at the rate of 10% per annum or at such other rates as may be prescribed by the SC in accordance with Section 245(7)(b) of the CMSA; or
- (b) the Rights Issue of ICPS with Warrants is terminated (other than pursuant to a stop order by the SC under Section 245(1) of the CMSA), all application monies received pursuant to the Rights Issue of ICPS with Warrants will be refunded to be the Entitled Shareholders and/or renounee(s) who have subscribed for the Rights ICPS without interest.

In the event the Rights Issue of ICPS with Warrants is aborted or terminated, and the ICPS which have been allotted to the Entitled Shareholders and/or their renounee(s), if:-

- (a) the SC issues a stop order pursuant to Section 245(1) of the CMSA, any issue of our ICPS shall be deemed to be void and all monies received from the applicants shall forthwith repaid without interest and if such monies are not repaid within 14 days from the date of the service of the stop order, we will be liable to return the money with interest at the rate of 10% per annum or at such other rates as may be prescribed by the SC in accordance with Section 245(7)(b) of the CMSA; or

- (b) the Rights Issue of ICPS with Warrants is terminated (other than pursuant to a stop order by the SC under Section 245(1) of the CMSA), a return of monies to all holders of ICPS could only be achieved by way of cancellation of the share capital as provided under the Act and its related rules. Such cancellation can be implemented with, amongst others, the sanction of our shareholders by way of special resolution in a general meeting and supported by either (i) consent of our Company's creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya, in which case there can be no assurance that such monies can be returned within a short period of time or at all under such circumstances or (ii) the sanction of our shareholders by special resolution in a general meeting and supported by a solvency statement from the directors of our Company.

6.4 Potential dilution

Entitled Shareholders who do not or are unable to subscribe fully for their entitlements pursuant to the Rights Issue of ICPS with Warrants will have a reduction in their proportionate percentage of shareholdings and voting interest in our Company based on the enlarged issued share capital of our Company. Consequently, their proportionate entitlements to any future distributions, rights and/or allotment that our Company may declare, make or pay after the conversion of the ICPS into new WZ Satu Shares will be correspondingly diluted.

6.5 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 are based on forecasts and assumptions made by our Group and although believed to be reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause 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, amongst others, the risk factors as set out in this section. In light of these risk factors and other uncertainties, the inclusion of 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.

7. INDUSTRY OVERVIEW AND PROSPECTS OF OUR GROUP

7.1 Overview and outlook of the Malaysian economy

The Malaysian economy recorded a negative growth of 3.4% in the fourth quarter (4th) ("4Q") of 2020, largely attributable to the imposition of the CMCO on a number of states since mid-October. The restrictions on mobility, especially on inter-district and inter-state travel, weighed on economic activity. Nevertheless, the continued improvement in external demand provided support to growth. Consequently, except for manufacturing, all economic sectors continued to record negative growth. On the expenditure side, moderating private consumption and public investment activities weighed on domestic demand. On a quarter-on-quarter seasonally-adjusted basis, the economy registered a decline of 0.3% in 4Q 2020.

The services sector registered a larger contraction of 4.9% in 4Q 2020, as tighter restrictions on mobility and stricter standard operating procedures affected domestic oriented activities. The restrictions (e.g. shorter operating hours) and weak sentiments adversely impacted spending, particularly on recreational activity and non-essential retail goods, which in turn weighed on activity in the wholesale and retail trade subsector. This was partially offset by continued growth in the motor vehicle segment. In addition, the weakness in tourism activity amid continued closure of international borders weighed on key sub-sectors, such as food and beverage, accommodation as well as transport and storage. Meanwhile, finance and insurance continued to grow amid sustained loan and deposit growth. Growth in the information and communication sub-sector also improved, amid higher demand for data communication services, particularly broadband.

The agriculture sector contracted further by 0.7% in 4Q 2020. This was due mainly to weak oil palm output as labour shortages continued to affect harvesting activities, while deteriorating weather conditions towards the end of the year led to operational constraints in production. Growth was also weighed by the continued weaknesses in the rubber, fisheries, forestry and logging subsectors, which partially offset the continued expansion in the livestock and other agriculture subsectors.

The construction sector registered a larger contraction by 13.9% in 4Q 2020. Labour shortages, site shutdowns due to COVID-19 outbreaks and interruptions in progress of selected work packages have affected growth, particularly in the civil engineering and residential sub sectors. The special trade sub sector, however, continued to register positive growth following support from small-scale projects under the PRIHATIN stimulus package.

The manufacturing sector expanded by 3.0% in 4Q 2020, as robust electrical and electronics ("E&E") production more than offset lower activity in the consumer cluster. The strong performance in the E&E sub-sector was supported by sustained global demand for semiconductors components, which has led to a global shortage. This has resulted in a build-up of order backlogs among Malaysian producers which are highly integrated in the global value chain. The positive growth in E&E was partially offset by the weakness in consumer-cluster. In particular, the refining and manufacture of palm oil related products was affected by disruptions in the agriculture sector amid labour shortages. Several consumer-clusters, such as food and beverages, tobacco, and textiles subsectors, were affected by weaker demand due to the re-imposition of CMCO.

Domestic demand recorded a decline of 4.4% in 4Q 2020, mainly due to the subdued private consumption and public investment activities. Net exports grew by 12.4% in 4Q 2020, with continued expansion in manufactured exports.

Private consumption contracted by 3.4% in 4Q 2020. Household spending was subdued amid continued weaknesses in income and employment conditions during the quarter. Spending was also affected by tighter movement restrictions in selected states. Nevertheless, the decline in physical spending was partly mitigated by the continued acceleration in online spending. During 4Q 2020, consumer expenditure also remained supported by various stimulus measures including the EPF i-Lestari withdrawals, the continued support to affected borrowers under the Targeted Repayment Assistance and lower passenger car sales tax. Meanwhile, public consumption continued to expand, albeit at a more moderate pace of 2.7% in 4Q 2020, supported by spending in emoluments.

(Source: Economic and Financial Developments in the Malaysian Economy in the 4Q 2020, Bank Negara Malaysia)

The Malaysian economy experienced the full impact of the COVID-19 pandemic in the second quarter of 2020, with the real gross domestic product ("**GDP**") contracting by 17.1%. The contraction was mainly attributed to the imposition of the MCO to contain the outbreak. Though affecting all sectors in the economy, the move was necessary to flatten the COVID-19 curve and save lives. Hence, the Government has announced several stimulus packages totalling RM305.0 billion to support both households and businesses. Reinforced by the reopening of the economy in phases, growth is expected to improve gradually during the second half of the year, cushioning the significant contraction in the first half. Thus, Malaysia's GDP is expected to contract by 4.5% in 2020, before rebounding between 6.5% and 7.5% in 2021. With the bold and swift measures undertaken Malaysia has been recognised as one of the most successful countries in managing the socio-economic impact of the pandemic.

The 2021 Budget will implement measures to enhance the well-being of the people, steer the economy towards a sustainable growth path, enable sustainable living and improve public service delivery. As targeted in the 12MP and the 2030 Shared Prosperity Vision, the Budget will lay the foundation for the country to progress towards a developed and inclusive nation.

Domestic demand is expected to contract by 3% in 2020, with private and public sectors' spending declining by 3.2% and 2.1%, respectively. In the first half of 2020, domestic demand declined significantly by 7.7%, amid restricted movements to contain the COVID-19 pandemic. Nevertheless, the announcement of various stimulus packages and the gradual resumption of economic activities are expected to restore business and consumer confidence in the second half of the year. Hence, domestic demand is anticipated to turnaround to 1.5% during the period and expand further by 6.9% in 2021.

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

7.2 Overview and outlook of the construction sector in Malaysia

The value of construction work done in the fourth quarter 2020 contracted by 14.2% (Q3 2020: -13.1%) year-on-year basis, amounting to RM31.7 billion (Q3 2020: RM31.4 billion).

The Special trades activities sub-sector soared higher at 29.3% in the fourth quarter 2020. The others three sub-sector, namely civil engineering sub-sector declined by 25.0%, residential buildings sub-sector (-10.9%) and non-residential buildings sub-sector (-6.3%).

The civil engineering sub-sector remained dominant the value of construction work done for 21 consecutive quarters since fourth quarter 2015 with 39.6% share. This followed by non-residential buildings (27.5%), residential buildings (25.4%) and special trades activities (7.4%).

The private sector continued to impel the construction activity with 55.7% share or RM17.7 billion of the total value of construction work done, as compared to the public sector with 44.3% share (RM14.0 billion).

In 2020, the value of construction work done contracted by 19.4% to RM117.9 billion as compared to RM146.4 billion in 2019. All sub-sector recorded a declined in the value of construction work done, where the civil engineering sub-sector decreased 24.0%, residential buildings sub-sector (-17.2%), non-residential buildings sub-sector (-17.1%) and special trades activities sub-sector (-2.1%).

(Source: Quarterly Construction Statistics, Fourth Quarter 2020, Department of Statistics Malaysia)

The construction sector contracted by 25.9% in the first half of 2020 and is expected to shrink by 11.8% in the second half with all segments declining significantly. At the same time, prolonged property overhangs continue to weigh down the performance of the sector. However, civil engineering and specialised construction activities subsectors are expected to improve gradually, cushioned by various measures under the economic stimulus packages. Overall, for the year, the sector is projected to contract by 18.7%.

The construction sector is expected to rebound by 13.9% in 2021 on account of the acceleration and revival of major infrastructure projects, coupled with affordable housing projects. The civil engineering subsector will continue to be the main driver of the construction sector. Among the major infrastructure projects include Mass Rapid Transit 2, Light Rail Transit 3, West Coast Expressway and Bayan Lepas Light Rail Transit as well as Pan Borneo and Coastal Highways in Sarawak. Utility projects include the Langat 2 Water Treatment Plant, Baleh Hydroelectric Dam and Sarawak Water Supply Grid Programme.

The residential subsector is anticipated to improve, supported by various measures taken by the Government to address the property overhang situation. Among the measures include the extension of the House Ownership Campaign, exemption of real property gains tax ("RPGT"), the introduction of rent-to-own scheme as well as reduction of foreign ownership threshold. The performance of the non-residential subsector is expected to recover marginally, supported by on-going commercial projects, including Bukit Bintang City Centre, Cyberjaya City Centre, Forest City and Malaysia Vision Valley 2.0.

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

7.3 Prospects of our Group

The COVID-19 have both directly and indirectly impacted the global and Malaysian economy, in which the Government has introduced a series of economic stimulus measures. Given the COVID-19 has become a pandemic affecting the market worldwide, the success of the various economic stimulus measures is uncertain at this juncture. However, given that several initiatives such as improvement of business processes and implementation of group wide shared services had already been instituted by us to manage our cost in view of the expected challenging business environment, and the recent contracts awarded to us as announced in the months of July 2020 amounting to RM120.0 million and October 2020 amounting to RM16.5 million, in our O&G segment, our Group is cautiously optimistic of our immediate prospects.

Currently, our Group is actively pursuing various projects particularly in our CEC and O&G operating segments, which contributes approximately 77% of our Group's revenue based on our 16-month FPE 31 December 2020. Our Board is hopeful that these projects will generate reasonable contribution to improve our Group's financial performance for the next financial year.

As at the LPD, the order book for our secured projects in CEC segment and O&G segment were approximately RM603.1 million and RM96.7 million, respectively. However, the uncertainties on the commencement of construction projects such as the unforeseeable circumstances arising from COVID-19 pandemic and signing of the joint venture agreement for the PR1MA project, may affect our Group's results.

The imposition of the MCO by the Government which commenced on 18 March 2020 to curb the spread of COVID-19 has a huge dampening effect on the business activities and prospects of the Malaysian economy. The MCO has resulted in stop of work orders to all business segments of our Group and this has resulted in lower billings and revenues during the period. Thereafter, the MCO was relaxed in stages to allow all economic sectors and businesses to resume operations on a staggered basis, subject to compliance with the prescribed standard operating procedures.

On 11 January 2021, the Prime Minister had further announced the re-implementation of the second MCO for several states in Malaysia from 13 January 2021 until 26 January 2021, which was then extended until 4 March 2021. However, the re-implementation of the MCO did not have a significant impact on our Group as we were permitted to operate during the said period by MITI vide its letters dated 12 January 2021 and 13 January 2021 for our O&G and CEC segments respectively, subject to the strict compliance of SOP by our Group. On 2 March 2021, the Government announced that the MCO to be lifted in Selangor, Kuala Lumpur, Johor and Penang and replaced with the CMCO on 5 March 2021. As a result of this and the volatile crude oil prices have significantly scaled back job opportunities and increased pressures on profit margins in both CEC and O&G segments. In this regard, our Group foresees that the recovery will remain challenging due to the uncertainties as a result of COVID-19.

In view of the challenging operating environment, our Group is continuing with its cost optimisation exercise to enhance our Group's operational efficiency which includes amongst others the rationalisation of resources throughout our Group, improvement of business processes and implementation of group wide shared services and resources. These measures are expected to align the cost structure in tune with the level of operations against the expected challenging business conditions.

Further, in tandem with the expected growth of the construction industry in Malaysia of approximately 13.9% in year 2021, our Group expects to actively pursue various opportunities and prospecting for any upcoming Government projects. In this regard, our Group has allocated a minimum of RM29.0 million from the Rights Issue of ICPS with Warrants for the funding for future construction and/or project/business financing activities in order to ensure that our Group is able to commence such projects secured without undue delay.

Premised on the above, our Board believes that with the necessary funding, our Group is well positioned to commence future construction and/or project/business financing activities at the earliest possible date and at the same time enjoy the potential positive effects on the financials of our Group when the benefits of the use of proceeds are realised.

(Source: The management of WZ Satu and Economic Outlook 2021)

8. EFFECTS OF THE RIGHTS ISSUE OF ICPS WITH WARRANTS

8.1 Issued share capital

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

	Minimum Scenario		Maximum Scenario	
	No. of Shares	RM'000	No. of Shares	RM'000
Issued share capital as at the LPD	511,665	242,813	511,665	242,813
Assuming full exercise of Warrants A	-	-	131,441	⁽ⁱ⁾ 49,948
	511,665	242,813	643,106	292,761
New Shares to be issued assuming full conversion of the ICPS	272,727	⁽ⁱⁱ⁾ 25,901	643,106	⁽ⁱⁱⁱ⁾ 62,013
	784,392	268,714	1,286,212	354,774
New Shares to be issued assuming full exercise of Warrants B	34,091	^(iv) 8,864	80,388	^(v) 20,901
Enlarged issued share capital	818,483	277,578	1,366,600	375,675

Notes:

- (i) Based on the exercise price of RM0.38 per Warrant A.
- (ii) Assuming full conversion of approximately 272.73 million ICPS at the Conversion Price of RM0.11 and after deducting the estimated expenses of RM0.69 million in relation to the Rights Issue of ICPS with Warrants and the warrants reserve amount of RM3.41 million.
- (iii) Assuming full conversion of approximately 643.11 million ICPS at the Conversion Price of RM0.11 and after deducting the estimated expenses of RM0.69 million in relation to the Rights Issue of ICPS with Warrants and the warrants reserve amount of RM8.04 million.
- (iv) Assuming full exercise of approximately 34.09 million Warrants B based on the Exercise Price of RM0.16 each and the corresponding reclassification of the warrant reserve amount to the share capital account.
- (v) Assuming full exercise of approximately 80.39 million Warrants B based on the Exercise Price of RM0.16 each and the corresponding reclassification of the warrant reserve amount to the share capital account.

8.2 Substantial shareholders' shareholdings

The Rights Issue of ICPS with Warrants is not expected to have any immediate effect on the shareholdings of our Company's substantial shareholders until such time the ICPS and Warrants B are converted and exercised into new Shares respectively. The pro forma effects of the Rights Issue of ICPS with Warrants on the shareholdings of our Company's substantial shareholders based on the register of substantial shareholders of our Company as at the LPD are as follows:

Minimum Scenario

Substantial shareholders	As at the LPD				(I) Assuming full conversion of ICPS				(II) After (I) and assuming full exercise of Warrants B			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	^%	No. of Shares	^%	No. of Shares	^%	No. of Shares	^%	No. of Shares	^%	No. of Shares	^%
	'000		'000		'000		'000		'000		'000	
CitaGlobal	71,888	14.0	-	-	⁽ⁱ⁾ 171,229	21.8	-	-	^(iv) 183,646	22.4	-	-
Tengku Uzir	53,605	10.5	-	-	⁽ⁱⁱ⁾ 141,988	18.1	-	-	^(v) 153,036	18.7	-	-
KDYMM	46,398	9.1	-	-	⁽ⁱⁱⁱ⁾ 128,707	16.4	-	-	^(vi) 138,995	17.0	-	-
Ong Lee Veng @ Ong Chuan Heng	33,934	6.6	-	-	33,934	4.3	-	-	33,934	4.1	-	-
Datuk Abdul Ghani Bin Abdullah	31,471	6.2	-	-	31,471	4.0	-	-	31,471	3.8	-	-
Ikhlas Bin Kamarudin	-	-	^(vii) 71,888	14.0	-	-	^(vii) 171,229	21.8	-	-	^(vii) 183,646	22.4
CitaGlobal Sdn Bhd	-	-	^(vii) 71,888	14.0	-	-	^(vii) 171,229	21.8	-	-	^(vii) 183,646	22.4
Tan Sri Dato' Sri Mohamad Norza Bin Zakaria	-	-	^(viii) 71,888	14.0	-	-	^(viii) 171,229	21.8	-	-	^(viii) 183,646	22.4

Notes:

- (i) Assuming full conversion of its 99,341,364 ICPS into 99,341,364 new WZ Satu Shares.
- (ii) Assuming full conversion of his 88,383,382 ICPS into 88,383,382 new WZ Satu Shares.
- (iii) Assuming full conversion of his 82,308,382 ICPS into 82,308,382 new WZ Satu Shares.
- (iv) Assuming full exercise of its 12,417,670 Warrants B into 12,417,670 new WZ Satu Shares.

- (v) Assuming full exercise of his 11,047,922 Warrants B into 11,047,922 new WZ Satu Shares.
- (vi) Assuming full exercise of his 10,288,548 Warrants B into 10,288,548 new WZ Satu Shares.
- (vii) Deemed interested through his/its shareholdings in CitaGlobal pursuant to Section 8 of the Act.
- (viii) Deemed interested through his shareholdings in CitaGlobal Sdn Bhd pursuant to Section 8 of the Act.
- ^ Based on the issued share capital of 511.67 million Shares as at the LPD.
- * Based on the enlarged issued share capital of 784.39 million Shares.
- ~ Based on the enlarged issued share capital of 818.48 million Shares.

Maximum Scenario

Substantial shareholders	As at the LPD				(I) Assuming full exercise of Warrants A				(II) After (I) and assuming full conversion of ICPS				(III) After (II) and assuming full exercise of Warrants B			
	Direct		Indirect		Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	^%	No. of Shares	^%	No. of Shares	*%	No. of Shares	*%	No. of Shares	~%	No. of Shares	~%	No. of Shares	@%	No. of Shares	@%
	'000		'000		'000		'000		'000		'000		'000		'000	
CitaGlobal	71,888	14.0	-	-	71,888	11.2	-	-	⁽ⁱⁱⁱ⁾ 171,229	13.3	-	-	^(vi) 183,646	13.4	-	-
Tengku Uzir	53,605	10.5	-	-	⁽ⁱ⁾ 100,187	15.6	-	-	^(iv) 188,570	14.7	-	-	^(vii) 199,618	14.6	-	-
KDYMM	46,398	9.1	-	-	⁽ⁱⁱ⁾ 47,732	7.4	-	-	^(v) 130,041	10.1	-	-	^(viii) 140,330	10.3	-	-
Ong Lee Veng @ Ong Chuan Heng	33,934	6.6	-	-	33,934	5.3	-	-	33,934	2.6	-	-	33,934	2.5	-	-
Datuk Abdul Ghani Bin Abdullah	31,471	6.2	-	-	31,471	4.9	-	-	31,471	2.4	-	-	31,471	2.3	-	-
Ikhlas Bin Kamarudin	-	-	^(ix) 71,888	14.0	-	-	^(ix) 71,888	11.2	-	-	^(ix) 171,229	13.3	-	-	^(ix) 183,646	13.4
CitaGlobal Sdn Bhd	-	-	^(ix) 71,888	14.0	-	-	^(ix) 71,888	11.2	-	-	^(ix) 171,229	13.3	-	-	^(ix) 183,646	13.4
Tan Sri Dato' Sri Mohamad Norza Bin Zakaria	-	-	^(x) 71,888	14.0	-	-	^(x) 71,888	11.2	-	-	^(x) 171,229	13.3	-	-	^(x) 183,646	13.4

Notes:

- (i) Assuming full exercise of his 46,581,956 Warrants A into 46,581,956 new WZ Satu Shares.
- (ii) Assuming full exercise of his 1,334,400 Warrants A into 1,334,400 new WZ Satu Shares.
- (iii) Assuming full conversion of its 99,341,364 ICPS into 99,341,364 new WZ Satu Shares.
- (iv) Assuming full conversion of his 88,383,382 ICPS into 88,383,382 new WZ Satu Shares.
- (v) Assuming full conversion of his 82,308,382 ICPS into 82,308,382 new WZ Satu Shares.

- (vi) Assuming full exercise of its 12,417,670 Warrants B into 12,417,670 new WZ Satu Shares.
- (vii) Assuming full exercise of his 11,047,922 Warrants B into 11,047,922 new WZ Satu Shares.
- (viii) Assuming full exercise of his 10,288,548 Warrants B into 10,288,548 new WZ Satu Shares.
- (ix) Deemed interested through his/its shareholdings in CitaGlobal pursuant to Section 8 of the Act.
- (x) Deemed interested through his shareholdings in CitaGlobal Sdn Bhd pursuant to Section 8 of the Act.
- ^ Based on the issued share capital of 511.67 million Shares as at the LPD.
- * Based on the enlarged issued share capital of 643.11 million Shares.
- ~ Based on the enlarged issued share capital of 1,286.21 million Shares.
- @ Based on the enlarged issued share capital of 1,366.60 million Shares.

8.3 NA and gearing

The pro forma effects of the Rights Issue of ICPS with Warrants on the NA, NA per Share and gearing of our Group, based on the unaudited 16-month consolidated statement of financial position as at 31 December 2020 are set out below:

Minimum Scenario

		(I)	(II)	(III)
	^Unaudited as at 31 December 2020	After the Rights Issue of ICPS with Warrants	After (I) and assuming full conversion of ICPS	After (II) and assuming full exercise of Warrants B
	RM'000	RM'000	RM'000	RM'000
Share capital	242,813	242,813	(ii)268,714	(iii)277,578
Revaluation reserve	16,725	16,725	16,725	16,725
Accumulated losses	(174,806)	(174,806)	(174,806)	(174,806)
Warrant reserve	-	(i)3,409	3,409	(iii)-
ICPS reserve	-	(i)25,901	(ii)-	-
NA	84,732	114,042	114,042	119,497
No. of Shares in issue ('000)	511,665	511,655	784,392	818,483
NA per Share (RM)	0.17	0.22	0.15	0.15
Total borrowings	79,378	79,378	79,378	79,378
Gearing ratio ^(iv) (times)	0.94	0.70	0.70	0.66

Notes:

[^] On 22 July 2020, our Board has approved the change in the financial year end of our Company from 31 August to 31 December. The next financial statements shall be made up to sixteen (16) months from 1 September 2019 to 31 December 2020. Thereafter, the subsequent financial years shall end on 31 December annually.

- (i) The amount for the equity component of ICPS of RM25.90 million was arrived at after taking into consideration the following:
 - (a) the issuance of 272.73 million ICPS at the issue price of RM0.11 each for the amount of RM30.0 million;
 - (b) the reclassification for the amount of RM3.41 million to the warrant reserve account based on the theoretical fair value of the Warrants B of RM0.10 each, which is based on the Trinomial Option Pricing Model as at the LPD as extracted from the Bloomberg, multiplied by 34.09 million Warrants B to be issued pursuant to the Rights Issue of ICPS with Warrants; and
 - (c) the deduction of estimated expenses arising from Rights Issue of ICPS with Warrants of approximately RM0.69 million.
- (ii) Assuming full conversion of 272.73 million ICPS into new Shares at the conversion price of RM0.11 each and the corresponding amount of RM25.90 million is reclassified to share capital. For avoidance of doubt, no additional cash payment is required for the conversion of the ICPS.
- (iii) Assuming full exercise of 34.09 million Warrants B into new Shares at the exercise price of RM0.16 each for the amount of approximately RM5.46 million and the corresponding amount of RM3.41 million is reclassify from the warrant reserve to the share capital account.
- (iv) Calculated based on total borrowings divided by the corresponding NA.

Maximum Scenario

		(I)	(II)	(III)	(IV)
	[^] Unaudited as at 31 December 2020	Assuming full exercise of Warrants A before the Entitlement Date	After (I) and after the Rights Issue of ICPS with Warrants	After (II) and assuming full conversion of ICPS	After (III) and assuming full exercise of Warrants B
	RM'000	RM'000	RM'000	RM'000	RM'000
Share capital	242,813	⁽ⁱ⁾ 292,761	292,761	⁽ⁱⁱⁱ⁾ 354,774	^(iv) 375,675
Revaluation reserve	16,725	16,725	16,725	16,725	16,725
Accumulated losses	(174,806)	(174,806)	(174,806)	(174,806)	(174,806)
Warrant reserve	-	-	⁽ⁱⁱ⁾ 8,039	8,039	^(iv) -
ICPS reserve	-	-	⁽ⁱⁱ⁾ 62,013	⁽ⁱⁱⁱ⁾ -	-
NA	84,732	134,680	204,732	204,732	217,594
No. of Shares in issue ('000)	511,665	643,106	643,106	1,286,212	1,366,600
NA per Share (RM)	0.17	0.21	0.32	0.16	0.16
Total borrowings	79,378	79,378	79,378	79,378	79,378
Gearing ratio ^(v) (times)	0.94	0.59	0.39	0.39	0.36

Notes:

- (i) Assuming full exercise of 131.44 million Warrants A into new Shares at the exercise price of RM0.38 per Warrant A for the amount of approximately RM49.95 million.
- (ii) The amount for the equity component of ICPS of RM62.01 million was arrived at after taking into consideration the following:
 - (a) the issuance of 643.11 million ICPS at the issue price of RM0.11 each for the amount of approximately RM70.74 million;
 - (b) the reclassification for the amount of RM8.04 million to the warrant reserve account based on the theoretical fair value of the Warrants B of RM0.10 each, which is based on the Trinomial Option Pricing Model as at the LPD as extracted from the Bloomberg, multiplied by 80.39 million Warrants B to be issued pursuant to the Rights Issue of ICPS with Warrants; and
 - (c) the deduction of estimated expenses arising from Rights Issue of ICPS with Warrants of approximately RM0.69 million.
- (iii) Assuming full conversion of 643.11 million ICPS into new Shares at the conversion price of RM0.11 each and the corresponding amount of RM62.01 million is reclassified to share capital. For avoidance of doubt, no additional cash payment is required for the conversion of the ICPS.
- (iv) Assuming full exercise of 80.39 million Warrants B into new Shares at the exercise price of RM0.16 each for the amount of approximately RM12.86 million and the corresponding amount of RM8.04 million is reclassified from the warrant reserve to the share capital account.
- (v) Calculated based on total borrowings divided by the corresponding NA.

8.4 Earnings and EPS

The Rights Issue of ICPS with Warrants will not have any immediate dilution effects on our earnings as our Group recorded a loss after tax of approximately RM63.69 million for the 16-month FPE 31 December 2020. In addition, the Rights ICPS is not convertible into new Shares immediately. However, the number of Shares will increase proportionately as a result of the increase in the number of Shares when the ICPS and the Warrants B are converted/exercised into new Shares.

Our Company is hopeful that the benefits from the use of proceeds received from the Rights Issue of ICPS with Warrants will generate potential contribution to our Group's financial performance.

8.5 Convertible securities

As at the LPD, save for the outstanding 131,440,908 Warrants A, there are no other options, warrants or convertible securities issued by our Company.

The Rights Issue of ICPS with Warrants will give rise to adjustments to the exercise price and number of Warrants A which are not exercised prior to the Entitlement Date pursuant to the provisions of the Deed Poll A. Any necessary adjustments arising from the Rights Issue of ICPS with Warrants in relation to the outstanding Warrants A will only be finalised on the Entitlement Date.

The details of the actual adjustments to the exercise price and number of outstanding Warrants A shall be announced at a later date and shall be set out in a notice of adjustments to the holders of the Warrants A, which shall be despatched to the holders of Warrants A within 30 days of such adjustments.

The rights and obligations of the holders of the Warrants A shall remain unchanged, save for the potential adjustment to the number and exercise price of outstanding Warrants A.

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

9.1 Working capital

Our Group's working capital is funded through cash generated from our operating activities, credit facilities from financial institutions as well as our Group's existing cash and bank balances.

As at the LPD, we hold cash and bank balances of RM15.28 million and deposits with licensed banks of RM15.18 million.

Apart from the sources of liquidity described above, as at the LPD, our Group has unutilised credit facilities of approximately RM150.89 million.

Our Board confirms that based on the funds generated from our Group's operations, the banking facilities available to our Group as well as the proceeds to be raised from the Rights Issue of ICPS with Warrants, our Group will have sufficient working capital available for a period of 12 months from the date of this Abridged Prospectus.

9.2 Borrowings

As at the LPD, the total outstanding borrowings of our Group is approximately RM83.20 million.

All borrowings are interest-bearing or profit-sharing and loss-bearing, details of which are as follows:

Type of borrowings	Total amount
	RM'000
Payable within 1 year:	
• Lease liabilities	2,796
• Trade financing	53,494
• Term loan	1,208
• Bank overdraft	16,066
Total short-term borrowings	73,564
Payable after 1 year:	
• Lease liabilities	2,389
• Term loan	7,247
Total long-term borrowings	9,636
Total borrowings	83,200

For the avoidance of doubt, our Group does not have any foreign-denominated borrowings.

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

9.3 Material commitments

Save as disclosed below, our Board confirms that as at the LPD, it is not aware of any other material commitments incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on the profits or NA of our Group:

	<u>RM'000</u>
Authorised and contracted for	
• Acquisition of plant and equipment	382

The above capital commitment will be funded via internally generated funds.

9.4 Contingent liabilities

Save as disclosed below, our Board confirms that as at the LPD, it is not aware of any other material contingent liabilities incurred or known to be incurred which by our Group, upon becoming enforceable, may have a material impact on the profits or NA of our Group:

	<u>RM'000</u>
Corporate guarantee to licensed banks for facilities granted to subsidiaries and guarantees given to main contractors in respect of projects undertaken by our subsidiary	45,176

9.5 Material transactions

Since 31 December 2020, being the date of our latest available consolidated interim financial statements up to the LPD, save for the Rights Issue of ICPS with Warrants, our Group has not entered into any transaction which may have a material effect on our operations, financial position and results.

10. INSTRUCTIONS FOR ACCEPTANCE, PAYMENT, SALE OR TRANSFER AND EXCESS APPLICATION

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL ALLOTMENTS, EXCESS RIGHTS ICPS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU AND/OR YOUR RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE) WISH TO SELL OR TRANSFER ALL OR ANY PART OF YOUR ENTITLEMENT ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN.

YOU AND/OR YOUR RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS THEREIN CAREFULLY. IN ACCORDANCE WITH SECTION 232(2) OF THE CMSA, THE RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THIS ABRIDGED PROSPECTUS.

10.1 General

As an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Allotments which you are entitled to subscribe for in full or in part under the terms of the Rights Issue of ICPS with Warrants. You will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such Provisional Allotments into your CDS Account and the RSF to enable you to subscribe for such Rights ICPS with Warrants B provisionally allotted to you, as well as to apply for Excess Rights ICPS if you choose to do so.

This Abridged Prospectus and the RSF are also available on our registered office, our Share Registrar or Bursa Securities' website at www.bursamalaysia.com.

10.2 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)/transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making your applications.

10.3 Methods of acceptance and application

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

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

10.4 Last date and time for acceptance and payment

The last time and date for acceptance and payment for the Provisional Allotments is at **5.00 p.m. on 27 April 2021**, being the Closing Date.

We shall make an announcement to Bursa Securities on the outcome of the Rights Issue of ICPS with Warrants after the Closing Date.

10.5 Procedure for full acceptance and payment

10.5.1 By the way of e-RSF

Acceptance of and payment for the Provisional Allotments to you as an Entitled Shareholder and/or your renounee(s)/transferee(s) (if applicable) must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF. Acceptances which do not strictly conform to the terms of this Abridged Prospectus, the NPA or the RSF or 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 RIGHTS ICPS WITH WARRANTS PROVISIONALLY ALLOTTED TO YOU AND/OR YOUR RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE), EXCESS APPLICATION FOR THE RIGHTS ICPS WITH WARRANTS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU AND/OR YOUR RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE) WISH TO SELL/TRANSFER ALL OR ANY PART OF YOUR/THEIR ENTITLEMENTS, ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF.

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

You and/or your renounee(s)/transferee(s) (if applicable) accepting the provisionally allotted Rights ICPS are required to complete Part I(A) and Part II of the RSF in accordance with the notes and instructions provided therein. Each completed RSF together with the relevant payment must be despatched by **ORDINARY POST, COURIER or DELIVERED BY HAND** using the envelope provided (at your own risk) to our Share Registrar at the following address:

Securities Services (Holdings) Sdn. Bhd
Level 7, Menara Milenium
Jalan Damanlela, Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Telephone number: +603 2084 9000

so as to arrive **not later than 5:00 p.m. on Tuesday, 27 April 2021**, being the last date and time for acceptance and payment, or such extended time and date as may be determined and announced by our Board.

1 RSF can only be used for acceptance of provisionally allotted Rights ICPS with Warrants B standing to the credit of 1 CDS Account. Separate RSFs must be used for the acceptance of provisionally allotted Rights ICPS with Warrants B standing to the credit of more than 1 CDS Account. If successful, the Rights ICPS with Warrants B subscribed by you and/or your renounee(s)/transferee(s) (if applicable) will be credited into the respective CDS Accounts where the provisionally allotted Rights ICPS with Warrants B are standing to the credit.

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

You and/or your renounee(s)/transferee(s) (if applicable) should take note that a trading board lot for the Rights ICPS with Warrants B will comprise 100 Rights ICPS and 100 Warrants B each respectively. Successful applicants of the Rights ICPS will be given free attached Warrants B on the basis of 1 Warrants B for every 8 Rights ICPS successfully subscribed. The minimum number of securities that can be subscribed for or accepted is 1 Rights ICPS for every 1 Shares held. The Warrants B will be issued in the proportion of 1 Warrants B for every 8 Rights ICPS subscribed. Fractional entitlements arising from the Rights Issue of ICPS with Warrants will be dealt with by our Board as they may deem fit.

If acceptance and payment for the Provisional Allotments provisionally allotted to you and/or your renounee(s)/transferee(s) (if applicable) is not received by the Share Registrar on 27 April 2021 by 5:00 p.m., being the last date and time for acceptance and payment, or such extended date and time as may be determined and announced by our Board at their discretion, you and/or your renounee(s)/transferee(s) (if applicable) will be deemed to have declined the Provisional Allotments made to you and/or your renounee(s)/transferee(s) (if applicable) and it will be cancelled.

Such Rights ICPS with Warrants B not taken up will be allotted to the applicants applying for Excess Rights ICPS in the manner set out in **Section 2.1** of this Abridged Prospectus, if the Rights ICPS with Warrants are not fully taken up by such applicants. Proof of time of postage shall not constitute proof of time of receipt by the Share Registrar. Our Board reserves the right not to accept or to accept in part only any application without providing any reasons.

You and/or your renounee(s)/transferee(s) (if applicable) who lose, misplace or for any other reasons require another copy of the RSF may obtain additional copies from your stockbrokers, Bursa Securities' website (<http://www.bursamalaysia.com>). our Share Registrar at the address stated above or its website at <https://www.sshsb.com.my> or our Registered Office.

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

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

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

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 ACCEPTED ONLY IN PART, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE DESPATCHED TO YOU WITHIN 15 MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE OF ICPS WITH WARRANTS BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK.

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

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

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

10.5.2 By way of electronic submission of the e-RSF

The electronic submission of the e-RSF is available to you upon your login to our Share Registrar's website at <https://form.iotform.com/SSeservices/wzsatu>. You are advised to read the instructions as well as the terms and conditions of the electronic submission of the e-RSF.

The electronic submission of the e-RSF is only available to individual Entitled Shareholders. Non-individual Entitled Shareholders are advised to complete and submit the application for the Rights Issue of ICPS with Warrants as set out in **Section 10.5.1** above.

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

- (a) any electronic submission of the e-RSF received after the Closing Date by our Share Registrar may not be accepted at the absolute discretion of our Board. All valid electronic submission of the e-RSF received by our Share Registrar is irrevocable and cannot be subsequently withdrawn;
- (b) the electronic submission of the e-RSF must be made in accordance with the procedures and terms and conditions of the electronic submission of the e-RSF, this Abridged Prospectus and the notes and conditions contained in the RSF. Any incomplete or incorrectly completed e-RSF submitted via our Share Registrar's Investor Portal may or may not be accepted at the absolute discretion of our Board;
- (c) your application for the Rights ICPS with Warrants B and Excess Rights ICPS must be accompanied by the remittance in RM via internet bank transfer, the bank account details as follows:

(i) Acceptance of the Rights ICPS with Warrants B

Bank Name : Malayan Banking Berhad
Account Name : WZ RIGHTS ISSUE ACCOUNT
Account Number : 514012439954

(ii) Application of Excess Rights ICPS

Bank Name : Malayan Banking Berhad
Account Name : WZ EXCESS RIGHTS ACCOUNT
Account Number : 514012439961

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

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

Procedure for electronic subscription of e-RSF (PLEASE SUBSCRIBE NO LATER THAN CLOSING DATE FOR THE RIGHTS ISSUE)	
<p>Step 1: Click https://form.iotform.com/SSeservices/wzsatu</p> <p>Step 2: Complete your personnel details.</p> <p>Step 3: Complete the details for acceptance of Provisional Allotments.</p> <p>Step 4: Complete the details for excess application, if any</p>	<p>Notes:</p> <ul style="list-style-type: none"> • To input your full name, Identity Card or Company number, contact number and email address. • To input your CDS account, no, of acceptance shares and amount payable (inclusive Stamp Duty of RM10.00 and processing fee of RM5.00) • To upload the proof of payment • To input the no, of excess shares to be applied and amount payable • To upload the proof of payment • To input the details of bank account for refund purpose • To ensure all information as declared are accurate before submitting • You are required to read, understand, and agree to be bound by these terms and conditions in relation to the access and use of SSeservices, which constitute a legal agreement between you and SS. You represent and warrant that you have full authority to accept these terms and conditions.

If you encounter any problems during the registration or subscription, please do not hesitate to contact us at 03- 2084 9000.

Terms and Conditions for e-Subscription of the e-RSF

1. You are to abide by all cut-off dates and times for the e-Subscription based on directives issued by the entity conducting the rights issue exercise in connection therewith, where relevant.
2. You may submit your application via completed physical application form ("**RSF**").

3. You are responsible that your subscription by way of electronic is subject to the risk of the hardware / device (including but limited to desktop computers, laptop computers, electronic tablet, television screens and mobile phones), the network connection to utilise the e-Subscription-Services. Any fees / expenses incurred arising from such network connection shall be fully borne by you. You acknowledge that your e-Subscription is subject to the above risks which beyond the control of the entity of the Share Registrar and irrevocably agree that if:
 - (i) the entity or the Share Registrar does not receive your e-Subscription; or
 - (ii) data relating to your e-Subscription application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to the Share Registrar, you will be deemed not to have made an e-Subscription and you may not make any claim whatsoever against our Company or the Share Registrar for the Provisional Allotments accepted and Excess Application for any compensation, loss or damage relating to the e-Subscription. The Share Registrar will not be liable for any delays, failures or inaccurate in the processing of data relating to your e-Subscription due to a breakdown or failure transmission or communication failure or to any cause beyond control
4. You are to ensure that all information provided whilst utilising the e-Subscription are true and accurate. Share Registrar and/or the entity conducting the rights issue exercise shall not be held liable or responsible for any inaccurate and/or incomplete information provided by the shareholders.
5. In utilising the e-Subscription, you shall endeavour to abide at all times to all applicable laws, regulations and the Constitution/regulations governing the entity conducting the rights issue exercise regardless of the location from where you are logging in to utilise the e-Subscription.
6. You are hereby confirming and declare that:
 - (i) all information provided by you is true and correct;
 - (ii) all information is identical with the information in the records of Bursa Depository and further agree and confirm that in the event the said information differs from Bursa Depository's record as mentioned earlier, the exercise of your rights may be rejected; and
 - I am 18 years of age or over and am not an undischarged bankrupt.
 - I am / we are# resident(s) of Malaysia.
7. You consent to our Company and Share Registrar collecting the information and personal data (collectively "Data") required herein, to process and disclose such Data to any person for the purposes of implementing the Rights Issue of ICPS with Warrants and storing such Data in any servers located in Malaysia or outside Malaysia in accordance with the relevant laws and regulations. The measures have been taken to protect the confidentiality and security of the information provided.
8. You have read and understood and hereby accept all the terms and conditions set out in this RSF and the Abridged Prospectus (physical or electronic) and further confirm compliance with all requirements for acceptance and payment as set out therein.
9. You agreed and undertake to subscribe for and to accept the number of Provisional Allotments and Excess Application as stated in the e-RSF.
10. You agreed that in consideration of our Company agreeing to allow and accept your e-Subscription for the Provisional Allotments and Excess application, your e-Subscription is irrevocable and cannot be subsequently withdrawn.
11. You have read and agreed to be bound by the terms and conditions of the electronic application.

12. You are eligible to apply for the securities in Malaysia or in jurisdiction where the securities offering is intended to be available.
13. You agreed to give consent to the Share Registrar to disclose information pertaining to the investor to relevant entities involved in the application process
14. The Share Registrar, on the authority of the entity, reserves the right to reject applications which do not conform to the above instructions.

B) Responsibilities and Rights of Share Registrar

1. Your eligibility to submit your application shall not be deemed as your entitlement to utilise the e-Subscription. In consultation with the entity conducting the rights issue exercise, Share Registrar reserves the right to reject you from the usage of the e-Subscription at its discretion.
2. Share Registrar and/or the entity conducting the rights issue exercise shall take reasonable measures to provide the e-Subscription without any significant interruption. Share Registrar and/or the entity conducting the rights issue exercise shall not be held liable for any interruption, delay, or failure faced by you in assessing and/or utilising the e-Subscription beyond the reasonable control of Share Registrar and/or the entity conducting the rights issue exercise.
3. Share Registrar and the entity conducting the rights issue exercise shall comply with its obligations under the Personal Data Protection Act 2010. The personal data furnished by you may continue to be processed and used for the purpose of communicating with you in relation to the use of the e-Subscription. SSES B may disclose your personal data maintained by Share Registrar to the relevant authorities where required.
4. Share Registrar reserves the right to reject your e-Subscription if you are not conforming to Share Registrar's Terms and Conditions and if there are any anomalies or inconsistencies.
5. While Share Registrar will reasonably ensure that any third party application used or relied upon within the platform will be functioning as intended, Share Registrar does not guarantee access and non-interruption beyond the reasonable control of Share Registrar and you are to be bound by the respective third party application's terms of use / service and privacy policy.
6. Neither Share Registrar nor our Company shall be held responsible for any adjournment / postponement / deferment of a meeting or any decision to cease the utilisation of e-Subscription.

C) Applicants' declaration

In accepting these terms and conditions you are deemed to have given the following warranties, confirmations and undertakings:-

1. You are a person entitled/authorised to utilise the relevant e-Subscription for its intended purposes.
2. You have read and understood the terms and conditions of the e-Subscription as appeared herein and agree to be bound by them at all times.
3. You agree to utilise the e-Subscription, subject always to these terms and conditions.
4. Share Registrar and/or the entity conducting the rights issue exercise shall not be held liable or responsible of any failure, interruption, disruption, loss or damage you may suffer or incur as a result of you accessing and/or utilising the e-Subscription.

5. You would note that the notification on the outcome of your e-Subscription for the Provisional Allotment and Excess Application will be despatched to you by ordinary post to the 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 of the Rights Issue.
 - (ii) unsuccessful/partially successful application – the refund of application moneys will be refunded without interest within 15 market days from the closing of the Rights Issue.
6. You would note that if your RSF for the Provisional Allotments allotted to you are not received by the Share Registrar by the closing time and date, the provisional entitlement to you will be deemed to have been declined and will be cancelled. Proof of time of postage shall not constitute proof of time of receipt by the Share Registrar. Our Board will then have the right to allot any Rights not validly taken up to applicants applying for Excess Application.

10.6 Procedure for part acceptance

You can accept part of your provisionally allotted Rights ICPS with Warrants B. The minimum number of securities that can be subscribed for or accepted is 1 Rights ICPS. However, the Warrants B will be issued in the proportion of 1 Warrants B for every 8 Rights ICPS subscribed.

You may refer to the procedures set out in **Sections 10.5.1 and 10.5.2** 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 will be made available to applicants for excess applications.

10.7 Procedures for sale or transfer of Provisional Allotments

As the Provisional Allotments are prescribed securities, you and/or your renounee(s)/transferee(s) (if applicable) may sell/transfer all or part of your entitlement to the Rights ICPS with Warrants B to 1 or more persons through your stockbrokers without first having to request for a split of the Provisional Allotments standing to the credit of your CDS Accounts. To sell/transfer of all or part of your entitlement to the Provisional Allotments, you and/or your renounee(s)/transferee(s) (if applicable) may sell such entitlement in the open market or transfer to such persons as may be allowed pursuant to the Rules of Bursa Depository. Please refer to **Sections 10.5.1 and 10.5.2** of this Abridged Prospectus for the procedures of acceptance and payment by way of RSF and e-RSF respectively.

In selling/transferring all or part of your Provisional Allotment, you and/or your renounee(s)/transferee(s) (if applicable) need not deliver any document including the RSF, to the stockbroker. However, you and/or your renounee(s)/transferee(s) (if applicable) must ensure that there is sufficient Provisional Allotments standing to the credit of your CDS Accounts that are available for settlement of the sale or transfer.

Purchasers or transferee(s) of the Provisional Allotment may obtain a copy of this Abridged Prospectus and the RSF from their stockbrokers or from our Share Registrar's Investor Portal at website at <https://www.sshsb.com.my> or at our Registered Office. This Abridged Prospectus and RSF are also available on Bursa Securities' website (<http://www.bursamalaysia.com>).

10.8 Procedures for acceptance by renounee(s)/transferee(s)

Renounee(s)/Transferee(s) who wish to accept the provisionally allotted Rights ICPS with Warrants B must obtain a copy of the RSF from their stockbrokers, our Share Registrar's Investor Portal at its website at <https://www.sshsb.com.my> or at our Registered Office or from the Bursa Securities' website (<http://www.bursamalaysia.com>) and complete the RSF, submit the same together with the remittance in accordance with the notes and instructions printed therein.

The procedures for acceptance and payment applicable to our Entitled Shareholders as set out in **Sections 10.5.1 and 10.5.2** of this Abridged Prospectus also applies to renounee(s)/transferee(s) who wish to accept the provisionally allotted Rights ICPS with Warrants B.

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

10.9 Procedures for Excess Application

As an Entitled Shareholder, you and/or your renounee(s)/transferee(s) (if applicable) may apply for excess Rights ICPS in addition to the Provisional Allotment by completing Part I(B) of the RSF (in addition to Parts I(A) and II) and forward it (together with a separate remittance for the full amount payable in respect of the Excess Rights ICPS applied for) to our Share Registrar at the address set out above, so as to arrive not later than 5:00 p.m. on Tuesday, 27 April 2021, being the last time and date for acceptance and payment, or such extended time and date as may be determined by our Board.

Payment for the Excess Rights ICPS applied for should be made in the same manner set out in **Section 10.5** of this Abridged Prospectus, except that the Banker's Drafts, Cashier's Orders, Money Orders or Postal Orders drawn on a bank or post office in Malaysia crossed "**A/C PAYEE ONLY**" and made payable to "**WZ EXCESS RIGHTS ACCOUNT**" and endorsed on the reverse side with the name, contact number, address and CDS Account Number of the applicant in block letters to be received by our Share Registrar.

Alternatively, individual Entitled Shareholders and/or your renounee(s)/transferee(s) may refer to **Section 10.5.2** of this Abridged Prospectus should you wish to apply for the Excess Rights ICPS by way of electronic submission of the e-RSF.

Our Board reserves the right to allot the Excess Rights ICPS applied for under Part 1(B) of the RSF, in a fair and equitable basis and in such manner as they in their absolute discretion deem fit and expedient in the best interest of our Company and that the intention of our Board as set out below are achieved. It is the intention of our Board to allot the Excess Rights ICPS in the following priority:

- (i) Firstly, to minimise the incidence of odd lots of the Rights ICPS;
- (ii) Secondly, for allocation to Entitled Shareholders who have applied for Excess Rights ICPS, on a pro-rata basis and in board lots, calculated based on their respective shareholdings as per their CDS Accounts as at the Entitlement Date;
- (iii) Thirdly, for allocation to Entitled Shareholders who have applied for Excess Rights ICPS, on a pro-rata basis and in board lots, calculated based on the quantum of their respective Excess Rights ICPS application; and
- (iv) Fourthly, for allocation to renounee(s)/transferee(s) who have applied for Excess Rights ICPS, on a pro-rata basis and in board lots, calculated based on the quantum of their respective Excess Rights ICPS application.

Excess Rights ICPS will be allocated in the order of (i) to (iv), and any balance thereafter will be allocated in the same sequence until all Excess Rights ICPS are allotted. Nevertheless, our Board reserves the right to allot any Excess Rights ICPS applied for under Part I(B) of the RSF or by way of e-Subscription in such manner as it deems fit and expedient and in the best interest of our Company subject always to such allocation being made on a fair and equitable basis, and that the priority set out in (i) to (iv) are achieved. Our Board also reserves the right not to accept or to accept any application for Excess Rights ICPS, in full or in part, without assigning any reason.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE EXCESS RIGHTS ICPS. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE ISSUED AND DESPACHED BY ORDINARY POST TO YOU AT YOUR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS WITHIN 8 MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE EXCESS RIGHTS ICPS.

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

IN RESPECT OF UNSUCCESSFUL OR PARTIALLY SUCCESSFUL EXCESS RIGHTS ICPS APPLICATIONS, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE DESPACHED TO YOU WITHIN 15 MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE EXCESS RIGHTS ICPS BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK.

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

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

10.10 Form of issuance

Bursa Securities has already prescribed our Shares listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the new securities arising from the Rights Issue of ICPS 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.

You must have a valid and subsisting CDS Account in order to subscribe for the Rights ICPS with Warrants B. Failure to comply with the specific instructions or inaccuracy in the CDS Account number may result in the application being rejected.

No physical share or warrant certificates will be issued to you under the Rights Issue of ICPS with Warrants. Instead, the Rights ICPS with Warrants B will be credited directly into your CDS Accounts. The notices of allotment will be issued and forwarded to you by ordinary post at your own risk to the address shown in the Record of Depositors within 8 market days from the last date for acceptance and payment of the Rights Issue of ICPS with Warrants.

Any person who intends to and successfully subscribed for the Rights ICPS with Warrants B as a renounee by purchasing the Provisional Allotment from an Entitled Shareholder will have his Rights ICPS with Warrants B credited directly as prescribed securities into his CDS Account.

The Excess Rights ICPS, if allotted to the successful applicant who applies for Excess Rights ICPS, will be credited directly as prescribed securities into his CDS Account.

10.11 Foreign Addressed Shareholders and/or shareholders subject to laws of foreign jurisdictions

This Abridged Prospectus, the NPA and the RSF have not been (and will not be) made to comply with the laws of any foreign country or jurisdiction other than Malaysia, and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) of any country or jurisdiction other than Malaysia. The Rights Issue of ICPS with Warrants will not be made or offered in any country or jurisdiction other than Malaysia.

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

HLIB, our Company, our Board and officers and other advisers and experts named herein ("**Parties**") would not, in connection with the Rights Issue of ICPS with Warrants, be in breach of the laws of any jurisdiction to which that Foreign Addressed Shareholders and/or their renounee(s)/transferee(s) (if applicable) are or may be subject to. Foreign Addressed Shareholders and/or their renounee(s)/transferee(s) (if applicable) shall solely be responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject to. The Parties shall not accept any responsibility or liability in the event that any acceptance or renunciation made by any Foreign Addressed Shareholders and/or their renounee(s)/transferee(s) (if applicable), is or shall become unlawful, unenforceable, voidable or void in any such jurisdiction.

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

The Foreign Addressed Shareholders and/or their renounee(s)/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 shall be entitled to be fully indemnified and held harmless by such Foreign Addressed Shareholders and/or their renounee(s)/transferee(s) (if applicable) for any issue, transfer or other taxes or duties as such person may be required to pay. They will have no claims whatsoever against the Parties in respect of their rights and entitlements under the Rights Issue of ICPS with Warrants. Such Foreign Addressed Shareholders or their renounee(s)/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 ICPS with Warrants.

By completing and signing the RSF accompanying this Abridged Prospectus, the Foreign Addressed Shareholders and/or their renounee(s)/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 ICPS with Warrants, be in breach of the laws of any jurisdiction to which that Foreign Addressed Shareholders and/or renounee(s)/transferee(s) (if applicable) are or may be subject to;

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

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

Any person who does forward this Abridged Prospectus, NPA and RSF to any such jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this section and we reserve the right to reject a purported acceptance of the Rights ICPS with Warrants from any such application by foreign Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) in any jurisdiction other than Malaysia.

Our Company reserves the right, in our absolute discretion, to treat any acceptance of the Rights ICPS with Warrants as invalid if it believes that such acceptance may violate any applicable legal or regulatory requirements in Malaysia.

11. TERMS AND CONDITIONS

The ICPS and Warrants B pursuant to the Rights Issue of ICPS with Warrants is governed by the terms and conditions as set out in the Constitution of our Company and Deed Poll B respectively.

12. FURTHER INFORMATION

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

Yours faithfully,
For and on behalf of the Board of
WZ SATU BERHAD



TAN SRI DATO' SRI MOHAMAD NORZA BIN ZAKARIA
Executive Chairman

SALIENT TERMS OF THE ICPS

Issuer	:	WZ Satu.
Issue size	:	Up to 643,106,105 units of ICPS in WZ Satu.
Issue Price	:	The issue price per Rights ICPS shall be determined by our Board and announced later by our Company before the announcement of the Entitlement Date.
Form and denomination	:	The ICPS will be constituted by our Constitution and will be issued in registered form.
Issue Date	:	The issue date for the ICPS shall be a market day to be mutually agreed between WZ Satu and HLIB.
Tenure	:	10 years commencing from and inclusive of the Issue Date and ending at 5:00 p.m. on the last market day immediately preceding the date which is the 10 th anniversary from the Issue Date (" Maturity Date ").
Board lot	:	The ICPS are tradeable upon listing in board lots of 100 units of ICPS or such other number of units as may be prescribed by Bursa Securities.
Dividend rate	:	Our Company shall, at our discretion and subject to the availability of distributable profits, pay cumulative preferential dividend rate of 3.0% per annum calculated based on the Issue Price. The dividends, if declared, shall be payable annually in arrears, subject to availability of distributable profits. No dividend shall be paid on the Shares or any securities junior to the ICPS until after our Company has fully paid dividends on the ICPS.
Conversion Price/Conversion Ratio	:	The Conversion Price of RM0.11 per ICPS. Each ICPS is convertible into 1 new Share (" Conversion Ratio "). For the avoidance of doubt, no additional cash payment is required for such conversion of the ICPS by the ICPS Holders.
Conversion Period	:	The ICPS may be converted into new Shares on any Market Day commencing on and including the Issue Date of the ICPS up to and including the Maturity Date. Any remaining ICPS that are not converted by the Maturity Date shall be mandatorily converted into new Shares at the Conversion Ratio on the Maturity Date.
Redemption	:	Not redeemable for cash.
Conversion Rights	:	Each ICPS carries the entitlement to convert into new Shares at the Conversion Ratio through the surrender of the ICPS at any time during the Conversion Period.

If the conversion results in a fractional entitlement to WZ Satu Shares, such fractional entitlement shall be disregarded and no refund or credit, whether in the form of ICPS, cash or otherwise, shall be given in respect of the disregarded fractional entitlement.

SALIENT TERMS OF THE ICPS (CONT'D)

- Conditions for Conversion : (i) The conversion of the ICPS into new Shares shall be exercised by the ICPS Holders by delivering a duly completed and signed conversion notice ("**Conversion Notice**") and the payment by way of banker's draft or cashier's order drawn on a bank operating in Malaysia or money order or postal order issued by a post office in Malaysia for the Conversion Price, if any, to the office of the share registrar of our Company during its business hours on any Market Day during the Conversion Period. The Conversion Notice is irrevocable upon receipt by our Company. A holder of the ICPS who has issued a Conversion Notice ("**Converting ICPS Holder**") shall further furnish to our Company such supporting documents or information as may be prescribed by our Company or as may be required under any applicable laws or regulations from time to time. The conversion shall be carried out in accordance with such procedures as may be prescribed by any applicable laws and regulations.
- (ii) Subject to all applicable laws, rules and regulations, within 8 Market Days from the date of receipt by our Company of a Conversion Notice or such other period as may be prescribed or allowed by Bursa Securities or under any applicable laws and regulations, our Company shall:
- (a) issue and/or allot to the relevant Converting ICPS Holders, such number of Shares to which such holders are entitled to receive by virtue of the exercise of the Conversion Rights, credited as fully paid-up ("**Conversion Shares**"), and shall cause the securities account of the said holders to be credited with such number of Conversion Shares; and
- (b) despatch a notice of allotment to the relevant Converting ICPS Holders in respect of the Conversion Shares.
- (iv) Once converted, the ICPS shall not be capable of re-issuance.
- Ranking of the ICPS and liquidation preference : The ICPS are unsecured and shall upon allotment and issue, rank equally amongst themselves and shall rank in priority to any other class of ordinary shares in the capital of our Company but shall rank behind all secured and unsecured obligations of our Company, except that:
- (i) they will not be entitled to any rights, allotments and/or other distributions that may be declared by our Company in respect of the Shares; and
- (ii) they carry no right to vote at any general meeting of our Company save for the voting rights as set out under the "ICPS holders' rights to participate in any distribution or offer of further securities in WZ Satu and voting rights" in the **Appendix I** of this Abridged Prospectus.
- In the event of liquidation or winding-up of our Company:
- (i) the assets of our Company shall be distributed first to the ICPS Holders in full of the amount which is equal to the Issue Price, provided that there shall be no further right for the ICPS Holders to participate in any surplus profits of WZ Satu; and

SALIENT TERMS OF THE ICPS (CONT'D)

- Ranking of the ICPS and liquidation preference (Cont'd) : (ii) in the event that our Company has insufficient assets to permit payment of the full issue price to the ICPS Holders, the assets of our Company shall be distributed pro rata on an equal priority to the ICPS Holders in proportion to the amount that each ICPS Holder would otherwise be entitled to receive.
- Ranking of new Shares to be issued pursuant to the conversion of the ICPS : The new Shares to be issued upon the conversion of the ICPS shall upon allotment and issue, rank equally in all respects with the then existing Shares, save and except that the holders of such new Shares shall not be entitled to any dividends, rights, allotments and/or any other distributions that may be declared, made or paid to our shareholders, the entitlement date of which is before the date of allotment of such new Shares to be issued upon the conversion of the ICPS.
- Modification of rights of the ICPS : Our Company may from time to time without the consent or sanction of all the ICPS Holders make modifications to the terms of the ICPS of which in the opinion of our Board is not materially prejudicial to the interest of the ICPS Holders or are to correct a manifest error or to comply with mandatory provisions of the laws of Malaysia and the relevant regulations.
- Any variation, modification or abrogation of the rights and privileges attached to the ICPS shall require the sanction of a special resolution of the ICPS Holders holding or representing not less than 75% of the outstanding ICPS present and voting either in person or by proxy at the meeting convened for the ICPS Holders to sanction such purposes.
- Adjustments to the Conversion Price in the event of alteration to share capital : The Conversion Price shall be subject to adjustments from time to time, at the determination of our Board, in the event of any alteration to the share capital of our Company, whether by way of rights issue, bonus issue, consolidation of shares, subdivision of shares or capital distribution on a reduction of capital or otherwise in accordance with the provisions of our Constitution. The adjustments shall be adjusted, calculated or determined by our Board in consultation with an approved adviser and certified by an auditor appointed by our Company, under certain circumstances in accordance with the provisions of our Constitution.
- ICPS Holders' rights to participate in any distribution or offer of further securities in WZ Satu and voting rights : The registered ICPS Holders are not entitled to any voting rights or to participate in any distributions and/or offer of further securities in WZ Satu until and unless such registered ICPS Holders have validly converted their ICPS into new Shares by exercising their Conversion Rights during the Conversion Period, and such new Shares are allotted before the entitlement date of such right, allotment, distribution or offer of securities.
- The ICPS Holders shall not have the right to vote at any general meeting of our Company except:
- (a) on a proposal that directly affects the rights and privileges attached to the ICPS;
 - (b) on a proposal to wind-up our Company; or
 - (c) during the winding-up of our Company,
- in which case, the ICPS Holders shall be entitled to vote at any general meeting whereby every ICPS shall on a poll, carry 1 vote for each Share into which the ICPS may be converted into, based on the Conversion Ratio.

SALIENT TERMS OF THE ICPS (CONT'D)

- Listing status and types of listing, where applicable : Approval has been obtained from Bursa Securities for the admission of the ICPS to the Official List of the Main Market of Bursa Securities as well as the listing of and quotation for the ICPS and the new Shares to be issued upon conversion of the ICPS on the Main Market of Bursa Securities.
- The admission, listing of and quotation for the ICPS on the Main Market of Bursa Securities is subject to compliance with the public spread requirements of the Listing Requirements, where there must be at least 100 ICPS Holders holding not less than 1 board lot each.
- Tradability, including selling restriction : For the purpose of trading on the Main Market of Bursa Securities, the ICPS will be tradable upon listing in board lots of 100 units of ICPS, or such other denomination as may be determined by Bursa Securities. No selling restriction is imposed on the ICPS. The ICPS shall be transferrable, subject to the applicable laws, regulations and rules that would apply to the securities of WZ Satu.
- Transferability : As the ICPS will be listed and quoted on the Main Market of Bursa Securities, they will be deposited with the Central Depository System of Bursa Securities and will be subject to the Rules of Bursa Depository. The ICPS shall be transferable in the manner provided under the Securities Industry (Central Depositories) Act 1991 and the Rules of Bursa Depository.
- Governing laws : Laws of Malaysia.

SALIENT TERMS OF THE WARRANTS B

Issuer	:	WZ Satu.
Issue size	:	Up to 80,388,263 units of Warrants B.
Issue price	:	The Warrants B will be issued without any cost and will only be issued to the Entitled Shareholders and their renouncee(s) and/or transferee(s) (if applicable) who successfully subscribe for the requisite number of Rights ICPS.
Form and denomination	:	The Warrants B, which are issued with the Rights ICPS, will be immediately detached from Rights ICPS upon allotment and issuance and will be traded separately on Bursa Securities. The Warrants B will be issued in registered form and constituted by the Deed Poll B.
Issue Date	:	The issue date for the Warrants B shall be a Market Day to be mutually agreed between WZ Satu and HLIB, which shall be the same issue date as the ICPS.
Tenure	:	10 years commencing from and inclusive of the Issue Date and ending at 5:00 p.m. on the last market day immediately preceding the date which is the 10 th anniversary of the Issue Date (" Expiry Date ").
Board lot	:	The Warrants B are tradeable upon listing in board lots of 100 units of Warrants B or such other number of units as may be prescribed by Bursa Securities.
Exercise Period	:	The Warrants B may be exercised into new Shares on any Market Day commencing on and including the Issue Date of the Warrants B and up to and including the Expiry Date. Any remaining Warrants B not exercised by the Expiry Date shall thereafter lapse and cease to be valid.
Exercise Rights	:	Subject to the provisions of the Deed Poll B, each Warrant B entitles the registered Warrant B holder to subscribe for one new WZ Satu Share at the Exercise Price during the Exercise Period.
Exercise Price	:	The Exercise Price of RM0.16 per Warrant B
Mode of exercise	:	The registered Warrant B holder is required to lodge an exercise form with our Company's registrar, duly completed, signed and stamped together with payment of the Exercise Price by way of bankers' draft or cashier's order drawn on a bank operating in Malaysia or money order or postal order issued by a post office in Malaysia.
Ranking of the new WZ Satu Shares	:	The new Shares to be issued upon the exercise of the Warrants B shall upon issuance and allotment, rank equally in all respects with the then existing Shares, save and except that the holders of such new Shares will not be entitled to any dividends, rights, allotments and/or any other distributions that may be declared, made or paid to our shareholders, the entitlement date of which is before the date of allotment and issuance of such new Shares to be issued upon the exercise of the Warrants B.

SALIENT TERMS OF THE WARRANTS B (CONT'D)

Warrant B holders' rights to participate in any distribution or offer of further securities in WZ Satu : The registered Warrants B holders are not entitled to any voting right or to participate in any distribution and/or offer of further securities in our Company until and unless the registered Warrants B holders have validly exercised their Warrants B into new Shares during the Exercise Period and such new Shares are allotted and issued to such holders before the entitlement date of such right, allotment, distribution or offer of securities.

Modification of rights of the Warrants B : Subject to the provision on modification of rights in the Deed Poll B, our Company may from time to time without the consent or sanction of all the holders of the Warrants B make modifications to the terms of which in the opinion of our Company are not materially prejudicial to the interest of the holders of the Warrants B or are to correct a manifest error or to comply with mandatory provisions of the laws of Malaysia and the relevant regulations.

Any variation, modification or abrogation of the rights and privileges attached to the Warrants B shall require the sanction of a special resolution of the Warrants B holders holding or representing not less than 75% of the outstanding Warrants B present and voting either in person or by proxy at the meeting convened for the Warrants B holders to sanction such purposes.

A memorandum of every such supplemental deed shall be endorsed on the Deed Poll B.

Adjustment to the Exercise Price and/or number of Warrants B in the event of alteration to share capital : The Exercise Price/number of Warrants B held by each registered Warrant B holder shall be subject to adjustments from time to time, at the determination of our Board, in the event of any alteration to the share capital of our Company, whether by way of rights issue, bonus issue, consolidation of shares, subdivision of shares or capital distribution on a reduction of capital or otherwise in accordance with the provisions of the Deed Poll B. The adjustments shall be adjusted, calculated or determined by our Board in consultation with an approved adviser and certified by an auditor appointed by our Company, under certain circumstances in accordance with the provisions of the Deed Poll B.

Rights in the event of winding up, liquidation, compromise and/or arrangement : Where a resolution has been 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 then:

(i) if such winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which our Company is the continuing corporation) has been approved by a special resolution of the registered Warrants B holders, or some person designated by them for such purpose by special resolution, the terms of such winding-up, compromise or arrangement shall be binding on all the Warrants B holders; and

SALIENT TERMS OF THE WARRANTS B (CONT'D)

Rights in the event of winding up, liquidation, compromise and/or arrangement (Cont'd) : (ii) in any other case, every registered Warrants B holder shall be entitled (subject to provisions of the Deed Poll B) at any time within six (6) weeks after passing of such resolution for a members' voluntary winding up of our Company or within six (6) weeks after the granting of the court order approving the compromise or arrangement (other than a consolidation, amalgamation or merger in which our Company is the continuing corporation), by the irrevocable surrender of his Warrants B to our Company, by the exercise notice(s) duly completed, together with payment of the relevant exercise price, to 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 his Warrants B to the extent specified in the exercise notice(s) and had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise.

Subject to the above, if our Company is wound up, all exercise rights which have not been exercised within six (6) weeks of the passing of such resolution or granting of court order shall lapse and the Warrants B will cease to be valid for any purpose.

Listing status : Approval has been obtained from Bursa Securities for the admission of the Warrants B to the Official List of the Main Market of Bursa Securities as well as the listing of and quotation for the Warrants B and the new Shares to be issued pursuant to the exercise of the Warrants B on the Main Market of Bursa Securities.

The admission, listing of and quotation for the Warrants B on the Main Market of Bursa Securities is subject to compliance with the public spread requirements of the Listing Requirements, where there must be at least 100 Warrants B holders holding not less than 1 board lot each.

Tradability : For the purpose of trading on the Main Market of Bursa Securities, the Warrants B will be tradable upon listing in board lots of 100 units of Warrants B, or such other denomination as may be determined by Bursa Securities. No selling restriction is imposed on the Warrants B. The Warrants B shall be transferrable, subject to the applicable laws, regulations and rules that would apply to the securities of WZ Satu.

Transferability : As the Warrants B will be listed and quoted on the Main Market of Bursa Securities, they will be deposited with the Central Depository System of Bursa Securities and will be subject to the Rules of Bursa Depository. The Warrants B shall be transferable in the manner provided under the Securities Industry (Central Depositories) Act, 1991 and the Rules of Bursa Depository.

Governing law : Laws of Malaysia.

INFORMATION OF OUR GROUP

1. SHARE CAPITAL AND OPTIONS**1.1 Issued and paid-up share capital**

As at the LPD, our Company's issued share capital is RM242,812,599 comprising 511,665,197 Shares.

1.2 Options

Our Company has implemented a Long-term Incentive Plan ("LTIP") on 14 March 2016 comprising the Executive Share Option Scheme and Executive Share Grant Scheme. As at the LPD, our Company has not granted or awarded any options and/or Shares under the LTIP to any executives of our Group and/or our executive directors of our Company, who are eligible in accordance with our By-Laws. The LTIP is effective for a period of 10 years until 13 March 2026. Under the LTIP, the executives of our Group (excluding dormant subsidiaries) who have been confirmed in service and/or the directors of our Group who are eligible to participate in the LTIP may be offered:

- (i) options to subscribe for such number of Shares ("**Options**") at an exercise price, which shall not be at a discount of more than 10% (or such discount as the relevant authorities may permit) from the 5D-VWAMP of the Shares before the date of offer; and/or;
- (ii) grants comprising such number of Shares to be issued or transferred ("**Grants**"),

in accordance with the By-Laws governing the LTIP.

The aggregate number of Shares comprised in Options (whether exercised or unexercised) and Grants (whether outstanding or completed) under the LTIP and any other executive share schemes which may be established by our Company that are still subsisting must not exceed 10% of the total number of issued Shares of our Company at any one time.

2. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

Please refer to **Section 8.2** of this Abridged Prospectus for the pro forma effects of the Rights Issue of ICPS with Warrants on the shareholdings of the substantial shareholders of our Company.

INFORMATION OF OUR GROUP (CONT'D)**3. DIRECTORS****3.1 Particulars of our Directors**

The details of our Directors as at the LPD are as follows:

Name (Designation)	Age	Address	Nationality
Tan Sri Dato' Sri Mohamad Norza Bin Zakaria (Executive Chairman)	55	No. 81, Sunway Kiara Hills, Jalan 32/70A, Desa Sri Hartamas, 50480 Kuala Lumpur	Malaysian
YM Tengku Dato' Sri Uzir Bin Tengku Dato' Ubaidillah (Executive Vice Chairman)	62	No. 42, Jalan Medang Tanduk, Bukit Bandaraya, 59100 Kuala Lumpur	Malaysian
YM Tengku Dato' Indera Zubir Bin Tengku Dato' Ubaidillah (Non-Independent Non-Executive Director)	59	No. 8, Jalan Puncak Kiara 3, Kiara View, Desa Sri Hartamas, 50480 Kuala Lumpur	Malaysian
Ikhlas Bin Kamarudin (Non-Independent Non-Executive Director)	29	No 27, Jalan Setiabakti 6, Bukit Damansara, 50490 Kuala Lumpur	Malaysian
Rosli Bin Shafiei (Independent Non-Executive Director)	69	No. 6, Jalan Puncak Kiara 3, Kiara View, 50480 Kuala Lumpur	Malaysian
Datuk Idris Bin Haji Hashim J.P. (Independent Non-Executive Director)	69	241 Persiaran Zaaba, Taman Tun Dr. Ismail, 60000 Kuala Lumpur	Malaysian
Dato' Syed Kamarulzaman Bin Dato' Syed Zainol Khodki Shahabudin (Independent Non-Executive Director)	56	No. 151/50, Gedong Lalang 5/1, Ampangan, 70450 Seremban, Negeri Sembilan Darul Khusus	Malaysian
Dato' Mohan A/L C Sinnathamby (Independent Non-Executive Director)	61	B08, Iringan Hijau 8 Jalan Ampang Tengah 55000 Kuala Lumpur	Malaysian

INFORMATION OF OUR GROUP (CONT'D)
3.2 DIRECTORS' SHAREHOLDINGS

Save for the following Directors, none of the Directors have any direct and indirect shareholdings in our Company as at the LPD. The pro forma effects of the Rights Issue with Warrants on the shareholdings of the Directors based on the register of directors' shareholdings of our Company are as follows:

Minimum Scenario

Directors	As at the LPD				(I) Assuming full conversion of ICPS				(II) After (I) and assuming full exercise of Warrants B			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	^%	No. of Shares	^%	No. of Shares	~%	No. of Shares	~%	No. of Shares	~%	No. of Shares	~%
	'000		'000		'000		'000		'000		'000	
Tengku Uzir	53,605	10.5	-	-	(i)141,988	18.1	-	-	(iii)153,036	18.7	-	-
Tengku Zubir	4,473	0.9	-	-	(ii)7,167	0.9	-	-	(iv)7,504	0.9	-	-
Ikhlas Bin Kamarudin	-	-	(v)71,888	14.0	-	-	(v)171,229	21.8	-	-	(v)183,646	22.4
Tan Sri Dato' Sri Mohamad Norza Bin Zakaria	-	-	(v)71,888	14.0	-	-	(v)171,229	21.8	-	-	(v)183,646	22.4

Notes:

- (i) Assuming full conversion of his 88,383,382 ICPS into 88,383,382 new WZ Satu Shares.
- (ii) Assuming full conversion of his 2,694,163 ICPS into 2,694,163 new WZ Satu Shares.
- (iii) Assuming full exercise of 11,047,922 Warrants B into 11,047,922 new WZ Satu Shares.
- (iv) Assuming full exercise of 336,770 Warrants B into 336,770 new WZ Satu Shares.
- (v) Deemed interested through his shareholdings in CitaGlobal pursuant to Section 8 of the Act.
- ^ Based on the issued share capital of 511.67 million Shares as at the LPD.
- * Based on the enlarged issued share capital of 784.39 million Shares.
- ~ Based on the enlarged issued share capital of 818.48 million Shares.

INFORMATION OF OUR GROUP (CONT'D)

Maximum Scenario

Directors	As at the LPD				(I) Assuming full exercise of Warrants A				(II) After (I) and assuming full conversion of ICPS				(III) After (II) and assuming full conversion of Warrants B			
	Direct		Indirect		Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	^%	No. of Shares	^%	No. of Shares	*%	No. of Shares	*%	No. of Shares	~%	No. of Shares	~%	No. of Shares	@%	No. of Shares	@%
	'000		'000		'000		'000		'000		'000		'000		'000	
Tengku Uzir	53,605	10.5	-	-	⁽ⁱ⁾ 100,187	15.6	-	-	⁽ⁱⁱⁱ⁾ 188,570	14.7	-	-	^(v) 199,618	14.6	-	-
Tengku Zubir	4,473	0.9	-	-	⁽ⁱⁱ⁾ 5,640	0.9	-	-	^(iv) 8,334	0.7	-	-	^(vi) 8,671	0.6	-	-
Ikhlas Bin Kamarudin	-	-	^(vii) 71,888	14.0	-	-	^(vii) 71,888	11.2	-	-	^(vii) 171,229	13.3	-	-	^(vii) 183,646	13.4
Tan Sri Dato' Sri Mohamad Norza Bin Zakaria	-	-	^(vii) 71,888	14.0	-	-	^(vii) 71,888	11.2	-	-	^(vii) 171,229	13.3	-	-	^(vii) 183,646	13.4

Notes:

- (i) Assuming full exercise of his 46,581,956 Warrants A into 46,581,956 new WZ Satu Shares.
- (ii) Assuming full exercise of his 1,167,080 Warrants A into 1,167,080 new WZ Satu Shares.
- (iii) Assuming full conversion of his 88,383,382 ICPS into 88,383,382 new WZ Satu Shares.
- (iv) Assuming full conversion of his 2,694,163 ICPS into 2,694,163 new WZ Satu Shares.
- (v) Assuming full exercise of his 11,047,922 Warrants B into 11,047,922 new WZ Satu Shares.
- (vi) Assuming full exercise of 336,770 Warrants B into 336,770 new WZ Satu Shares.
- (vii) Deemed interested through their shareholdings in CitaGlobal pursuant to Section 8 of the Act.
- ^ Based on the issued share capital of 511.67 million Shares as at the LPD.
- * Based on the enlarged issued share capital of 643.11 million Shares.
- ~ Based on the enlarged issued share capital of 1,286.21 million Shares.
- @ Based on the enlarged issued share capital of 1,366.60 million Shares.

INFORMATION OF OUR GROUP (CONT'D)**4. HISTORICAL FINANCIAL INFORMATION**

Our audited consolidated financial information for the past 3 FYEs 31 August 2017, 2018 and 2019 and our unaudited consolidated financial information for the 16-month FPE 31 December 2020 together with the relevant notes are disclosed in the following documents which have been published on the website of Bursa Securities (www.bursamalaysia.com).

	Pages
Our annual report for the FYE 31 August 2017:	
Statements of financial position	51 - 52
Statements of profit or loss and other comprehensive income	53 - 54
Statements of changes in equity	55 - 57
Statements of cash flows	58 - 60
Notes to the financial statements	61 - 135
Our annual report for the FYE 31 August 2018:	
Statements of financial position	57 - 58
Statements of profit or loss and other comprehensive income	59 - 60
Statements of changes in equity	61 - 63
Statements of cash flows	64 - 67
Notes to the financial statements	68 - 152
Our annual report for the FYE 31 August 2019:	
Statements of financial position	55 - 56
Statements of profit or loss and other comprehensive income	57 - 58
Statements of changes in equity	59 - 60
Statements of cash flows	61 - 63
Notes to the financial statements	64 - 148
Our unaudited consolidated results for the 16-month FPE 31 December 2020*:	
Condensed statements of profit or loss and other comprehensive income	1
Condensed statements of financial position	2
Condensed statements of changes in equity	3
Condensed statements of cash flows	4 - 5
Notes to the financial statements	6 - 13

Note:

* Change in the financial year end of our Company from 31 August to 31 December.

Each of the said consolidated financial statements is incorporated by reference to this Abridged Prospectus and forms part of this Abridged Prospectus.

INFORMATION OF OUR GROUP (CONT'D)**5. HISTORICAL SHARE PRICES**

The monthly highest and lowest market prices of the Shares traded on the Main Market of Bursa Securities for the past 12 months from April 2020 to March 2021 are as follows:

	<u>High</u> (RM)	<u>Low</u> (RM)
<u>2020</u>		
April	0.155	0.095
May	0.235	0.140
June	0.275	0.190
July	0.245	0.200
August	0.250	0.200
September	0.235	0.185
October	0.205	0.175
November	0.210	0.180
December	0.230	0.190
<u>2021</u>		
January	0.220	0.185
February	0.205	0.180
March	0.265	0.190
Last transacted market price of the Shares immediately before the date of the announcement of the Rights Issue of ICPS with Warrants on 15 November 2019 (RM)		0.26
Last transacted market price of the Shares on the market day prior to the ex-rights date on 8 April 2021 (RM)		0.22
Last transacted market price of the Shares as at the LPD (RM)		0.22

(Source: Bloomberg)

6. MATERIAL CONTRACTS

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

- (i) Subcontracts final settlement agreement dated 13 December 2019 ("**Petrofac Settlement Agreement**") entered into between Petrofac E&C Sdn Bhd ("**Petrofac**") and WZS Misi Setia, whereby the parties agreed that the sum of RM197,000,000 shall constitute the full and final settlement of the claims for the subcontract works carried out by WZS Misi Setia for the RAPID Project – Package 4, and Petrofac shall pay to WZS Misi Setia the balance amount of RM40,490,874.37 in the manner set out under the Petrofac Settlement Agreement.

INFORMATION OF OUR GROUP (CONT'D)

7. MATERIAL LITIGATION AND ARBITRATION

Save as disclosed below, as at the LPD, our Group is not engaged in any other material litigation, claims or arbitration, either as plaintiff or defendant and our Board is not aware of any proceedings, pending or threatened, against our Group or any facts likely to give rise to any proceedings which may materially affect business or financial position of our Group:

Dato' William Tan Chee Keong and Mr. Choi Chee Ken (collectively, the "Suit 1 Plaintiffs") v. WZ Satu ("Suit 1 Defendant") (High Court Civil Suit No: BA-22NCVC-469-10/2019) ("Suit 1")

Suit 1 arose from a share sale agreement dated 10 January 2014 ("**SSA**") entered into between the Suit 1 Plaintiffs, Ho Kek Yee and Rada Krishnan A/L Sankaran Nair (as vendors and guarantors) ("**Vendors**") and our Company (as purchaser) in respect of the acquisition of WZS BinaRaya (formerly known as WZS KenKeong Sdn Bhd) by our Company for the consideration sum of RM27,500,000.00, which was settled by way of cash payment and issuance of new Shares ("**Consideration Shares**"). Pursuant to the terms of the SSA, the Vendors guaranteed to our Company that -

- (i) the aggregate audited profit after tax and minority interest ("**PATMI**") of WZS BinaRaya and its subsidiaries ("**WZS BinaRaya Group**") in respect of the three (3) financial years ending at 31 August 2015, 31 August 2016 and 31 August 2017 ("**Guaranteed Period**") shall collectively be not less than the total sum of RM17,000,000.00 ("**Guaranteed Profit**"); and
- (ii) the shareholders' funds of WZS BinaRaya Group as at the last day of the Guaranteed Period shall be at least RM27,500,000.00 ("**Guaranteed Shareholders' Fund**")

(collectively referred to as "**the Guarantees**"). Pursuant to the terms of the SSA, an auditor is to be appointed by the Suit 1 Defendant with the assistance of the Suit 1 Plaintiffs ("**Reporting Accountant**") to conduct a special audit or to review the financial statements of the WZS BinaRaya Group for the Guaranteed Period in order to verify the final aggregate financial result of WZS BinaRaya Group for the Guaranteed Period ("**Special Audit**"), and the Reporting Accountant shall issue an audit certificate certifying the amount of the actual profit made based on its review ("**RA Certificate**").

Pursuant to a tripartite Stakeholder Agreement dated 21 March 2014 entered into between our Company, the Vendors (including the Suit 1 Plaintiffs) and Pacific Trustees Berhad ("**Stakeholder**") ("**Stakeholder Agreement**"), Pacific Trustees Berhad has been appointed by the parties as the stakeholder to hold the Consideration Shares pending fulfilment of the Guarantees ("**Security Shares**") in accordance with the terms of the Stakeholder Agreement.

The Suit 1 Plaintiffs initiated the legal proceedings by filing an Amended Writ of Summons and Amended Statement of Claim dated 24 October 2019 at the High Court of Malaya at Shah Alam, whereby the Suit 1 Plaintiffs alleged that delay of WZ Satu in appointing an auditor to conduct the special audit resulted in the non-issuance of RA Certificate as at the date of filing the Amended Writ and Amended Statement of Claim, and further alleged that the Guaranteed Profit has been met and accordingly, the Security Shares should have been released to the Vendors upon the expiry of the Guaranteed Period in accordance with the terms of the SSA. Our Company has disputed such allegations.

Since then, the parties have each filed various interlocutory applications and have exhausted all interlocutory applications.

Subsequently, the Suit 1 Plaintiffs filed a Re-Amended Writ of Summons and Re-Amended Statement of Claim dated 8 September 2020 with the High Court at Shah Alam and claimed for, amongst others, specific performance, a declaratory order, damages to be assessed, interest and costs against our Company.

INFORMATION OF OUR GROUP (CONT'D)

Our solicitors have on 19 January 2021, filed the Re-Amended Defence disputing the Suit 1 Plaintiffs' claims. The solicitors acting for the Suit 1 Plaintiffs have on 9 February 2021 filed their Re-Amended Reply to Re-Amended Defence.

The High Court has decided that the matter is to be tried and heard together with Suit 2 (a description of which is set out below) and the trial dates for both suits have been fixed on 15 April 2021, 16 April 2021, 30 April 2021, 19 May 2021, 20 May 2021 and 21 May 2021.

In respect of Suit 1, after taking into consideration the witness statements filed by the Suit 1 Plaintiffs, the Reporting Accountant's report and the RA Certificate provided by the Reporting Accountant to the Company, our solicitors are of the view that -

- (i) the Suit 1 Plaintiffs are not entitled to the Consideration Shares as the Guarantees have not been met and our Company has a good arguable defence against the Suit 1 Plaintiffs' claim; and
- (ii) in the event our Company is found to be liable to the Suit 1 Plaintiffs, apart from the possible cost ordinarily awarded to the successful party, our Company faces a lower risk of substantial monetary loss as the Consideration Shares are still available to the Suit 1 Plaintiffs and the alleged damages suffered have not been quantified or proved according to Section 74 of the Contracts Act 1950.

WZ Satu (the "Suit 2 Plaintiff") v. Dato' William Tan Chee Keong ("Suit 2 1st Defendant") and Mr. Choi Chee Ken ("Suit 2 2nd Defendant") and Pacific Trustees Berhad ("Suit 2 3rd Defendant") (collectively, the "Suit 2 Defendants") (High Court Civil Suit No. BA-22NCVC-354-09/2020) ("Suit 2")

Following the appointment of the Reporting Accountant, the RA Certificate was issued on 20 February 2020 by the Reporting Accountant. The RA Certificate shows a profit shortfall of RM59,208,664.00 ("**Shortfall**") and shareholders' fund shortfall of RM58,960,282.00 during the Guaranteed Period.

WZ Satu had on 23 September 2020 via its solicitors filed a Writ of Summons and Statement of Claim dated 23 September 2020 against the Suit 2 Defendants claiming, amongst others:

- (1) from the Suit 2 1st Defendant and Suit 2 2nd Defendant, jointly and severally, -
 - (i) a sum of RM59,208,664.00, being the Shortfall due and owing to the Suit 2 Plaintiff;
 - (ii) interest at the rate of 5% per annum on the sum of RM59,208,664.00 from the date of the Statement of Claim until the date of full realisation;
 - (iii) costs on full indemnity basis; and
 - (iv) such further and/or other reliefs that the Court deems fair and just; and
- (2) from the Suit 2 3rd Defendant -
 - (i) an order that the Suit 2 3rd Defendant shall forthwith take steps to dispose of the Consideration Shares in accordance to the manner provided in the Stakeholder Agreement and pay the proceeds of sale to WZ Satu to account for the Shortfall; and
 - (ii) such further and/or other reliefs that the Court deems fair and just.

On 23 October 2020, the High Court has ordered that Suit 2 be heard together with and disposed of by the judge hearing Suit 1.

INFORMATION OF OUR GROUP (CONT'D)

Our Company has on 3 December 2020 filed a notice of discontinuance to discontinue its claim against the Suit 2 3rd Defendant without cost and with liberty to file afresh.

The matter is to be tried and heard together with Suit 1 and the trial dates for both suits have been fixed on 15 April 2021, 16 April 2021, 30 April 2021, 19 May 2021, 20 May 2021 and 21 May 2021.

In respect of Suit 2, after taking into consideration the witness statements filed by the Suit 2 Defendants, the Reporting Accountant's report and the RA Certificate provided by the Reporting Accountant to the Company, our solicitors are of the view that our Company has a good arguable case against the Suit 2 1st Defendant and the Suit 2 2nd Defendant for the amount claimed.

8. CONSENTS

Our Principal Adviser, our legal adviser for the Rights Issue of ICPS with Warrants and our Share Registrar 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.

Bloomberg has given and has not subsequently withdrawn its written consent before the date of issue of this Abridged Prospectus with the inclusion of its name as the source of our historical share prices as disclosed in the Abridged Prospectus and all references thereto in the form and context in which they are included in this Abridged Prospectus.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur during normal business hours from Mondays to Fridays (except public holidays) for a period of six months from the date of this Abridged Prospectus:

- (i) our Constitution;
- (ii) our audited consolidated financial statements for the past 3 FYEs 31 August 2017, 2018 and 2019;
- (iii) our unaudited consolidated financial statements for the 16-month FPE 31 December 2020;
- (iv) the Deed Poll B;
- (v) all the material contracts referred to in **Section 6 of Appendix III** of this Abridged Prospectus;
- (vi) the letters of consent referred to in **Section 8 of Appendix III** of this Abridged Prospectus;
- (vii) the Undertaking letters dated 28 February 2020 referred to in **Section 3** of this Abridged Prospectus; and
- (viii) the relevant cause papers for the material litigation referred to in **Section 7 of Appendix III** of this Abridged Prospectus.

INFORMATION OF OUR GROUP (CONT'D)

10. RESPONSIBILITY STATEMENT

Our Board has read, seen and approved all documents relating to the Rights Issue of ICPS with Warrants. They collectively and individually accept full responsibility for the accuracy of the information contained in the said documents. Having made all reasonable enquiries, they confirm there is no false or misleading statements or other facts which, if omitted, would make any statement in these documents false or misleading.

HLIB, being the Principal Adviser, acknowledges that, based on all available information, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue of ICPS with Warrants.