

THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

All abbreviations contained herein are defined in the "Definitions" section of this Abridged Prospectus unless stated otherwise.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately. If you have sold or transferred all your MHB Shares, you should hand this Abridged Prospectus, together with the NPA and the RSF (collectively, the "Documents") at once to the agent/broker through whom you effected the sale/transfer for onward transmission to the purchaser/transferee. All enquiries concerning the Rights Issue, which is the subject of this Abridged Prospectus should be addressed to our Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

The Documents are only despatched to our shareholders whose names appear in the Record of Depositors as at 5:00 P.M. on 26 March 2018 at their registered address in Malaysia or who have provided our Share Registrar with a registered address in Malaysia in writing by 5:00 P.M. on 26 March 2018. The Documents are not intended to (and will not be made to) comply with the laws of any country or jurisdiction other than Malaysia, are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue complies with the laws of any country or jurisdiction other than the laws of Malaysia. Entitled Shareholders and/or their renounee(s) and/or transferee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers and/or other professional advisers as to whether the acceptance or renunciation (as the case may be) of their entitlements to the Rights Issue, the application for Excess Rights Shares, or the subscription, offer, sale, resale, pledge or other transfer of the Rights Shares, Warrants E and Bonus Shares would result in the contravention of any laws of such countries or jurisdictions. Neither MHB, AmInvestment Bank, nor any of their respective directors and officers or affiliates will accept any responsibility or liability whatsoever to any party in the event that any acceptance and/or renunciation (as the case may be) of the entitlements to the Rights Issue, application for Excess Rights Shares, or the subscription, offer, sale, resale, pledge or other transfer of the Rights Shares, Warrants E and Bonus Shares made by any Entitled Shareholder and/or their renounee(s) and/or transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions in which the said Entitled Shareholder and/or their renounee(s) and/or transferee(s) (if applicable) is a resident.

The approval from our shareholders for the Rights Issue was obtained at our EGM held on 12 February 2018. The approval from Bursa Securities for the listing of and quotation for all the Rights Shares, Bonus Shares, Warrants E, Additional Warrants D and new MHB Shares to be issued upon the exercise of the Warrants E and Additional Warrants D on Bursa Securities was obtained vide its letter dated 22 January 2018. The listing of and quotation for the said new securities on the Main Market of Bursa Securities are in no way reflective of the merits of the Rights Issue.

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

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

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



MITRAJAYA HOLDINGS BERHAD

(Company No. 268257-T)

(Incorporated in Malaysia under the Companies Act 2016)

RENOUNCEABLE RIGHTS ISSUE OF UP TO 157,433,598 NEW ORDINARY SHARES IN MITRAJAYA HOLDINGS BERHAD ("MHB") ("MHB SHARE(S)" OR "SHARE(S)") ("RIGHTS SHARE(S)") AT AN ISSUE PRICE OF RM0.59 PER RIGHTS SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FIVE (5) EXISTING MHB SHARES HELD AS AT 5.00 P.M. ON 26 MARCH 2018, TOGETHER WITH UP TO 78,716,799 FREE DETACHABLE WARRANTS ("WARRANT(S) E") AND AN ATTACHED BONUS ISSUE OF UP TO 78,716,799 NEW MHB SHARES ("BONUS SHARE(S)") ON THE BASIS OF ONE (1) WARRANT E AND ONE (1) BONUS SHARE FOR EVERY TWO (2) RIGHTS SHARES SUBSCRIBED

Principal Adviser and Underwriter



AmInvestment Bank

AmInvestment Bank Berhad

(Company No. 23742-V)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIMES:

Entitlement Date	: Monday, 26 March 2018 at 5.00 P.M.
Last date and time for:	
Sale of Provisional Allotments	: Monday, 2 April 2018 at 5.00 P.M.
Transfer of Provisional Allotments	: Thursday, 5 April 2018 at 4.00 P.M.
Acceptance and payment	: Tuesday, 10 April 2018 at 5.00 P.M.
Excess Application and payment	: Tuesday, 10 April 2018 at 5.00 P.M.

This Abridged Prospectus is dated 26 March 2018

ALL ABBREVIATIONS AND DEFINED NAMES CONTAINED HEREIN ARE DEFINED IN THE "DEFINITIONS" SECTION OF THIS ABRIDGED PROSPECTUS UNLESS STATED OTHERWISE.

THE SC AND BURSA SECURITIES ARE NOT LIABLE FOR ANY NON-DISCLOSURE ON OUR PART AND TAKE NO RESPONSIBILITY FOR THE CONTENTS OF THIS ABRIDGED PROSPECTUS, MAKE NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIM ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS ABRIDGED PROSPECTUS.

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

YOU ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE AND/OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS ABRIDGED PROSPECTUS ARE DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CMSA.

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA (SUCH AS OUR DIRECTORS AND ADVISERS) ARE RESPONSIBLE.

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

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

DEFINITIONS

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

Abridged Prospectus	:	This Abridged Prospectus dated 26 March 2018
Act	:	The Companies Act 2016
Additional Warrants D	:	Additional Warrants D to be issued pursuant to the adjustments in accordance with the provisions of the deed poll dated 3 July 2015 as a consequence of the Rights Issue
AmInvestment Bank or Principal Adviser or Underwriter	:	AmInvestment Bank Berhad
Authorised Nominee	:	A person who is authorised to act as a nominee as defined under the Rules of Bursa Depository
BNM	:	Bank Negara Malaysia
Board	:	Board of Directors of MHB
Bonus Shares	:	Up to 78,716,799 new MHB Shares to be credited as fully paid-up pursuant to the Rights Issue
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
CDS Account	:	A securities account established by Bursa Depository for a depositor pursuant to the SICDA and the Rules of Bursa Depository for the recording of deposits or withdrawal of securities and dealings in such securities by the depositor
Closing Date	:	10 April 2018 at 5:00 P.M., being the last date and time for the acceptance of and payment for the Provisional Allotments and the Excess Rights Shares
CMSA	:	Capital Markets and Services Act 2007
Deed Poll	:	The deed poll dated 12 March 2018, constituting the Warrants E
Director(s)	:	Director(s) of MHB
Documents	:	Collectively, this Abridged Prospectus, together with the NPA and the RSF
EGM	:	Extraordinary general meeting
Electronic Application	:	Application for the Rights Shares and/or the Excess Rights Shares through the Automated Teller Machine ("ATM") of the Participating Financial institutions
Entitled Shareholder(s)	:	Shareholders of MHB whose names appear on the Record of Depositors of our Company as at the Entitlement Date

DEFINITIONS (CONT'D)

Entitlement Date	:	26 March 2018 at 5:00 P.M., being the date on which the names of our shareholders must be appeared in our Record of Depositors in order to be entitled to the Rights Issue
EPS	:	Earnings per share
ESOS	:	The employees' share option scheme of MHB, which came into effect on 23 June 2015
ESOS Option(s)	:	The options granted pursuant to the existing ESOS of our Company. Each ESOS Option provides the right to the grantees to subscribe for one (1) new MHB Share during the five (5)-year exercise period up to 23 July 2020 with an option of extension for a further period of five (5) years
Excess Application	:	Application(s) for Excess Rights Shares as set out in Section 10.7 of this Abridged Prospectus
Excess Rights Shares	:	Rights Shares which are not taken up or not validly taken up by the Entitled Shareholders and/or their renouncee(s) and/or their transferee(s) (if applicable) by the Closing Date
Exercise Price	:	RM0.94, being the price at which one (1) Warrant E is exercisable into one (1) MHB Share, subject to such adjustments as may be allowed under the Deed Poll
FSA	:	Financial Services Act, 2013
FYE	:	Financial year ended
GDV	:	Gross development value
Government	:	Government of Malaysia
GST	:	Goods and services tax
Internet Application	:	Application for the Rights Shares and/or the Excess Rights Shares within Malaysia through an Internet Participating Financial institution
Internet Participating Financial institutions	:	Participating financial institutions for the Internet Applications as referred to in Section 10.4.3 of this Abridged Prospectus
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	27 February 2018, being the latest practicable date prior to the printing of this Abridged Prospectus
Market Day(s)	:	A day on which Bursa Securities is open for trading in securities
Maximum Scenario	:	Assuming all the existing treasury shares have been resold in the open market at the respective acquisition prices, all the outstanding Warrants D as well as the ESOS Options are exercised prior to the Entitlement Date
MHB or our Company	:	Mitrajaya Holdings Berhad

DEFINITIONS (CONT'D)

MHB Group or our Group	:	MHB and its subsidiary companies, collectively
MHB Shares or Shares	:	Ordinary shares in the capital of our Company
Minimum Scenario	:	Assuming all the existing treasury shares are retained by the Company, none of the outstanding Warrants D as well as the ESOS Options are exercised prior to the Entitlement Date
NA	:	Net assets
NPA	:	Notice of provisional allotment of Rights Shares pursuant to the Rights Issue
NRS	:	Nominee Rights Subscription service offered by Bursa Depository, at the request of our Company, to Authorised Nominees for electronic subscription of Rights Issue through Bursa Depository's existing network facilities with the Authorised Nominees
Official List	:	The list specifying all securities listed on the Main Market of Bursa Securities
Participating Financial Institutions	:	Participating financial institutions for Electronic Applications as referred to in Section 10.4.2 of this Abridged Prospectus
PAT	:	Profit after tax
PBT	:	Profit before tax
PMSB	:	Pembinaan Mitrajaya Sdn Bhd, our wholly-owned subsidiary principally engaged in civil engineering, building and road construction works and property development
Price-Fixing Date	:	12 March 2018, being the date on which the Rights Issue Price was determined and announced by our Board
Provisional Allotments	:	Rights Shares provisionally allotted to the Entitled Shareholders pursuant to the Rights Issue
Record of Depositors	:	A record of securities holders provided by Bursa Depository under the Rules of Bursa Depository
Rights Issue	:	Renounceable rights issue of up to 157,433,598 Rights Shares at an issue price of RM0.59 per Right Share, on the basis of one (1) Rights Share for every five (5) existing MHB Shares held as at 5.00 P.M. on 26 March 2018, together with up to 78,716,799 Warrants E and an attached bonus issue of up to 78,716,799 Bonus Shares on the basis of one (1) Warrant E and one (1) Bonus Share for every two (2) Rights Shares subscribed
Rights Issue Price	:	Issue price of RM0.59 for each Rights Share
Rights Shares	:	Up to 157,433,598 new MHB Shares to be issued pursuant to the Rights Issue
RM and sen	:	Ringgit Malaysia and sen, respectively

DEFINITIONS (CONT'D)

RSF	:	Rights subscription form to the Rights Issue
Rules of Bursa Depository	:	The rules of Bursa Depository as issued pursuant to the SICDA
SC	:	Securities Commission Malaysia
SICDA	:	Securities Industry (Central Depositories) Act, 1991
TEAP	:	Theoretical ex-all price
Undertakings	:	Irrevocable and unconditional written undertakings dated 7 December 2017, 5 March 2018 and 7 March 2018 from Tan Eng Piow, Tan Mei Yin and Tan Mei Wan respectively to subscribe in full for their entitlements under the Rights Issue based on their shareholdings as at the Entitlement Date
Undertaking Shareholders	:	Tan Eng Piow, Tan Mei Yin and Tan Mei Wan, whom have provided the Undertakings
Underwriting	:	Underwriting arrangement entered into between our Company and the Underwriter in relation to the Rights Issue
Underwriting Agreement	:	Underwriting agreement dated 12 March 2018 entered into between our Company and AmlInvestment Bank in relation to the Rights Issue for the Underwriting of up to 94,751,068 Rights Shares at an underwriting commission of 1.50% of the value of the underwritten shares at the Rights Issue Price
VWAMP	:	Volume weighted average market price
Warrant Holders	:	Holders of Warrants D
Warrants E	:	Up to 78,716,799 free detachable warrants to be issued pursuant to the Rights Issue
Warrants D	:	68,566,777 outstanding Warrants 2015/2020 in MHB as at the LPD, constituted by the deed poll dated 3 July 2015. Each Warrant D carries the right to subscribe for one (1) new MHB Share during its five (5)-year exercise period up to 23 August 2020
ZAR	:	South African Rand
<u>Technical Glossary</u>		
BIM	:	Building Information Modelling, a digital representation of physical and functional characteristics of a facility. A BIM is a shared knowledge resource for information about a facility forming a reliable basis for decisions during its life-cycle; defined as existing from earliest conception to demolitions.
IBS	:	Industrialised Building System, a technique of construction whereby components are manufactured in a controlled environment, either at site or off-site, placed and assembled into construction works.

DEFINITIONS (CONT'D)

All references to “**our Company**” or “**MHB**” in this Abridged Prospectus are to MHB, and references to “**our Group**” or “**MHB 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, our Group.

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

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

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

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

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

TABLE OF CONTENTS

	Page
CORPORATE DIRECTORY	viii
LETTER TO OUR SHAREHOLDERS CONTAINING:-	
1. INTRODUCTION	1
2. DETAILS OF THE RIGHTS ISSUE	3
2.1 Details of the Rights Issue	3
2.2 Basis of determining the Rights Issue Price	5
2.3 Basis of determining the exercise price of the Warrants E	5
2.4 Salient terms of Warrants E	5
2.5 Capitalisation of reserves for the Bonus Shares	8
2.6 Ranking of the Rights Shares, Bonus Shares and new MHB Shares to be issued arising from the exercise of the Warrants E and the Additional Warrants D	10
2.7 Details of other corporate exercise	10
3. UNDERTAKING SHAREHOLDERS' UNDERTAKINGS AND UNDERWRITING ARRANGEMENT	10
3.1 Undertaking Shareholders' Undertakings	10
3.2 Underwriting arrangement	12
4. USE OF PROCEEDS	13
5. RATIONALE FOR THE RIGHTS ISSUE	14
6. RISK FACTORS	16
7. INDUSTRY OVERVIEW AND PROSPECTS OF OUR GROUP	21
7.1 Overview and outlook of the Malaysian economy	21
7.2 Overview and outlook of the construction and property industry in Malaysia	22
7.3 Overview of the real estate market in South Africa	23
7.4 Prospects of our Group	24
8. EFFECTS OF THE RIGHTS ISSUE	26
8.1 Issued share capital	26
8.2 NA per Share and gearing	28
8.3 Earnings and EPS	32
9. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS	34
9.1 Working capital	34
9.2 Borrowings	34
9.3 Contingent liabilities	34
9.4 Material commitments	35

TABLE OF CONTENTS (CONT'D)

10.	INSTRUCTIONS FOR ACCEPTANCE, PAYMENT, SALE/TRANSFER AND EXCESS APPLICATION	35
10.1	General	35
10.2	Last date and time for acceptance and payment	36
10.3	Methods of acceptance and application	36
10.4	Procedures for acceptance and payment	36
10.4.1	By way of RSF	36
10.4.2	By way of Electronic Application	38
10.4.3	By way of Internet Application	42
10.4.4	By way of NRS	46
10.5	Procedures for sale or transfer of Provisional Allotments	49
10.6	Procedures for acceptance by renouncee(s) and/or transferee(s)	50
10.7	Procedures for application for Excess Rights Shares	50
10.7.1	By way of RSF	50
10.7.2	By way of Electronic Application	51
10.7.3	By way of Internet Application	52
10.7.4	By way of NRS	53
10.8	Form of issuance	54
10.9	Laws of foreign jurisdictions	55
11.	TERMS AND CONDITIONS	57
12.	FURTHER INFORMATION	57
APPENDICES		
I.	CERTIFIED TRUE EXTRACT OF THE RESOLUTION PERTAINING TO THE RIGHTS ISSUE PASSED AT OUR EGM HELD ON 12 FEBRUARY 2018	58
II.	INFORMATION ON OUR COMPANY	60
III.	PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON	77
IV.	AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 DECEMBER 2016 TOGETHER WITH THE AUDITORS' REPORT THEREON	90
V.	UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 DECEMBER 2017	220
VI.	REPORTING ACCOUNTANTS' LETTER ON THE SUFFICIENCY OF RESERVES FOR THE CAPITALISATION FOR THE BONUS SHARES TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE	232
VII.	DIRECTORS' REPORT	236
VIII.	ADDITIONAL INFORMATION	237

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK
--

CORPORATE DIRECTORY**OUR DIRECTORS**

Name	Address	Nationality	Profession
General Tan Sri Ismail Bin Hassan (R) <i>(Independent Non-Executive Chairman)</i>	81, Jalan Athinahapan 1 Taman Tun Dr Ismail 60000 Kuala Lumpur	Malaysian	Company Director
Tan Eng Piow <i>(Group Managing Director)</i>	C-39A-3, Kiara 9 Residency Jalan Kiara 3, Mont Kiara 50480 Kuala Lumpur	Malaysian	Company Director
Foo Chek Lee <i>(Executive Director)</i>	239, Jalan A2 Taman Melawati Ulu Klang 53100 Kuala Lumpur	Malaysian	Company Director
Cho Wai Ling <i>(Executive Director)</i>	55, Jalan Hilir 5 Taman Sri Angsana Hilir Kampung Pandan Dalam 55100 Kuala Lumpur	Malaysian	Company Director/ Group Finance Manager
Tan Sri Dato' Seri Mohamad Noor Bin Abdul Rahim <i>(Independent Non-Executive Director)</i>	P3-05-1 Andalucia Pantai Hill Park Jalan Pantai Permai (off Jalan Kerinchi) Pantai 59200 Kuala Lumpur	Malaysian	Company Director
Ir Zakaria Bin Nanyan <i>(Independent Non-Executive Director)</i>	14 Jalan LP 6/14 Taman Lestari Perdana 43300 Seri Kembangan Selangor Darul Ehsan	Malaysian	Company Director
Roland Kenneth Selvanayagam <i>(Independent Non-Executive Director)</i>	28, Jalan SS 18/3C Subang Jaya 47500 Petaling Jaya Selangor Darul Ehsan	Malaysian	Company Director

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

CORPORATE DIRECTORY (CONT'D)**AUDIT COMMITTEE**

Name	Designation	Directorship
Tan Sri Dato' Seri Mohamad Noor Bin Abdul Rahim	Chairman	Independent Non-Executive Director
General Tan Sri Ismail Bin Hassan (R)	Member	Independent Non-Executive Director
Ir Zakaria Bin Nanyan	Member	Independent Non-Executive Director
Roland Kenneth Selvanayagam	Member	Independent Non-Executive Director

COMPANY SECRETARY : Leong Oi Wah (MAICSA No.7023802)

802, 8th Floor Block C,
Kelana Square ,
17, Jalan SS7/26,
47301, Petaling Jaya,
Selangor Darul Ehsan.

Tel. no.: +603 7803 1126

**REGISTERED OFFICE/
HEAD/MANAGEMENT OFFICE** : No. 9 Blok D,
Pusat Perdagangan Puchong Prima,
Persiaran Prima Utama,
Taman Puchong Prima,
47150 Puchong,
Selangor Darul Ehsan.
Malaysia.

Tel. no.: +603 8060 9999

Email: mhb@mitrajaya.com.my

Website: www.mitrajaya.com.my

AUDITORS : Baker Tilly Monteiro Heng (AF 0117)
Baker Tilly MH Tower,
Level 10, Tower 1, Avenue 5,
Bangsar South City,
59200 Kuala Lumpur,
Malaysia.

Tel. no.: +603 2297 1000

REPORTING ACCOUNTANTS : PKF (AF 0911)
Level 33, Menara 1MK,
Kompleks 1 Mont Kiara,
No.1, Jalan Kiara, Mont Kiara,
50480 Kuala Lumpur,
Malaysia.

Tel. no.:+603 6203 1888

CORPORATE DIRECTORY (CONT'D)

SHARE REGISTRAR : Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A,
Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur,
Malaysia.

Tel. no.: +603 2783 9299

PRINCIPAL BANKERS : AmBank (M) Berhad
22nd Floor, Bangunan AmBank Group,
No. 55, Jalan Raja Chulan,
50200 Kuala Lumpur,
Malaysia.

Tel. no.: +603 2178 8888

AmBank Islamic Berhad
22nd Floor, Bangunan AmBank Group,
No. 55, Jalan Raja Chulan,
50200 Kuala Lumpur,
Malaysia.

Tel. no.: +603 2036 2633

Malayan Banking Berhad
Level 14, Menara Maybank,
100 Jalan Tun Perak,
50050 Kuala Lumpur,
Malaysia.

Tel.no.: +603 2070 8833

Maybank Islamic Berhad
Level 30, Menara Maybank,
100 Jalan Tun Perak,
50050 Kuala Lumpur,
Malaysia.

Tel. no.: +603 2070 8833

**SOLICITORS FOR THE RIGHTS
ISSUE** : Jeff Leong, Poon & Wong
B-11-8, Level 11,
Megan Avenue II,
Jalan Yap Kwan Seng,
50450 Kuala Lumpur,
Malaysia.

Tel. no.: +603 2203 3388

CORPORATE DIRECTORY (CONT'D)

PRINCIPAL ADVISER AND UNDERWRITER FOR THE RIGHTS ISSUE : AmInvestment Bank Berhad
22nd Floor, Bangunan AmBank Group,
No. 55, Jalan Raja Chulan,
50200 Kuala Lumpur,
Malaysia.

Tel. no.: +603 2036 2633

STOCK EXCHANGE LISTED AND LISTING SOUGHT : Main Market of Bursa Securities

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK



MITRAJAYA HOLDINGS BERHAD
(Company No. 268257-T)
(Incorporated in Malaysia under the Companies Act 2016)

Registered Office:

No. 9 Blok D
Pusat Perdagangan Puchong Prima
Persiaran Prima Utama
Taman Puchong Prima
47150 Puchong
Selangor Darul Ehsan
Malaysia

26 March 2018

Board of Directors

General Tan Sri Ismail Bin Hassan (R) (*Independent Non-Executive Chairman*)
Tan Eng Piow (*Group Managing Director*)
Foo Chek Lee (*Executive Director*)
Cho Wai Ling (*Executive Director*)
Tan Sri Dato' Seri Mohamad Noor Bin Abdul Rahim (*Independent Non-Executive Director*)
Ir Zakaria Bin Nanyan (*Independent Non-Executive Director*)
Roland Kenneth Selvanayagam (*Independent Non-Executive Director*)

To: Our Shareholders

Dear Sir/Madam,

RENOUNCEABLE RIGHTS ISSUE OF UP TO 157,433,598 RIGHTS SHARES AT AN ISSUE PRICE OF RM0.59 PER RIGHTS SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FIVE (5) EXISTING MHB SHARES HELD AS AT 5.00 P.M. ON 26 MARCH 2018, TOGETHER WITH UP TO 78,716,799 WARRANTS E AND AN ATTACHED BONUS ISSUE OF UP TO 78,716,799 BONUS SHARES ON THE BASIS OF ONE (1) WARRANT E AND ONE (1) BONUS SHARE FOR EVERY TWO (2) RIGHTS SHARES SUBSCRIBED

1. INTRODUCTION

On 13 October 2017, AmlInvestment Bank had, on behalf of our Board, announced that our Company proposed to undertake the Rights Issue.

On 23 January 2018, AmlInvestment Bank had, on behalf of our Board, announced that Bursa Securities had, vide its letter dated 22 January 2018, resolved to approve the following:-

- (i) listing of and quotation for up to 157,483,898 Rights Shares to be issued pursuant to the Rights Issue;
- (ii) listing of and quotation for up to 78,741,949 Bonus Shares to be issued pursuant to the Rights Issue;
- (iii) admission to the Official List and listing of and quotation for up to 78,741,949 Warrants E pursuant to the Rights Issue;

- (iv) listing of and quotation for up to 11,656,352 Additional Warrants D to be issued pursuant to the adjustments pursuant to the Rights Issue;
- (v) listing of and quotation for up to 78,741,949 MHB Shares to be issued arising from the exercise of the Warrants E; and
- (vi) listing of and quotation for up to 11,656,352 MHB Shares to be issued arising from the exercise of the Additional Warrants D;

on the Main Market of Bursa Securities.

The approval from Bursa Securities is subject to the following conditions:-

No.	Conditions	Status of compliance
(i)	MHB and AmInvestment Bank must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Rights Issue;	To be complied with in the course of implementation.
(ii)	MHB and AmInvestment Bank to inform Bursa Securities upon the completion of the Rights Issue;	To be complied with upon completion of the Rights Issue.
(iii)	MHB and AmInvestment Bank to furnish Bursa Securities with a certified true copy of the resolution passed by shareholders at the forthcoming general meeting for the Rights Issue;	To be complied with before completion of the Rights Issue.
(iv)	MHB and AmInvestment Bank to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Rights Issue is completed;	To be complied with upon completion of the Rights Issue.
(v)	If applicable, payment of additional listing fee based on the final issue price together with a copy of the details of the computation of the amount of listing fees payable; and	To be complied with if applicable.
(vi)	To incorporate Bursa Securities' comments in respect of the draft circular to shareholders for the Rights Issue.	Complied.

On 12 February 2018, we announced that our shareholders had, at our EGM held on the same day, approved the Rights Issue. A certified true extract of the resolution passed at the EGM is attached as **Appendix I** of this Abridged Prospectus.

On 12 March 2018, AmInvestment Bank had, on behalf of our Board, announced the following:-

- (i) the Rights Issue Price has been fixed at RM0.59 per Rights Share;
- (ii) the Exercise Price of Warrant E has been fixed at RM0.94 per Warrant E;
- (iii) the Entitlement Date has been fixed on the close of business at 5:00 P.M. on 26 March 2018 along with the other relevant dates pertaining to the Rights Issue; and
- (iv) we entered into the Underwriting Agreement with the Underwriter to underwrite up to 94,751,068 Rights Shares, representing around 60.18% of the total issue size of the Rights Issue (under the Maximum Scenario), at the Rights Issue Price.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

2. DETAILS OF THE RIGHTS ISSUE

2.1 Details of the Rights Issue

Subject to the terms and conditions of the Documents, we will provisionally allot up to 157,433,598 Rights Shares, on the basis of one (1) Rights Share for every five (5) existing MHB Shares held on the Entitlement Date, together with up to 78,716,799 Warrants E and an attached bonus issue of up to 78,716,799 Bonus Shares on the basis of one (1) Warrant E and one (1) Bonus Share for every two (2) Rights Shares subscribed.

The issue price for the Rights Shares of RM0.59 each is payable in full upon acceptance.

For illustrative purposes, the entitlement under the Rights Issue for an Entitled Shareholder who holds 100 MHB Shares as at the Entitlement Date is as follows:-

Assumed no. of MHB Shares held as at the Entitlement Date	-----Entitlement----->		
	No. of Rights Shares	No. of Warrants E ⁽¹⁾	No. of Bonus Shares ⁽¹⁾
100	20	10	10

Note:-

- (1) The Warrants E and the Bonus Shares shall only be issued to the Entitled Shareholders and/or their renounee(s) who subscribe for the Rights Shares.

The Rights Issue is to be undertaken on a full subscription basis. The actual issue size pursuant to the Rights Issue will depend on the issued share capital of our Company as at the Entitlement Date.

The minimum number of the 137,778,282 Rights Shares, 68,889,141 Warrants E and 68,889,141 Bonus Shares were arrived at based on the total number of shares as at the LPD (excluding treasury shares) of 688,891,413 and assuming all the existing treasury shares are retained and none of the outstanding Warrants D as well as the ESOS Options are exercised prior to the Entitlement Date.

The maximum number of the 157,433,598 Rights Shares, 78,716,799 Warrants E and 78,716,799 Bonus Shares were arrived at based on the total number of shares as at the LPD (excluding treasury shares) of 688,891,413 and assuming the following events take place prior to the Entitlement Date:-

- (i) all the 590,000 treasury shares held by our Company as at the LPD are resold in the open market at their respective acquisition prices;
- (ii) all the outstanding 68,566,777 Warrants D and the outstanding 29,119,800 ESOS Options as at the LPD are exercised; and
- (iii) no further grant of ESOS Options from the LPD up to the Entitlement Date.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

The actual number of Rights Shares, Warrants E and Bonus Shares to be issued pursuant to the Rights Issue will be determined based on our Company's total number of issued Shares as at the Entitlement Date.

The table below illustrates the Minimum Scenario and Maximum Scenario:-

	Minimum Scenario	Maximum Scenario
	No. of MHB Shares	No. of MHB Shares
Existing number of Shares as at the LPD (excluding treasury shares)	688,891,413	688,891,413
Assuming all the 590,000 treasury shares held by our Company as at the LPD are resold in the open market under the Maximum Scenario	-	590,000
Shares to be issued upon full exercise of all the outstanding 68,566,777 Warrants D as at the LPD under the Maximum Scenario	-	68,566,777
Shares to be issued upon full exercise of all the outstanding 29,119,800 ESOS Options as at the LPD under the Maximum Scenario	-	29,119,800
Sub-total	688,891,413	787,167,990
Rights Shares to be issued pursuant to the Rights Issue	137,778,282	157,433,598
Bonus Shares to be issued pursuant to the Rights Issue	68,889,141	78,716,799
Shares to be issued upon full exercise of Warrants E	68,889,141	78,716,799
Enlarged number of Shares after the Rights Issue (excluding treasury shares in the Minimum Scenario)	964,447,977	1,102,035,186

The Warrants E will be immediately detached from the Rights Shares upon issuance and will be traded separately. The Warrants E will be issued in registered form and constituted by the Deed Poll.

In determining the Entitled Shareholders' entitlements to the Provisional Allotments, fractional entitlements, if any, will be dealt with in such manner as our Board may at its absolute discretion deem fit or expedient and in the best interest of our Company.

The Rights Issue is renounceable in full or in part. Accordingly, the Entitled Shareholders can subscribe for and/or renounce their entitlements to the Rights Shares in full or in part. Only Entitled Shareholders and/or their renounee(s) and/or transferee(s) who successfully subscribe for the Rights Shares will be entitled to the Warrants E and Bonus Shares. The Entitled Shareholders who renounce all or any part of their entitlements to the Rights Shares provisionally allotted to them under the Rights Issue will simultaneously relinquish their corresponding entitlements to the Warrants E and Bonus Shares. For clarity, Entitled Shareholders who accept only part of their entitlements to the Rights Shares will be entitled to the Warrants E and Bonus Shares in the proportion of their acceptance of their entitlements to the Rights Shares. The Rights Shares, Warrants E and Bonus Shares are not separately renounceable.

Any Rights Shares which are not validly taken up will be made available for excess applications by the Entitled Shareholders and/or their renounee(s) and/or transferee(s). It is the intention of our Board to allot the Excess Rights Shares, if any, in a fair and equitable manner as set out in Section 10.7.1 of this Abridged Prospectus.

Any dealing in the securities of our Company will be subject to the provisions of the SICDA, the Rules of Bursa Depository and any other relevant legislation. Accordingly, upon subscription, the Rights Shares, Warrants E and Bonus Shares will be credited directly into the respective CDS Accounts of the successful applicants. No physical share certificates will be issued but notices of allotment will be despatched to the successful applicants.

2.2 Basis of determining the Rights Issue Price

Our Board had on 12 March 2018 fixed the Rights Issue Price at RM0.59 per Rights Share after taking into consideration the following:-

- (i) the TEAP of MHB Shares of RM0.742, calculated based on the five (5)-day VWAMP of MHB Shares up to and including 9 March 2018 (being the last day of trading before the Price-Fixing Date) of RM0.847; and
- (ii) the funding requirements of MHB as set out in Section 4 of this Abridged Prospectus.

The Rights Issue Price of RM0.59 per Rights Share represents a discount of around RM0.152 or 20.49% to the TEAP of MHB Shares.

2.3 Basis of determining the exercise price of the Warrants E

The Warrants E will be issued at no cost to the Entitled Shareholders and/or their renounee(s) who subscribe for the Rights Shares.

Our Board had on 12 March 2018 fixed the Exercise Price of Warrants E at RM0.94 after taking into consideration the TEAP of MHB Shares of RM0.742, calculated based on the five (5)-day VWAMP of MHB Shares up to and including 9 March 2018 (being the last day of trading before the Price-Fixing Date) of RM0.847.

The Exercise Price of RM0.94 represents a premium of around RM0.198 or 26.68% to the TEAP of MHB Shares. The Exercise Price was determined and fixed by our Board on the Price-Fixing Date after taking into consideration the TEAP of our Shares immediately preceding the Price-Fixing Date and the earnings potential of our Group, which includes the prospects of our Group as set out in Section 7.4 of this Abridged Prospectus.

2.4 Salient terms of Warrants E

The salient terms of Warrants E are set out as follows:-

- Issue size : Up to 78,716,799 Warrants E
- Form and denomination : The Warrants E will be issued in registered form constituted by the Deed Poll to be executed by our Company and as may be supplemented from time to time.
- Exercise period : The Warrants E may be exercised at any time during the period of five (5) years commencing on and including the date of issuance of Warrants E ("**Issue Date**") and ending at the close of business at 5.00 P.M. in Malaysia on and including the date immediately preceding the fifth (5th) anniversary of the Issue Date or if such date is not a market day then it shall be the market day immediately preceding the fifth (5th) anniversary of the Issue Date. Any Warrants E not exercised during the exercise period will thereafter lapse and cease to be valid.

- Mode of exercise : The registered holder of the Warrant E is required to lodge an exercise form, as set out in the Deed Poll, with our Company's registrar, duly completed and signed together with payment of the exercise money by bankers' draft or cashier's order drawn on a bank operating in Malaysia or a money order or postal order issued by a post office operating in Malaysia in accordance with the Deed Poll.
- Exercise rights : Each Warrant E shall entitle its holder to subscribe for one (1) new MHB Share in respect of each Warrant E held at the exercise price during the exercise period, subject to the terms and conditions of the Deed Poll.
- Board lot : For the purpose of trading on Bursa Securities, one (1) board lot of Warrants E shall comprise 100 Warrants E carrying the right to subscribe for 100 new MHB Shares at any time during the exercise period, or such other denomination as determined by Bursa Securities.
- Participating rights of the holders of Warrants E in any distribution and/or offer of further securities : The holders of the Warrants E are not entitled to vote in any general meeting and/or to participate in any distribution other than on winding-up, compromise or arrangement of our Company and/or any offer of further securities in our Company unless and until the holder of the Warrants E becomes a shareholder of our Company by exercising his/her Warrants E into new MHB Shares or unless otherwise resolved by the Company in a general meeting.
- Adjustment in the exercise price and/or number of Warrants E : The exercise price and/or number of unexercised Warrants E shall be adjusted in the event of alteration to the share capital of our Company, capital distribution or issue of shares in accordance with the provisions of the Deed Poll. If our Company in any way modify the rights attached to any share or loan capital which is not described in the Deed Poll so as to convert or make convertible such share or loan capital into, or attached thereto any rights to acquire or subscribe for new MHB Shares, our Company must appoint an approved adviser or the auditors (who shall act as experts) to consider whether any adjustment is appropriate, and if our Directors after such consultation determines that any adjustment is appropriate, the exercise price or the number of Warrants E or both, will be adjusted accordingly.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

- Rights in the event of winding up, liquidation, compromise and/or arrangement : Where a resolution has been passed for a member's 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 (1) or more companies, then every holder of the Warrants E shall be entitled upon and subject to the provisions of the Deed Poll at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of our Company or within six (6) weeks after the granting of the court order approving the compromise or arrangement, by the irrevocable surrender of his/her Warrants E to our Company, submitting the exercise form, duly completed together with the payment of the exercise money, to elect to be treated as if he/she had immediately prior to the commencement of such winding-up, compromise or arrangement exercised the exercise rights represented by his/her Warrants E to the extent specified in the exercise form and be entitled to receive out of the assets of our Company which would be available in liquidation if he/she had on such date been the holder of the new MHB Shares to which he/she would have become entitled pursuant to such exercise and the liquidator of our Company shall give effect to such election accordingly.
- Listing status : The Warrants E shall be listed and quoted on the Main Market of Bursa Securities.
- Modification : Save for modification which is not materially prejudicial to the interests of the holders of the Warrants E or to correct a manifest error or to comply with prevailing laws of Malaysia, any modification, amendment, deletion or addition to the Deed Poll shall require the approval of the holders of Warrants E sanctioned by ordinary resolution and may be effected only by a deed poll executed by our Company and expressed to be supplemental to and comply with the relevant provisions of the Deed Poll.
- Governing Law : Laws and regulations of Malaysia.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

2.5 Capitalisation of reserves for the Bonus Shares

The issuance of the Bonus Shares shall be wholly capitalised from the share premium and retained profits of our Company. An illustration of the capitalisation for the issuance of the Bonus Shares based on our Company's latest audited financial statements for the FYE 31 December 2016 and latest unaudited financial statement for the FYE 31 December 2017 are set out below:-

FYE 31 December 2016

	Minimum Scenario----->		Maximum Scenario----->			
MHB (Company level)	Share premium RM	Retained profits RM	Total RM	Share premium RM	Retained profits RM	Total RM
Audited as at 31 December 2016	23,714,353	35,357,622	59,071,975	23,714,353	35,357,622	59,071,975
Adjusted for the following events subsequent to the FYE 31 December 2016 up to and including the LPD:-						
Exercise of ESOS Options from 1 January 2017 up to and including 31 January 2017 (being the enforcement date of the Act) ⁽¹⁾	61,271	-	61,271	61,271	-	61,271
Reversal from the ESOS reserves to the retained profits pursuant to the 2,858,000 ESOS Options lapsed ⁽²⁾	-	1,161,491	1,161,491	-	1,161,491	1,161,491
First and final dividend of RM0.05 per Share to our shareholders for the FYE 31 December 2016	-	(34,078,531)	(34,078,531)	-	(34,078,531)	(34,078,531)
Dividend income received from subsidiaries	-	28,770,000	28,770,000	-	28,770,000	28,770,000
Amount to be capitalised for the Bonus Shares ⁽³⁾	23,775,624	31,210,582	54,986,206	23,775,624	31,210,582	54,986,206
Estimated expenses for the Rights Issue	(23,775,624)	(10,668,947)	(34,444,571)	(23,775,624)	(15,582,776)	(39,358,400)
After the Rights Issue	-	(1,650,000)	(1,650,000)	-	(1,650,000)	(1,650,000)
	-	18,891,635	18,891,635	-	13,977,806	13,977,806

FYE 31 December 2017

MHB (Company level)	Minimum Scenario		Maximum Scenario	
	Share premium* RM	Retained profits RM	Share premium* RM	Retained profits RM
Unaudited as at 31 December 2017	23,775,624	31,916,593	23,775,624	31,916,593
Amount to be capitalised for the Bonus Shares ⁽³⁾	(23,775,624)	(10,668,947)	(23,775,624)	(15,582,776)
Reversal from the ESOS reserves to the retained profits pursuant to the 70,000 ESOS Options lapsed from 1 January 2018 up to the LPD ⁽²⁾	-	28,448	-	28,448
Estimated expenses for the Rights Issue	-	(1,650,000)	-	(1,650,000)
After the Rights Issue	-	19,626,094	-	14,712,265
				14,712,265

Notes:-

- (1) A total of 58,000 ESOS Options were exercised at an exercise price of RM1.15 per ESOS Option (of which RM37,700 was transferred to the share premium account) with a total fair value of RM23,571 transferred to the share premium account. ESOS Options exercised subsequent to 31 January 2017 are entirely capitalised to our Company's share capital account.
 - (2) Represents the fair value of the ESOS Options that were lapsed.
 - (3) Calculated based on the latest known par value of MHB Shares of RM0.50 each prior to the enforcement of the Act.
- * Pursuant to the transitional provision under the Companies Act, 2016, the sum of RM23,775,624 standing to the credit of the share premium account has been reclassified and become part of the share capital as reflected in the unaudited financial statements for the financial year 31 December 2017. However, such amount may within 24 months from 31 January 2017 be utilised in the manner as allowed under the Companies Act, 2016.

Based on our audited consolidated financial statements for the FYE 31 December 2016 and latest unaudited financial statements for the FYE 31 December 2017 as well as after taking into consideration the effects of the subsequent event as set out in the table above, our share premium and retained earnings are sufficient to cover the capitalisation for the Bonus Shares to be issued pursuant to the Rights Issue.

Further, the Reporting Accountants, namely PKF had, vide its letter dated 12 March 2018, confirmed that based on our latest audited financial statements for the FYE 31 December 2016 and latest unaudited financial statement for the FYE 31 December 2017, and after taking into consideration the effects of the subsequent events as set out in the table above, our share premium and retained earnings are sufficient to cover the capitalisation for the Bonus Shares to be issued pursuant to the Rights Issue. A copy of the letter is enclosed in **Appendix VI** of this Abridged Prospectus.

2.6 Ranking of the Rights Shares, Bonus Shares and new MHB Shares to be issued arising from the exercise of the Warrants E and the Additional Warrants D

The Rights Shares, the Bonus Shares and the new MHB Shares to be issued arising from the exercise of the Warrants E and the Additional Warrants D will, upon allotment and issuance, rank *pari passu* in all respects with the existing MHB Shares, save and except that they will not be entitled to any dividends, rights, allotments and/or any other forms of distribution that may be declared, made or paid which the entitlement date precedes the date of allotment of the Rights Shares, the Bonus Shares and the new MHB Shares to be issued arising from the exercise of the Warrants E and the Additional Warrants D.

2.7 Details of other corporate exercise

Save for the Rights Issue, there are no other corporate exercises which we have announced but yet to be completed as at the LPD.

3. UNDERTAKING SHAREHOLDERS' UNDERTAKINGS AND UNDERWRITING ARRANGEMENT

3.1 Undertaking Shareholders' Undertakings

The Rights Issue is intended to be undertaken on a full subscription basis. We have procured an irrevocable and unconditional written undertaking from the Undertaking Shareholders to subscribe in full for their entitlements under the Rights Issue based on their respective shareholdings as at the Entitlement Date.

As at the LPD, the Undertaking Shareholders collectively hold 289.04 million MHB Shares, representing around 41.96% of our total number of issued Shares. A summary of the Undertaking Shareholders' Undertakings based on their shareholdings as at the LPD is set out below:-

	Shareholding as at the LPD		<-----Entitlement/Undertaking----->			
			Minimum Scenario		Maximum Scenario	
	No. of Shares	% ⁽¹⁾	No. of Rights Shares	% ⁽²⁾	No. of Rights Shares	% ⁽²⁾
Tan Eng Piow	281,845,073	40.91	56,369,014	40.91	60,987,780 ⁽³⁾	38.75
Tan Mei Yin	3,690,750	0.54	738,150	0.54	994,750 ⁽⁴⁾	0.63
Tan Mei Wan	3,500,000	0.51	700,000	0.51	700,000	0.44
Total	289,035,823	41.96	57,807,164	41.96	62,682,530	39.82

Notes:-

- (1) Computed based on the issued share capital of MHB as at the LPD (excluding treasury shares).

- (2) Computed based on the number of Rights Shares available for subscription under each scenario.
- (3) Assuming the outstanding 21,106,331 Warrants D and the outstanding 1,987,500 ESOS Options held by Tan Eng Piow as at the LPD are exercised.
- (4) Assuming the outstanding 486,500 Warrants D and the outstanding 796,500 ESOS Options held by Tan Mei Yin as at the LPD are exercised.

The Undertaking Shareholders had also confirmed that they have sufficient financial resources to fulfil the Undertaking Shareholders' Undertakings. AmInvestment Bank has verified the said sufficiency of financial resources of the Undertaking Shareholders for the purpose of subscribing for their entitlements pursuant to the Undertaking Shareholders' Undertakings.

In the event the Undertaking Shareholders subscribed for their entitlements to the Rights Shares in full and the unsubscribed portion of the Rights Shares is fully underwritten, our Company will remain in compliance with the public shareholding spread requirement of Bursa Securities under the Minimum and Maximum Scenario, as illustrated below:-

Minimum Scenario

	<u>Direct Shareholdings as at the LPD</u>		<u>After the Rights Issue</u>	
	<u>No. of Shares</u> <u>('000)</u>	<u>%</u>	<u>No. of Shares</u> <u>('000)</u>	<u>%</u>
Non-public ⁽¹⁾	304,116	44.15	510,784	57.04
Public	384,775	55.85	384,775	42.96
Total	688,891	100.00	895,559	100.00

Note:-

- (1) Includes directors of our Group, our substantial shareholders (except where such shareholder(s) fulfils all the requirements under the Listing Requirements to be included as "public"), associates of Directors and substantial shareholders of our Company.

Maximum Scenario

	<u>Direct Shareholdings as at the LPD</u>		<u>After treasury shares are resold and full exercise of Warrants D and ESOS</u>		<u>After the Rights Issue</u>	
	<u>No. of Shares</u> <u>('000)</u>	<u>%</u>	<u>No. of Shares</u> <u>('000)</u>	<u>%</u>	<u>No. of Shares</u> <u>('000)</u>	<u>%</u>
Non-public ⁽¹⁾	304,116	44.15	338,392	42.99	574,542	56.15
Public	384,775	55.85	448,776	57.01	448,776	43.85
Total	688,891	100.00	787,168	100.00	1,023,318	100.00

Note:-

- (1) Includes directors of our Group, our substantial shareholders (except where such shareholder(s) fulfils all the requirements under the Listing Requirements to be included as "public"), associates of Directors and substantial shareholders of our Company.

3.2 Underwriting arrangement

On 12 March 2018, we entered into the Underwriting Agreement with AmInvestment Bank to underwrite up to 94,751,068 Rights Shares, representing around 60.18% of the total Rights Shares under the Maximum Scenario, which is the portion of the total Rights Shares where no written undertaking from the other shareholders has been obtained.

The underwriting commission is 1.50% of the value of the underwritten shares, which in aggregate is around RM0.84 million. The aforesaid underwriting commissions and all reasonable costs in relation to the Underwriting will be fully borne by our Company.

After taking into consideration the Undertaking Shareholders' Undertakings and Underwriting, the subscription of their Rights Shares by the Undertaking Shareholders will not give rise to any mandatory take-over offer obligation pursuant to the Malaysian Code on Take-overs and Mergers, 2016 and the Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the SC following the subscription of their entitlements to the Rights Shares.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

4. USE OF PROCEEDS

The total gross proceeds from the Rights Issue are expected to be used in the following manner:-

Details of utilisation	Estimated timeframe for utilisation from listing of the Rights Shares	Minimum Scenario (RM'000)	Maximum Scenario (RM'000)
Repayment of bank borrowings ⁽¹⁾	Within three (3) months	79,639	91,236
Estimated expenses in relation to the Rights Issue ⁽²⁾	Upon completion	1,650	1,650
Total		81,289	92,886

Notes:-

- (1) The repayment of bank borrowings is in respect of the unsecured revolving credit facilities granted by the financial institutions to PMSB. As at the LPD, the total revolving credit facilities utilised by PMSB is RM189.86 million for working capital purposes including payment to sub-contractors and suppliers. The details of the repayment of the aforesaid unsecured revolving credit facilities as well as the estimated interest cost savings per annum are as set out in the table below:-

Bank	Outstanding amount as at LPD ^(a) (RM'000)	Prevailing interest rate per annum as at the LPD	Proposed repayment amount		Estimated interest savings per annum ^(b)	
			(Minimum Scenario) (RM'000)	(Maximum Scenario) (RM'000)	(Minimum Scenario) (RM'000)	(Maximum Scenario) (RM'000)
Hong Leong Islamic Bank	24,700	4.71%	20,000	20,000	942	942
CIMB Islamic Bank Berhad	15,000	4.72%	15,000	15,000	708	708
Ambank Islamic Bank Berhad	40,000	4.81%	26,000	26,000	1,251	1,251
RHB Islamic Bank Berhad	35,800	4.95%	18,639	30,236	923	1,497
Total			79,639	91,236	3,824	4,398

Notes:-

- (a) Tenure of the aforesaid unsecured revolving credit facilities is one (1) month.
- (b) The estimated interest savings is calculated based on the respective prevailing interest rates per annum as at the LPD of each revolving credit facilities and the proposed repayment amount to the respective banks.
- (2) The breakdown of the estimated expenses in relation to the Rights Issue is set out below:-

	RM'000
Professional fees (including fees for Principal Adviser, Reporting Accountants and Solicitors)	483
Fees to authorities	115
Underwriting fees	839
Miscellaneous expenses (including printing and advertising costs)	213
Total	1,650

Any variation to the amount of proceeds to be raised, which is dependent upon the actual number of Rights Shares to be issued, will be adjusted against the amount allocated for repayment of RHB Islamic Bank Berhad's revolving credit facility disclosed in the table above.

The gross proceeds to be raised from the exercise of the Warrants E are dependent on the total number of Warrants E exercised during the tenure of the Warrants E, and will be utilised as additional working capital for our Group.

Pending utilisation of the proceeds from the Rights Issue for the above purposes, we will deposit the proceeds with financial institutions or place them in short-term money market instruments. The interest derived from the deposits with financial institutions or any gains arising from the short-term money market instruments will be used as additional working capital.

5. RATIONALE FOR THE RIGHTS ISSUE

The Rights Issue is intended to raise proceeds to be used in the manner as set out in Section 4 of this Abridged Prospectus.

PMSB is our construction arm and is principally engaged in civil engineering, building and road construction works. PMSB's construction order book had grown from RM0.89 billion as at 31 December 2013 to RM1.53 billion as at 31 December 2016. Correspondingly, the audited revenue of PMSB increased from RM215.01 million for the FYE 31 December 2013 to RM841.65 million for the FYE 31 December 2016. As at 31 December 2017, PMSB's order book stood at approximately RM1.66 billion.

The following table sets out a summary of PMSB's revenue, borrowings, gearing ratio, trade receivables and construction order book for the past five (5) financial years up to the FYE 31 December 2017:-

	<-----Audited FYE 31 December----->				Unaudited FYE
	2013 (RM'000)	2014 (RM'000)	2015 (RM'000)	2016 (RM'000)	31 December 2017 (RM'000)
Revenue	215,006	370,674	765,824	841,650	992,379
Borrowings	25,450	55,761	90,132	172,874	241,561
Gearing ratio (times)	0.32	0.57	0.58	0.76	0.86
Retention sum	22,989	33,768	62,097	104,087	104,665
Trade receivables (including retention sum)	86,376	126,786	346,496	411,973	433,524
Construction order book (RM'billion)	0.89	1.88	1.81	1.53	1.66

As a result of the increase in its order book, PMSB's retention sum and trade receivables have also increased. The retention amount relates to a part of the progress payment due to PMSB being retained and not paid until certain conditions specified in the contract such as, issuance of certificate of practical completion by the project architect and expiry of the defect liability period, are met.

The increased retention sum and trade receivables had increased PMSB's requirement for external funding for its construction activities, and had been funded through bank borrowings. As a result, PMSB's borrowings increased from RM25.45 million as at 31 December 2013 to RM241.56 million as at 31 December 2017, representing an increase in gearing level from 0.32 times to 0.86 times during the corresponding financial period.

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

- (i) strengthen PMSB's capital structure by reducing its current gearing level to a level more reflective of the scale of activities as well as providing it with greater financial flexibility. This will in turn place PMSB in a better position to secure more construction projects and to grow its order book in future.

Based on the unaudited financial statements of PMSB for the FYE 31 December 2017, the proforma effects of the Rights Issue on the gearing levels of PMSB is set out below;

PMSB	Unaudited FYE 31 December 2017	After the Rights Issue	
		Minimum Scenario	Maximum Scenario
Total borrowings (RM'000)	241,561	161,922	150,325
NA (RM'000)	280,266	280,266	280,266
Gearing ratio (times)	0.86	0.58	0.54

- (ii) the reduced gearing ratio will position PMSB on a better footing against their competitors in bidding and undertaking future projects, as a key consideration for successful tender bids is the gearing ratio of the bidders; and
- (iii) provide our shareholders with the opportunity to further increase their equity participation on a pro-rata basis via the issuance of new MHB Shares without diluting our existing shareholders' equity interest in our Company, assuming all our Entitled Shareholders fully subscribe for their respective entitlements.

The Warrants E and Bonus Shares which are attached to the Rights Shares are expected to provide an incentive to our Entitled Shareholders to subscribe for the Rights Shares. The Warrants E will allow our Entitled Shareholders to benefit from any potential capital appreciation of the Warrants E and increase their equity participation in our Company at a predetermined price over the tenure of the Warrants E. Furthermore, our Company would also be able to raise further proceeds as and when the Warrants E are exercised.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

6. RISK FACTORS

You should carefully consider the following risk factors together with other information in this Abridged Prospectus before subscribing for the Rights Shares or investing in the Rights Issue.

(a) Risk relating to our Construction division

(i) Competition from other construction players

The Malaysian construction industry is highly competitive, and our Group faces intense competition from various construction companies, both local and international companies. Competitive position is based on various factors such as pricing, financial position and strength, ability to obtain adequate financing, reputation for safety, quality and track record for timely completion of project. Due to such competitive pressures, our Group's financial performance may be affected by highly competitive pricing in the process of securing a construction contract. This may, in turn lead to lower project profit margin and hence, lower profitability to our Group.

Furthermore, some of the new construction contracts payments are based on a longer milestone payments. As such, we would require a higher capital outlay at the initial stage of the project and hence, this would increase the finance cost of the project and reduce our competitiveness in pricing the tender bids.

There can be no assurance that aforesaid factors will not have any adverse impact on our chances of securing construction contracts which in turn may negatively impact our construction business.

(ii) Delay in the completion of projects

Timely completion of construction projects is dependent on many external factors, some of which may be beyond the control of our Group such as obtaining various regulatory approvals as scheduled, sourcing and securing quality construction materials, weather conditions and satisfactory performance of our sub-contractors who are appointed to complete the construction or development projects. Any failure or delay in completing the projects within the timeframe agreed with our customers may expose our Group to additional cost and potential claims which may impact our profitability. Such claims may also affect our Group's reputation and financial performance.

(iii) Cost Overrun

Our Group carries out internal cost and budgeting estimates of raw material, labour costs, sub-contracting costs and overheads based on the indicative pricings given by our suppliers and subcontractors, as well as our own estimates of costs for tender for construction projects.

As our construction contracts usually take up to 3 years to complete, we are subject to unforeseen circumstances during the contract period which may cause project cost to overrun such as fluctuation in prices of raw materials, increase in minimum wages of foreign workers, increase in prices of subcontractor service, unfavourable weather conditions or unanticipated construction constraints at the worksite or, additional costs which are not previously factored into the costing, may arise.

There is no assurance that unforeseeable circumstances as mentioned above in our projects will not have a material adverse impact on our Group's business and financial performance.

(iv) Defect liability

Our construction contracts commonly stipulate a defects liability period for work done of up to 24 months from the date of official hand-over of the completed projects, depending on the nature of the contract. This makes the contractor liable for the work carried out and for any repairs, reconstruction or rectification of any faults or defects which may surface or be identified during the defects liability period. Nevertheless, by working closely with our customers to ensure the work specifications are met, coupled with the experience and expertise of our Group, we aim to reduce the defects of our works to a minimal level. However, there is no assurance that any repair, reconstruction or rectification works during the defects liability period will not have a material impact on our Group's financial performance.

(b) Risk related to our Property Development division

(i) Performance of the property market

Our property development business is largely dependent on the performance of the property market in Malaysia. Any material developments affecting the property markets such as changes in demographic trends, employment and income level, economic uncertainties, the deterioration in property demand and the property rental market may have an impact on our business operations and financial performance.

Furthermore, the performance of the property market is also affected by the regulatory environment. The Government has introduced several cooling measures to curb speculation in the property market in its effort to promote a more stable and sustainable property market as follows:-

- (1) Real Property Gains Tax ("**RPGT**") was reinstated in 2010. The effective maximum RPGT rates were raised 5% in 2010 to 30% in 2014;
- (2) Prohibition of acquisition by foreigners of properties valued less than RM500,000 per unit, which threshold was revised upwards to RM1,000,000 under the Guideline on the Acquisition of Properties issued by the Economic Planning Unit of the Prime Minister's Department (which was effective 1 March 2014);
- (3) in 2010, BNM announced a maximum loan-to-value ratio of 70% for third home purchases by consumers; and
- (4) banks can no longer provide financing for projects with developer interest bearing scheme, wherein interest payments on the loan obtained by the buyers are borne by the property developers until the property has been completely constructed.

Any further introduction of cooling measures by the Government as well as tightening of lending criteria by the banks may lead to imbalance of supply of, and demand for, properties in Malaysia which can cause property overhang. As such, the above measures may affect the demand for our properties which in turn may negatively impact our property development business.

(ii) Scarcity of commercially viable land banks for development

We rely to a large extent on our existing land bank, as well as on our ability to identify and acquire suitable land bank with development potential to deliver sustainable growth and profitability. However, we also face competition from other property developers in identifying and acquiring strategically located land banks at commercially viable prices. The competition among industry players has to a certain extent, created scarcity in strategically located land. This may result in higher land acquisition cost, which may potentially affect our profitability and prospects.

There can be no assurance that we will be able to continue to identify new land banks on commercially viable prices and on suitable terms. In the face of competition, it would also be more challenging to secure opportunities to jointly develop lands with land owners on commercially viable profit sharing terms and with good development potential to spur our growth.

(iii) Competition risk

Our Group experiences competition from other property developers in Malaysia. Competitive pressures may arise in terms supply of raw materials and labour, pricing of the property as well as the sale and marketing of the property. Future success will depend significantly on the ability of our Group to respond to the ever changing economic conditions and market demands, the launch of the property development projects of our Group and marketing strategies that will be able to fulfil the needs and requirements of the target markets of our Group. We expect to remain competitive despite the increased competition due to our established brand name, track record and promotional campaigns. Our Group will continue to take measures to mitigate competition risks such as conducting market intelligence surveys to understand home buyers' needs, monitoring and adjusting development products and implementing innovative marketing strategies in response to changing economic conditions and market demands.

While we seek to remain competitive in terms of pricing, design, quality and strategic marketing, there is no assurance that such measures can effectively mitigate the potential adverse effects of competition on our future financial performance and position.

(iv) Project completion risk

Timely completion and hand-over of our projects is critical in ensuring costs are contained and our Group's reputation is safeguarded. However, delays in completion could result from unforeseen circumstances such as shortage of construction materials, adverse weather conditions, major labour disputes, unfavourable credit terms, delays in obtaining the necessary approvals from local authorities, major changes in local authorities' approval policies and/or other unforeseen circumstances.

If any of the abovementioned circumstances occur for a prolonged period, our Group may incur substantial additional costs such as liquidated and ascertained damages payable to purchasers, rectification costs to repair defects or higher material/labour costs and these may result in our financial performance being materially impacted.

(v) Compulsory land acquisition by the Government

There is an inherent risk that our Group's development or project lands may be compulsorily acquired by the Government for public use or due to public interest.

If all or any portion of our development or project lands are compulsorily acquired by the Government at any point in time, the amount of compensation paid to our Group may be less than the market value of the lands and/or the purchase consideration that we have paid in acquiring such lands. Accordingly, our Group's business, financial condition, results of operations and prospects could be adversely affected.

(c) Risks relating to our Group as a whole

(i) Political, economic, market and regulatory risk

Our business operations in Malaysia and South Africa is subject to the jurisdiction of various governmental agencies and/or ministries in Malaysia and South Africa. Any adverse developments in political, economic, regulatory and social conditions in Malaysia and South Africa where our Group operates could materially affect the financial and business prospects of our Group. Such uncertainties that could unfavourably affect our Group include war, economic downturn, changes in monetary and fiscal policy, changes in foreign currency regulations or introduction of new rules or regulations, financial crisis, expropriation, nationalisation, re-negotiation or nullification of existing contracts, changes in interest rates and methods of taxation.

While we strive to continue to take precautionary measures such as implementing prudent business, financial and risk management policies, much of the above changes are beyond our Group's control and there can be no assurance that any adverse developments will not materially affect the operational conditions and performance of our Group.

(d) Risks relating to the Rights Issue

(i) Market risk

The market price of MHB Shares as traded on Bursa Securities may experience fluctuations. Various factors could influence the fluctuations of market price of MHB Shares, which include, the prevailing market sentiments, the liquidity of MHB Shares, the volatility of equity markets, interest rate movements, the outlook of the industries in which our Group operates in as well as the corporate developments and future financial performance of our Group. In view of this, there can be no assurance that MHB Shares will trade at or above the Rights Issue Price or the TEAP of MHB Shares upon or subsequent to the listing of and quotation for the Rights Shares on the Main Market of Bursa Securities.

(ii) Delay in or abortion of the Rights Issue

The Rights Issue may be aborted or delayed if any material adverse change of events/circumstances, which is beyond the control of our Company and the Principal Adviser, arises prior to the completion of the Rights Issue.

Pursuant to Section 243 of the CMSA, if the Rights Issue is aborted, our Company will undertake the necessary procedures to ensure the refund of monies is made in full without interest, in respect of the accepted application for the subscription of the Rights Shares including the Excess Rights Shares within fourteen (14) days after our Company is required to do so. If such monies are not refunded within fourteen (14) days after our Company becomes liable, our Company will repay such monies with interest at the rate of ten percent (10%) per annum or at such other rate as may be prescribed by the SC from the expiration of that period.

In the event that the Rights Shares have been allotted to you and/or your renounee(s) and/or transferee(s) (if applicable) and the Rights Issue is subsequently cancelled/terminated, a return of the monies to the holders of the Rights Shares can only be fulfilled by way of cancellation of our share capital as provided under the Act. Such cancellation may be carried out with the approval of our shareholders by way of special resolution in a general meeting and confirmation by the High Court of Malaya or supported by a solvency statement made by all directors of our Company. There can be no assurance that such monies can be recovered within a short period of time or at all under such circumstances.

(iii) Potential dilution

Entitled Shareholders who do not or are unable to subscribe for their entitlement pursuant to the Rights Issue will have their proportionate percentage of shareholdings and voting interests in our Company reduced in the enlarged issued share capital of our Company. Consequently, their proportionate entitlement to any future distribution, rights and/or, allotment that our Company may make after completion of the Rights Issue will correspondingly be diluted.

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 estimates 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 the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. Such factors include, among others, the risk factors as set out in this section. In light of these and other uncertainties, the inclusion of 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.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

7 INDUSTRY OVERVIEW AND PROSPECTS OF OUR GROUP

7.1 Overview and outlook of the Malaysian economy

For the fourth quarter of 2017, the Malaysian economy registered a growth of 5.9% (3Q 2017: 6.2%) as private sector spending continued to be the primary driver of growth (7.4%; 3Q 2017: 7.3%). The external sector performance improved further (5.4%; 3Q 2017: 1.7%), as real import growth moderated faster than real export growth. On a quarter-on-quarter seasonally-adjusted basis, the economy grew by 0.9% (3Q 2017: 1.8%). For the year as a whole, the economy registered a robust growth of 5.9%.

Domestic demand expanded by 6.2% (3Q 2017: 6.6%) supported by continued strength in private sector expenditure (7.4%; 3Q 2017: 7.3%), amid waning support from public sector spending (3.4%; 3Q 2017: 4.0%).

Private consumption expanded by 7.0% (3Q 2017: 7.2%), supported by continued wage and employment growth. Private investment registered a higher growth of 9.2% (3Q 2017: 7.9%), driven mainly by the services and manufacturing sectors. Capital spending was supported by continued business optimism and favourable demand, which was evident across both export- and domestic-oriented industries.

Public consumption expanded by 6.9% (3Q 2017: 3.9%) mainly driven by higher spending on supplies and services by the Federal Government. Public investment contracted during the quarter (-1.4%; 3Q 2017: 4.1%), due to lower capital spending by both the General Government and public corporations.

On the supply side, most economic sectors recorded a moderate expansion, except for the agriculture sector, while growth in the mining sector declined. The service sector registered slightly lower growth in the fourth quarter. This mainly reflected lower growth in the wholesale and retail trade sub-sector, in tandem with the moderation in private consumption. However, growth in the finance and insurance sub-sector improved, supported by lower insurance claims and sustained banking activity. Growth in the information and communication sub-sector continued to be underpinned by high demand for data communication and computer services.

Growth in the manufacturing sector eased during the quarter, reflecting a broad-based moderation in both export- and domestic-oriented industries. Production in the export-oriented industries including electrical and electronic and petroleum refinery activity continued to expand, albeit at a more moderate pace. Lower growth in the domestic oriented industries was due mainly to a slower production of transport equipment and food-related products, as well as construction-related materials.

Growth in the construction sector was sustained by civil engineering activity for rail, highway, petrochemical and power plant projects.

For 2018, growth is expected to remain favourable with domestic demand continuing to be the key driver of growth. The positive growth momentum will continue to benefit from spillovers from better global growth on to domestic economic activity. The department of Statistics Malaysia's composite leading index has shown a sustained expansion of the economy. Overall, the assessment is for growth to remain strong in 2018.

(Source: Economic and Financial Developments in the Malaysian Economy in the Fourth Quarter of 2017, Quarterly Bulletin, Bank Negara Malaysia)

7.2 Overview and outlook of the construction and property industry in Malaysia

The construction sector recorded a robust growth of 7.4% during the first half of 2017, primarily attributed to strong civil engineering activities. Accordingly, total value of completed construction works increased 10.4% to RM68.9 billion involving 18,977 projects. The private sector contributed 63.6% of the total value of construction works. The civil engineering subsector was the major contributor to the total value of construction works constituting 35.3% followed by non-residential (31%), residential (28.8%) and specialised construction activities (4.8%) subsectors. In 2017, construction sector is expected to expand 7.6% mainly underpinned by new and existing civil engineering projects, particularly in utilities, transportation and petrochemical segments.

The civil engineering subsector continued to record a double digit growth of 13.7% supported by major infrastructure projects under the Eleventh Malaysia Plan. Among the rail projects were Mass Rapid Transit (“MRT”) Sungai Buloh – Serdang – Putrajaya line and Electrified Double Track Gemas – Johor Bahru. In addition, growth of the subsector was further supported by construction and upgrading of roads such as Setiawangsa – Pantai Expressway and Pan Borneo Highway. The subsector also benefited from the construction of combined cycle gas turbine power plant in Melaka.

The residential subsector continued to expand 4.7% supported by firm demand for affordable housing in choice locations with easy access. Housing starts rebounded significantly by 12.1% to 67,662 units. Condominium and apartments accounted for 42.9% of total housing starts in line with the increasing demand, especially for highrise units in major cities. However, the increase was offset by a decline in incoming supply at 3.4% to 485,433 units as developers were cautious in launching new projects to prevent accumulation of unsold properties. Likewise, new approvals declined 2.8% to 43,133 units as developers reviewed their future plans in response to market situation.

In terms of demand, the take-up rate for residential unit grew 23.9% with 6,775 units during the period amid continued access to housing loans, especially for first-time house buyers. Accordingly, transaction value improved with smaller contraction of 0.3% to RM32.9 billion. However, total properties transacted declined 6.9% to 95,010 mainly due to the adoption of macro prudential measures to deter market speculation and ensure only those who are credit-worthy eligible for financing. The residential overhang increased 55.4% to 20,876 units with a total value of RM12.3 billion during the period with Kedah accounting for the highest overhang at 20.9%, followed by Johor (18.2%) and Selangor (17.6%). However, the property market is expected to adjust accordingly in the long-run given the robust economic growth prospects.

Malaysia House Price Index (“MHPI”) grew at a moderate pace, reflecting various cooling measures adopted by the Government to contain spiraling prices. The MHPI stood at 184.1 points (at base year 2010) during the second quarter of 2017. Meanwhile, the average house price grew 5.6% to RM397,190 during the period with terrace recording the highest increase at 6.8% , followed by high-rise units (5.8%), semi-detached (4.1%) and detached (2.4%) houses.

The non-residential subsector grew 4.9% to RM6.4 billion. The growth was mainly supported by starts for shops and services apartments which rebounded 29.3% and 14%, respectively. However, construction starts in the industrial and Small Office Home Office (SOHO) declined 9.7% and 16.1%, respectively mainly due to moderation in the oil & gas related industries. Similarly, planned supply of Purpose-Built Office contracted 6.1% to 972,995 square metres. Meanwhile, construction starts for Purpose-Built Office remained unchanged at 277,776 square metres.

The shop overhang increased 54.3% to 7,754 units valued at RM5.1 billion. Nevertheless, demand for commercial buildings remained favourable with the average occupancy rate of office and retail space at 83.5% and 81.5%, respectively indicating sustained demand for commercial space, especially in prime areas. As of June 2017, the existing stock for shopping complexes and industrial buildings stood at 15.1 million square metres and 111,792 units, respectively. Meanwhile, shop segment recorded 5,829 transaction worth RM4.6 billion, constituting 56.2% of total transactions in commercial property. Johor and Selangor contributed the highest market volume with 18.4% and 16.8%, respectively.

The construction sector is projected to grow 7.5% (2017: 7.6%), primarily supported by the ongoing civil engineering infrastructure projects such as East Coast Rail Link, MRT Sungai Buloh-Serdang-Putrajaya Line, Electrified DoubleTrack Gemas-Johor Bahru, Setiawangsa-Pantai Expressway, Pan Borneo Highway and Bokor Central Processing Platform. Meanwhile, the residential subsector is expected to expand further with several new planned township by private developers. In addition, the subsector will also benefit from various affordable housing programmes by the Government such as 1Malaysia Housing Projects for Civil Servants (PPA1M), MyBeautiful New Home and 1Malaysia People-Friendly Houses. On the contrary, the non-residential subsector is forecast to grow moderately following property overhang, particularly in the shop segment.

(Source: Chapter 3, Economic Performance and Prospect, 2018 Economic Report, Ministry of Finance Malaysia)

7.3 Overview of the real estate market in South Africa

Growth in nominal residential property prices remained subdued and noticeably below consumer price inflation in the 11 months to November 2017. In an environment of weak domestic economic growth, sluggish employment growth, tight credit conditions, weak consumer confidence and financially constrained households, the average time that residential properties remained on the market rose slightly from 15.4 weeks in the second quarter 2017 to 15.6 weeks in the third quarter. This depressed year-on-year growth in nominal house prices to a range of between 3.7% and 4.6% across the various indicators in November 2017.

According to the latest FNB Estate Agent Survey, the time that properties remained on the market also increased the proportion of sellers who reduced asking prices, from a low of 78% in the second quarter of 2014 to 93% in the third quarter of 2017. In addition, the lack of demand led to an increase in the average percentage reduction in asking prices from 6.8% in the second quarter of 2017 to 9.8% in the third quarter.

(Source: Quarterly Bulletin December 2017, Quarterly Bulletin of the South African Reserve Bank)

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

7.4 Prospects of our Group

Our construction division is a dominant revenue contributor to us which accounted for 86.12% of our Group's revenue, with a turnover of approximately RM1,002.7 million for the FYE 31 December 2017. Meanwhile, our property division represents 12.45% of our Group's revenue, with a turnover of approximately RM144.90 million and our investment in South Africa contributed RM24.70 million or approximately 2.12% to our revenue for the FYE 31 December 2017.

Our Group's prospects for each of its business segments are set out below:-

(a) Construction division

Our Board expects our construction division to continue driving the revenue and profit of our Group on the back of our current order book. As at the LPD, our construction division's current order book is estimated to be approximately RM1.66 billion, of which approximately RM1.00 billion new contracts were secured in 2017 and January 2018, and this will provide earning visibility for the next two (2) years. In addition, we have submitted several new tenders totaling to approximately RM3.03 billion as at the LPD. PMSB was also prequalified to the next stage of tender exercise for the engineering, procurement, commission and construction of the East Coast Rail Link.

With our intention to adopt the latest construction technology especially for high rise building and infrastructure works, PMSB is exploring various options in setting up IBS in line with the Government's initiative to make the IBS compulsory for building construction. By adopting BIM with the aid of IBS, all of our construction projects will be managed in a more efficient and organised manner thus allowing shorter construction time and reducing abortive work. PMSB has currently more than 30 staff in its engineering and BIM team.

We believe that our adoption of BIM technology and investment in modernising the machineries and equipment will allow us to be more competitive in securing new projects. Leveraging on our track record in affordable housing development project and expertise as a total construction solution provider, we believe we are well-positioned in securing more projects in line with the Government's initiatives to provide affordable housing which is expected to drive more tender invitations from the industry players.

(b) Property Development division

Our property development division is currently working on its main residential project, namely Wangsa 9 Residency. The Wangsa 9 Residency comprises 3 tower blocks of 565 units high rise condominium and is located right opposite to Wangsa Walk Shopping Mall at Wangsa Maju and within close proximity to Sri Rampai LRT Station. The estimated GDV of this project is RM680.0 million. Its unbilled sales as at the LPD is estimated at approximately RM119.90 million with an average take-up rate of approximately 72% for Phase 1 (i.e. comprising Blocks B and C) which is expected to be completed by first quarter of 2019. The soft launch of Phase 2 (i.e. Block A comprising 227 units) of this project was made in February 2018.

Another of our residential project is the Seri Akasia Apartment project, which is under the "Rumah Selangorku" housing scheme introduced by the Selangor State Government, comprising 408 units of apartments with a GDV of RM77.58 million. The project has seen a strong take-up rate of 99% with 406 apartment units being sold and the current unbilled sales is approximately RM60.82 million.

In addition to that, an upcoming project is the mixed development located in Taman Puchong Prima, Selangor. The development comprises of a retail mall, offices, service apartments and affordable service apartments on a 14.5 acre freehold, commercial land. The development will be directly connected to the Puchong Prima LRT station via a fully covered pedestrian link bridge. We target to make a submission for the development order in the first half year of 2018 and to commence earthworks by end of 2018. The GDV for this project will be approximately RM1 billion.

We have also entered into a joint venture agreement with Gema Padu Sdn Bhd on 27 February 2017, whereby our Company and Gema Padu Sdn Bhd have jointly set up joint venture companies for the acquisition and joint development of several parcels of land in Kota Warisan, Selangor and Nilai, Negeri Sembilan measuring a total of 335.53 acres. The joint development has significantly increased our land bank and we expect the development planning work to commence within 2 years. As we own 60% of the joint-venture, the project is expected to provide earnings visibility to our property development division in the medium to long term.

(c) Investment in South Africa

In view of the subdued real estate market in South Africa as disclosed in Section 7.3 of the Abridged Prospectus and as we have fully sold all the vacant lots in Blue Valley Golf & Country Estate, we expect lower revenue contribution from South Africa for the FYE 31 December 2018.

The operations in South Africa are mainly centered on the Blue Valley Golf & Country Estate located between Johannesburg and Pretoria. Since 2014, we had embarked on developing houses at the aforementioned location instead of just selling the lots as land parcels. As at the LPD, there are 22 completed units of houses, of which 21 units were sold. Currently, there are also 18 units of houses under construction which are expected to be completed in the middle of 2018. We are also planning to develop another 260 units of houses over the next five (5) years and the estimated GDV is approximately ZAR300 million.

The construction works of the Blue Valley Shopping Centre is expected to be completed by April 2018. This two (2)-storey neighborhood mall will consist of 14 retail lots and office spaces which will be owned by us. The expected recurring rental income from this development is approximately ZAR4.50 million per year. In addition, there are proposed mixed development comprising residential and commercial buildings that are currently in the planning stage.

On 23 October 2015, Mitrajaya Development SA Proprietary Limited, our wholly-owned subsidiary, acquired a piece of land measuring 215 acres within the western suburbs of Pretoria, South Africa. The acquisition was to replenish our land bank in South Africa and further cementing our operations and investment in South Africa.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

8 EFFECTS OF THE RIGHTS ISSUE**8.1 Issued share capital**

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

	Minimum Scenario		Maximum Scenario	
	No. of Shares	RM	No. of Shares	RM
Issued share capital as at the LPD	689,481,413 ⁽¹⁾	381,212,689 ⁽²⁾	689,481,413 ⁽¹⁾	381,212,689 ⁽²⁾
Shares to be issued upon full exercise of the outstanding Warrants D	-	-	68,566,777	74,737,787 ⁽³⁾
Shares to be issued upon full exercise of the outstanding ESOS Options	-	-	29,119,800	43,958,356 ⁽⁴⁾
	<u>689,481,413⁽¹⁾</u>	<u>381,212,689</u>	<u>787,167,990</u>	<u>499,908,832</u>
Rights Shares to be issued pursuant to the Rights Issue	137,778,282	81,289,186 ⁽⁵⁾	157,433,598	92,885,823 ⁽⁵⁾
Bonus Shares to be issued pursuant to the Rights Issue	68,889,141	10,668,947 ⁽⁶⁾	78,716,799	15,582,776 ⁽⁶⁾
Allocation to warrants reserve pursuant to the issuance of the Warrants E ⁽⁷⁾	-	(8,266,697)	-	(9,446,016)
	<u>896,148,836⁽¹⁾</u>	<u>464,904,125</u>	<u>1,023,318,387</u>	<u>598,931,415</u>
Shares to be issued upon full exercise of the Warrants E	68,889,141	64,755,793 ⁽⁸⁾	78,716,799	73,993,791 ⁽⁸⁾
Reversal of the warrants reserve to share capital ⁽⁷⁾	-	8,266,697	-	9,446,016
Enlarged issued share capital	<u>965,037,977⁽¹⁾</u>	<u>537,926,615</u>	<u>1,102,035,186</u>	<u>682,371,222</u>

Notes:-

- (1) Including 590,000 treasury shares.
- (2) Pursuant to the transitional provisions under the Act, the sum of RM23.78 million standing to the credit of our Company's account has been reclassified and become part of our Company's share capital.
- (3) Based on the exercise price of RM1.09 per Warrant D.
- (4) Assuming all the outstanding ESOS Options are exercised at the following respective exercise price and including the reversal of ESOS reserve of 11.58 million:-
- | | | |
|------------------------|-----------|------------|
| Number of ESOS Options | 6,500,000 | 22,619,800 |
| Exercise price (RM) | 0.98 | 1.15 |
- (5) Calculated based on the Rights Issue Price of RM0.59 per Rights Share.

- (6) Partial capitalisation from the retained earnings based on the last known par value of MHB Shares of RM0.50 each prior to the enforcement date of the Act.
- (7) Calculated based on the theoretical fair value of RM0.12 per Warrant E derived using Trinomial option pricing model as extracted from Bloomberg.
- (8) Calculated based on the Exercise Price of RM0.94 per Warrants E.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

8.2 NA per Share and gearing

Based on the audited consolidated statement of financial position of our Group as at 31 December 2016, the proforma effects of the Rights Issue on the NA per Share and gearing of our Group are set out below:-

Minimum Scenario

	Audited as at 31 December 2016 (RM'000)	I Adjusted for subsequent events up to the LPD ⁽¹⁾ (RM'000)	II After I and the Rights Issue (RM'000)	III After II and assuming full exercise of the Warrants E (RM'000)
Share capital	334,861	381,212	464,904 ⁽²⁾	537,926 ⁽⁶⁾
Treasury shares	(572)	(586)	(586)	(586)
Share premium	23,714	-	-	-
Foreign exchange reserves	(11,958)	(11,958)	(11,958)	(11,958)
Revaluation reserves	7,236	7,236	7,236	7,236
ESOS reserve	13,315	11,576	11,576	11,576
Retained profits	251,962	218,522	206,203 ⁽³⁾	206,203
Warrants reserve	-	-	8,266 ⁽⁴⁾	-
Equity attributable to owners of our Company/NA	618,558	606,002	685,641	750,397
No. of Shares in issue (excluding treasury shares) ('000)	669,142	688,891	895,559	964,448
NA per Share (RM)	0.92	0.88	0.77	0.78
Total borrowings (RM'000)	254,937	254,937	175,298 ⁽⁵⁾	175,298
Gearing (times)	0.41	0.42	0.26	0.23

Notes:-

(1) After adjusting for the following events:-

- (a) additional share buy-back of 10,000 MHB Shares amounting to approximately RM0.01 million;
- (b) 16,951,841 Warrants D were exercised at RM1.09 each;
- (c) 58,000 ESOS Options were exercised before 31 January 2017 at RM1.15 each giving rise to the increase in share premium and a total fair value of approximately RM0.02 million was transferred to the share premium;
- (d) 2,749,500 ESOS Options were exercised after 31 January 2017 at the following respective price per ESOS Option with a total fair value of approximately RM1.08 million transferred to the share capital:-

Number of ESOS Options	1,000,000	1,749,500
Exercise price (RM)	0.98	1.15

- (e) the fair value of 64,500 ESOS Options previously granted and become exercisable in 2017 amounted to approximately RM0.03 million was recognised in the ESOS reserve account;

- (f) the fair value of 1,635,500 ESOS Options lapsed amounted to approximately RM0.66 million was transferred to the retained profits;
 - (g) the payment of the first and final dividend of RM0.05 per Share to our shareholders for the FYE 31 December 2016 amounting to RM34.08 million; and
 - (h) pursuant to the transitional provisions under the Act, the sum of RM23.78 million standing to the credit of our Company's account has been reclassified and become part of our Company's share capital.
- (2) After accounting for the issuance of the Rights Shares at the Rights Issue Price of RM0.59 each, the partial capitalisation of RM10.67 million of the Bonus Shares from the retained profits and recognition of the theoretical fair value of RM0.12 per Warrant E.
 - (3) After accounting for the capitalisation for the balance of RM10.67 million for the Bonus Shares and the estimated expenses of RM1.65 million in relation to the Rights Issue.
 - (4) Calculated based on the theoretical fair value of RM0.12 per Warrant E derived using Trinomial option pricing model as extracted from Bloomberg as at 9 March 2018 (being the last day of trading before the Price-Fixing Date).
 - (5) After the repayment of bank borrowings of RM79.64 million from the utilisation of proceeds.
 - (6) After accounting for the full exercise of the Warrants E at the Exercise Price of RM0.94 per Warrant E and the reversal of the warrants reserve upon exercise of all the Warrants E.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

Maximum Scenario

		I	II	III	IV
	Audited as at 31 December 2016 (RM'000)	Adjusted for subsequent events up to the LPD ⁽²⁾ (RM'000)	After I, assuming all the treasury shares are resold and full exercise of the outstanding Warrants D and the ESOS Options (RM'000)	After II and the Rights Issue (RM'000)	After III and assuming full exercise of the Warrants E (RM'000)
Share capital	334,861	381,212	499,908 ⁽³⁾	598,931 ⁽⁴⁾	682,371 ⁽⁸⁾
Treasury shares	(572)	(586)	-	-	-
Share premium	23,714	-	-	-	-
Foreign exchange reserves	(11,958)	(11,958)	(11,958)	(11,958)	(11,958)
Revaluation reserves	7,236	7,236	7,236	7,236	7,236
ESOS reserve	13,315	11,576	-	-	-
Retained profits	251,962	218,522	218,522	201,289 ⁽⁵⁾	201,289
Warrants reserve	-	-	-	9,446 ⁽⁶⁾	-
Equity attributable to owners of our Company/NA	618,558	606,002	713,708	804,944	878,938
No. of Shares in issue ('000)	669,142 ⁽¹⁾	688,891 ⁽¹⁾	787,168	1,023,318	1,102,035
NA per Share (RM)	0.92	0.88	0.91	0.79	0.80
Total borrowings (RM'000)	254,937	254,937	254,937	163,701 ⁽⁷⁾	163,701
Gearing (times)	0.41	0.42	0.36	0.20	0.19

Notes:-

(1) Excluding treasury shares.

(2) After adjusting for the following events:-

- (a) additional share buy-back of 10,000 MHB Shares amounting to approximately RM0.01 million;
- (b) 16,951,841 Warrants D were exercised at RM1.09 each;
- (c) 58,000 ESOS Options were exercised before 31 January 2017 at RM1.15 each giving rise to the increase in share premium and a total fair value of approximately RM0.02 million was transferred to the share premium;
- (d) 2,749,500 ESOS Options were exercised after 31 January 2017 at the following respective price per ESOS Option with a total fair value of approximately RM1.08 million transferred to the share capital:-

Number of ESOS Options	1,000,000	1,749,500
Exercise price (RM)	0.98	1.15

- (e) the fair value of 64,500 ESOS Options previously granted and become exercisable in 2017 amounted to approximately RM0.03 million was recognised in the ESOS reserve account;

- (f) the fair value of 1,635,500 ESOS Options lapsed amounted to approximately RM0.66 million was transferred to the retained profits;
 - (g) the payment of the first and final dividend of RM0.05 per Share to the shareholders of MHB for the FYE 31 December 2016 amounting to RM34.08 million; and
 - (h) pursuant to the transitional provisions under the Act, the sum of RM23.78 million standing to the credit of our Company's account has been reclassified and become part of our Company's share capital.
- (3) After accounting for the exercise of all the outstanding 68,566,777 Warrants D at an exercise price of RM1.09 each, 6,500,000 ESOS Options at RM0.98 each and 22,619,800 ESOS Options at RM1.15 each, and the transfer of ESOS reserve of approximately RM11.58 million to share capital account upon full exercise of the ESOS Options.
- (4) After accounting for the issuance of the Rights Shares at the Rights Issue Price of RM0.59 each, the partial capitalisation of RM15.58 million of the Bonus Shares from the retained profits and recognition of the theoretical fair value of RM0.12 per Warrant E.
- (5) After accounting for the capitalisation for the balance of RM15.58 million for the Bonus Shares and the estimated expenses of RM1.65 million in relation to the Rights Issue.
- (6) Calculated based on the theoretical fair value of RM0.12 per Warrant E derived using Trinomial option pricing model as extracted from Bloomberg as at 9 March 2017 (being the last day of trading before the Price-Fixing Date).
- (7) After the repayment of bank borrowings of RM91.24 million from the utilisation of proceeds.
- (8) After accounting for the full exercise of the Warrants E at the Exercise Price of RM0.94 per Warrant E and the reversal of the warrants reserve upon exercise of all the Warrants E.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

8.3 Earnings and EPS

The Rights Issue will result in an immediate dilution in our Group's EPS as a result of the increase in the number of MHB Shares in issue upon completion of the Rights Issue. Nevertheless, the proceeds from the Rights Issue is expected to contribute positively to the future earnings of our Group as the proceeds raised will be utilised towards reducing our Group's finance cost.

For illustration purposes only, based on the latest audited financial statements of our Group for FYE 31 December 2016, the proforma effects of the Rights Issue on the consolidated EPS of our Group are as follows:-

Minimum Scenario

	Audited as at 31 December 2016 (RM'000)	I Adjusted for subsequent events up to the LPD⁽¹⁾ (RM'000)	II After I and the Rights Issue (RM'000)	III After II and assuming full exercise of the Warrants E (RM'000)
Profit attributable to the owners of our Company	118,684	118,684	118,684	118,684
Add: Interest savings	-	-	2,906 ⁽³⁾	2,906 ⁽³⁾
Adjusted profit attributable to owners of our Company	118,684	118,684	121,590	121,590
Total weighted average number of our Shares in issue (excluding treasury shares) ('000)				
- Basic	655,750 ⁽²⁾	679,517 ⁽²⁾	886,184 ⁽²⁾⁽⁴⁾	955,073 ⁽²⁾
- Diluted	774,767 ⁽²⁾⁽⁵⁾	754,583 ⁽²⁾⁽⁵⁾	886,184 ⁽²⁾⁽⁴⁾⁽⁶⁾	955,073 ⁽²⁾⁽⁶⁾
Basic EPS (sen)	18.10	17.47	13.72	12.73
Diluted EPS (sen)	15.32	15.73	13.72	12.73

Notes:-

- (1) Issuance of new Shares pursuant to the exercise of Warrants D and ESOS Options from 1 January 2017 up to the LPD.
- (2) Excluding 590,000 treasury shares.
- (3) Based on estimated interest savings of RM3.824 million, as computed in Section 4 of this Abridged Prospectus (net of income taxes of 24%).
- (4) Includes issuance of 137,778,282 Rights Shares and 68,889,141 Bonus Shares pursuant to the Rights Issue.
- (5) Adjusted for the dilutive effects of potential ordinary shares, arising from Warrants D and ESOS Options.
- (6) Assuming the Warrants D, Warrants E and ESOS Options will not be exercised as there is no dilutive potential into ordinary shares.

Maximum Scenario

		I	II	III	IV
	Audited as at 31 December 2016 (RM'000)	Adjusted for subsequent events up to the LPD ⁽¹⁾ (RM'000)	After I, assuming all the treasury shares are resold and full exercise of the outstanding Warrants D and the ESOS Options (RM'000)	After II and the Rights Issue (RM'000)	After III and assuming full exercise of the Warrants E (RM'000)
Profit attributable to the owners of our Company	118,684	118,684	118,684	118,684	118,684
Add: Interest savings	-	-	-	3,342 ⁽³⁾	3,342 ⁽³⁾
Adjusted profit attributable to owners of our Company	<u>118,684</u>	<u>118,684</u>	<u>118,684</u>	<u>122,026</u>	<u>122,026</u>
Total weighted average number of our Shares in issue ('000)					
- Basic	655,750 ⁽²⁾	679,517 ⁽²⁾	777,793 ⁽⁴⁾	1,013,944 ⁽⁵⁾	1,092,660
- Diluted	774,767 ⁽²⁾⁽⁶⁾	754,583 ⁽²⁾⁽⁶⁾	777,793 ⁽⁴⁾	1,013,944 ⁽⁵⁾⁽⁷⁾	1,092,660
Basic EPS (sen)	18.10	17.47	15.26	12.03	11.17
Diluted EPS (sen)	15.32	15.73	15.26	12.03	11.17

Notes:-

- (1) Issuance of new Shares pursuant to the exercise of Warrants D and ESOS Options from 1 January 2017 up to the LPD.
- (2) Excluding 590,000 treasury shares.
- (3) Based on estimated interest savings of RM4.398 million, as computed in Section 4 of this Abridged Prospectus (net of income tax of 24%).
- (4) Assuming all the outstanding 68,566,777 Warrants D and 29,119,800 ESOS Options as at the LPD are exercised and 590,000 treasury shares are resold in the open market.
- (5) Includes issuance of 157,433,598 Rights Shares and 78,716,799 Bonus Shares pursuant to the Rights Issue.
- (6) Adjusted for the dilutive effects of potential ordinary shares, arising from Warrant D and ESOS Options.
- (7) Assuming the Warrants E will not be exercised as there is no dilutive potential into ordinary shares.

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

9.1 Working capital

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

9.2 Borrowings

As at the LPD, the total outstanding borrowings of our Group is around RM355.78 million (all of which are interest bearing), the details of which are set out below:-

	Total Amount (RM'000)
Short term borrowings	
Term loans	34,931
Revolving credits	209,855
Banker acceptance	38,662
Bank overdrafts	7,044
Finance lease liabilities	20,243
Total short term borrowings	310,735
Long term borrowings	
Term loans	39,417
Finance lease liabilities	5,625
Total long term borrowings	45,042
Total Borrowings	355,777

Our Group does not have any non-interest bearing borrowings from local financial institutions and we do not have any borrowings from foreign financial institutions.

Our Group has not defaulted on payments of either interest or principal sums in respect of any borrowing for the FYE 31 December 2017 and the subsequent financial period up to the LPD.

9.3 Contingent liabilities

Save as disclosed below, as at the LPD, our Board is not aware of any contingent liabilities which may, upon becoming enforceable, have a material adverse effect on our Group's financial results or financial position:-

	(RM'000)
Project related performance guarantees extended to third party in relation to our construction projects	17,666
	17,666

9.4 Material commitments

Saved as disclosed below, as at the LPD, our Board is not aware of any material commitment incurred or known to be incurred by our Group which may, upon becoming enforceable, have a material impact on the financial results or financial position of our Group:-

	<u>(RM'000)</u>
Capital expenditure	
• Approved and contracted for:-	
1) Property, plant and equipment for our construction division	6,232
2) Balance payment for land held for property development	9,053
• Approved but not contracted for:-	-
	<u>15,285</u>

The above capital commitment will be funded via internally generated funds and/or bank borrowings.

10 INSTRUCTIONS FOR ACCEPTANCE, PAYMENT, SALE/TRANSFER AND EXCESS APPLICATION

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL ALLOTMENTS, APPLICATION AND PAYMENT FOR THE EXCESS RIGHTS SHARES AS WELL AS APPLICATION AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU AND/OR YOUR RENOUNCEE(S) AND/OR TRANSFEREE(S) (IF APPLICABLE) WISH TO SELL AND/OR 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) AND/OR TRANSFEREES (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF CAREFULLY. IN ACCORDANCE WITH THE CMSA, THE RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THIS ABRIDGED PROSPECTUS.

10.1 General

The Provisional Allotments are prescribed securities pursuant to Section 14(5) of the SICDA and therefore, all dealings in such Provisional Allotments will be by book entries through CDS Accounts and will be governed by the SICDA, the Securities Industry (Central Depositories) (Amendment) Act, 1998 and the Rules of Bursa Depository. You and/or your renounee(s) and/or transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts in order to subscribe for the Rights Shares.

If you are an Entitled Shareholder, your CDS Account will be duly credited with the number of provisionally allotted Rights Shares, which you are entitled to subscribe for in full or in part in accordance with the terms and conditions of the Rights Issue. You (other than an Authorised Nominee who has subscribed for NRS) 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 allotted to you, as well as to apply for the Excess Rights Shares, if you choose to do so.

If you are an Authorised Nominee who has subscribed for NRS with Bursa Depository, an electronic copy of this Abridged Prospectus and the Rights Issue Entitlement File will be transmitted to you electronically by Bursa Depository through its existing network facility with the Authorised Nominees. Please refer to Sections 10.4.4 and 10.7.4 of this Abridged Prospectus for the procedures for acceptance as well as to apply for Excess Rights Shares, if you choose to do so.

10.2 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the Provisional Allotments (whether in full or in part) is at **5:00 P.M. on 10 April 2018**.

10.3 Methods of acceptance and application

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

Method of application	Category of Entitled Shareholders
RSF ⁽¹⁾	All Entitled Shareholders
Electronic Application ⁽²⁾	All Individual Entitled Shareholders
Internet Application ⁽³⁾	All Entitled Shareholders
NRS	Authorised Nominees who have subscribed for NRS

Notes:-

- (1) A copy of the RSF is enclosed together with this Abridged Prospectus. The RSF is also available on the Bursa Securities' website (www.bursamalaysia.com).
- (2) The following surcharge per Electronic Application will be charged by respective Participating Financial Institutions:-
 - Affin Bank Berhad – RM4.24 (inclusive of 6% GST); and
 - Public Bank Berhad – RM4.24 (inclusive of 6% GST).
- (3) The following processing fee per Internet Application will be charged by respective Internet Participating Financial Institutions:-
 - Affin Bank Berhad (www.affinbank.com.my) – RM4.24 (inclusive of 6% GST); and
 - Public Bank Berhad (www.pbebank.com) – RM4.24 (inclusive of 6% GST).

10.4 Procedures for acceptance and payment**10.4.1 By way of RSF**

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

If you wish to accept the Provisional Allotments, either in full or in part, please complete Parts I(A) and II of the RSF in accordance with the notes and instructions contained in the RSF. Each completed RSF together with the relevant payment must be and despatched **BY ORDINARY POST, COURIER or DELIVERED BY HAND** (at your own risk) to our Share Registrar at the following address and have arrived by the Closing Date:-

Tricor Investor & Issuing House Services Sdn Bhd

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

or

Tricor Customer Service Centre

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

Tel. no.: +603 2783 9299

Fax no.: +603 2783 9222

Only one (1) RSF can be used for acceptance of Provisional Allotments standing to the credit of one (1) CDS Account. Separate RSFs must be used for separate CDS Accounts. The Rights Shares subscribed by you in accordance with the procedures set out in the RSF will be credited into the respective CDS Account where the Provisional Allotments are standing to the credit.

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

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

If acceptance and payment for the Provisional Allotments (whether in full or in part) are not received by our Share Registrar by **5:00 P.M. on 10 April 2018**, being the last time and date for acceptance and payment, you will be deemed to have declined the Provisional Allotments made to you and it will be cancelled. Such Rights Shares not taken up will be allotted to the applicants applying for Excess Rights Shares in the manner as set out in Section 10.7 of this Abridged Prospectus.

If you lose, misplace or for any other reasons require another copy of this Abridged Prospectus and/or the RSF, you may obtain additional copies from your stockbrokers, Bursa Securities' website at www.bursamalaysia.com, our Share Registrar at the address stated above or at our Registered Office.

Each completed RSF must be accompanied by remittance in RM for the full and exact amount payable for the Provisional Allotments accepted, in the form of banker's draft(s), cashier's order(s), money order(s) or postal order(s) drawn on a bank or post office in Malaysia and made payable to "**MHB RIGHTS SHARES ACCOUNT**", crossed "**ACCOUNT PAYEE ONLY**" and endorsed on the reverse side with your name, address, contact number and CDS account of the applicant in block letters to be received by our Share Registrar.

APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY BE REJECTED 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. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED THEIR RIGHTS SHARES, AND NOTICES OF ALLOTMENT WILL BE ISSUED AND FORWARDED BY ORDINARY POST TO THEM AT THEIR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN EIGHT (8) MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

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

PROOF OF TIME OF POSTAGE WILL NOT CONSTITUTE PROOF OF TIME OF RECEIPT BY OUR SHARE REGISTRAR. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT OR TO ACCEPT IN PART ONLY ANY APPLICATION WITHOUT PROVIDING ANY REASONS.

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

Notification on the outcome of your application for the Provisional Allotments will be despatched to you by ordinary post to the address as shown in Bursa Depository's record at your own risk within the timelines as follows:

- (i) successful application – a notice of allotment will be despatched within eight (8) Market Days from the Closing Date; or
- (ii) unsuccessful/partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within fifteen (15) Market Days from the Closing Date.

10.4.2 By way of Electronic Application

Only Entitled Shareholders who are individuals may apply for the Rights Shares by way of Electronic Application.

If you wish to accept the Provisional Allotments, either in full or in part, by way of Electronic Application, please follow the terms of this Abridged Prospectus, the procedures, terms and conditions for Electronic Applications and the procedures set out at the ATM of the Participating Financial Institutions before making an Electronic Application.

(i) Participating Financial Institutions

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

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

(ii) **Steps for Electronic Applications through a Participating Financial Institution's ATM within Malaysia**

The procedures for Electronic Application at the ATM of the Participating Financial Institutions are set out on the ATM screen of the relevant Participating Financial Institutions. For illustrative purposes, the procedures for Electronic Applications at ATMs are set out below. The steps set out the actions that you must take at the ATM to complete an Electronic Application. Please read carefully the terms of this Abridged Prospectus, the steps and the Terms and Conditions for Electronic Applications set out below before making an Electronic Application.

- (a) You must have an account with a Participating Financial Institution and an ATM card issued by the Participating Financial Institution to access the account. An ATM card issued by one of the Participating Financial Institutions cannot be used to apply for the Rights Shares at an ATM belonging to other Participating Financial Institutions;
- (b) You are advised to read and understand this Abridged Prospectus before making the application; and
- (c) You may apply for the Rights Shares via the ATM of the Participating Financial Institutions by choosing the Electronic Application option. Mandatory statements required in the application are set out in the terms and conditions for Electronic Applications in Section 10.4.2(iii) below. You should follow the instructions on the ATM screen and, when required to do so, you should:
 - (i) Enter personal identification number ("PIN");
 - (ii) Select MHB Rights Shares Account;
 - (iii) Enter your CDS Account number;
 - (iv) Enter the number of Rights Shares applied for and/or the RM amount to be debited from the account;
 - (v) Enter your current contact number (for example your mobile phone number); and
 - (vi) Confirm several mandatory statements.

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

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

(iii) Terms and conditions for Electronic Applications

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

- (i) you are required to confirm the following statements (by pressing pre-designated keys or buttons on the ATM keyboard) and undertake that the following information given are true and correct:
 - (a) you have attained eighteen (18) years of age as at the last day for application and payment;
 - (b) you have read the relevant Abridged Prospectus and understood and agreed with the terms and conditions of the application; and
 - (c) you hereby give consent to our Company, Bursa Depository, our Share Registrar, the relevant Participating Financial Institutions, the respective agents and any third party involved in facilitating the application/refund, to disclose information pertaining to yourself, and your account with the Participating Financial Institution and Bursa Depository to the relevant authorities and any persons as may be necessary or expedient to facilitate the making of the application/refund.

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

- (ii) you confirm that you are not applying for the Rights Shares as a nominee of any other person and that any Electronic Application that you make is made by you as the beneficial owner;
- (iii) you must have sufficient funds in your account with the relevant Participating Financial institution at the time you make your Electronic Application, failing which your Electronic Application will not be completed. Any Electronic Application which does not strictly conform to the instructions set out on the screen of the ATM, through which the Electronic Application is being made, may be rejected;
- (iv) you agree and undertake to subscribe for or purchase and to accept the number of Rights Shares applied for as stated on the Transaction Record in respect of your Electronic Application. Your confirmation (by action of pressing the pre-designated keys or buttons on the ATM) of the number of Rights Shares applied for will signify, and will be treated as, your acceptance of the number of Rights Shares that may be allotted to you.

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

- (v) by making and completing your Electronic Application, you, if successful, request and authorise our Company to credit the Rights Shares allotted to you into your CDS Account;

(vi) you acknowledge that your Electronic Application is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of our Company, Bursa Depository, our Share Registrar or the relevant Participating Financial Institutions and irrevocably agree that if:

- (a) our Company, Bursa Depository or our Share Registrar does not receive your Electronic Application; or
- (b) data relating to your Electronic Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company, Bursa Depository or our Share Registrar,

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

(vii) all of your particulars, including your nationality and place of residence, in the records of the relevant Participating Financial Institutions at the time you make your Electronic Application must be true and correct, and our Company, Bursa Depository, our Share Registrar and the relevant Participating Financial Institutions are entitled to rely on the accuracy thereof;

(viii) you will ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institutions are correct and identical. Otherwise, your Electronic Application may be rejected. You must inform Bursa Depository promptly of any change in address, failing which the notification letter of successful allocation will be sent to your address last maintained with Bursa Depository;

(ix) by making and completing an Electronic Application, you agree that:

- (a) in consideration of our Company agreeing to allow and accept your application for the Rights Shares via the Electronic Application facility established by the relevant Participating Financial institutions at their respective ATMs, your Electronic Application is irrevocable and cannot be subsequently withdrawn;
- (b) our Company, Bursa Depository, our Share Registrar or the relevant Participating Financial institutions will not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Application due to a breakdown or failure of transmission or communication facilities or to any cause beyond their control;
- (c) notwithstanding the receipt of any payment by or on behalf of our Company, the notice of successful allocation for the Rights Shares for which your Electronic Application has been successfully completed is only confirmation for the acceptance of this offer to subscribe for and purchase the said Rights Shares; and
- (d) you agree that in relation to any legal action, proceedings or dispute arising out of or in relation with the contract between the parties and/or the Electronic Application and/or any terms herein, all rights, obligations and liabilities will be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that you irrevocably submit to the jurisdiction of the Courts of Malaysia;

- (x) our Share Registrar, on the authority of our Company, reserves the right to reject applications which do not conform to these instructions; and
- (xi) notification on the outcome of your application for the Rights Shares 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:
 - (a) successful application – a notice of allotment will be despatched within eight (8) Market Days from the last day for application and payment for the Rights Shares; or
 - (b) unsuccessful/partially successful application - the full amount or the surplus application monies, as the case may be, will be refunded without interest within fifteen (15) Market Days from the last day of application and payment for the Rights Shares.

The refund will be credited directly into your bank account from which your Electronic Application was made. Kindly take note of the terms and conditions as stated in Section 10.4.2(iii) of this Abridged Prospectus and the required consent in making your Electronic Application.

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

10.4.3 By way of Internet Application

All Entitled Shareholders may apply for the Rights Shares by way of Internet Application. If you wish to accept the Provisional Allotments, either in full or in part, by way of Internet Application, please follow the terms of this Abridged Prospectus, the procedures, terms and conditions for Internet Applications and the procedures set out on the internet financial services website of the relevant Internet Participating Financial Institutions before making an Internet Application.

(i) Internet Participating Financial Institutions

Internet Applications may be made through the internet financial services facilities of the following Internet Participating Financial Institutions:

- Affin Bank Berhad at www.affinbank.com.my; and
- Public Bank Berhad at www.pbebank.com.

(ii) Steps for Internet Applications through an Internet Participating Financial Institution

Before making an application by way of Internet Application, you must have all of the following:

- (a) an existing account with access to internet financial services with Affin Bank Berhad at www.affinbank.com.my or Public Bank Berhad at www.pbebank.com. Accordingly, you will need to have your user identification and PIN/password for the internet financial services facility; and
- (b) a CDS Account registered in your name.

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

While our Company will attempt to provide you with assistance in your application for the Rights Shares through Internet Applications, please note that the actual steps for Internet Applications through the internet financial services website of the Internet Participating Financial Institution may differ from the steps outlined below. The possible steps set out below are purely for illustration purposes only:

- (i) connect to the internet financial services website of the Internet Participating Financial Institution with which you have a bank account;
- (ii) log in to the internet financial services facility by entering your user identification and PIN/password;
- (iii) navigate to the section of the website on applications in respect of the Rights Shares;
- (iv) select the counter in respect of the Rights Shares to launch the terms and conditions of the Internet Application;
- (v) select the designated hyperlink on the screen to accept the abovementioned terms and conditions, having read and understood such terms and conditions;
- (vi) at the next screen, complete the online application form;
- (vii) check that the information contained in your online application form, such as the share counter (in this case, **MHB RIGHTS SHARES ACCOUNT**), your NRIC number, your current contact number (for example your mobile phone number), your CDS Account number, number of Rights Shares applied for, the amount of payment of application monies, the payment of bank charges and the account number to debit are correct. Then select confirm and submit the online application form;
- (viii) as soon as the transaction is completed, a message from the relevant Internet Participating Financial Institution with details of your application will appear on the screen of the website; and
- (ix) you are advised to print out the confirmation screen in respect of your Internet Application ("**Confirmation Screen**") for your own reference and record.

(iii) Terms and conditions for Internet Applications

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

- (i) after selecting the designated hyperlink on the screen, you are required to confirm and undertake that the following information given are true and correct:
 - (a) you have attained eighteen (18) years of age as at the last day for application and payment;
 - (b) you have, prior to making the Internet Application, received a printed copy of this Abridged Prospectus and/or have had access to this Abridged Prospectus from Bursa Securities' website at www.bursamalaysia.com, the contents of which you have read and understood;

- (c) you agree to all the terms and conditions for Internet Applications as set out in this Abridged Prospectus and have carefully considered the risk factors as set out in this Abridged Prospectus, in addition to all other information contained in this Abridged Prospectus, before making the Internet Application;
 - (d) you authorise the relevant Internet Participating Financial Institution with which you have a bank account to deduct the full amount payable for the Rights Shares (including the processing fee as mentioned in Section 10.3 (Note 3) of this Abridged Prospectus) from your bank account with the said Internet Participating Financial Institution; and
 - (e) you hereby give consent in accordance with the relevant laws of Malaysia (including Section 134 of the FSA and Section 45(1)(a) of the SICDA) for the disclosure by our Company, Bursa Depository, the Share Registrar, the relevant Internet Participating Financial Institution, their respective agents and any third party involved in facilitating the application/refund, or information pertaining to yourself, the Internet Application made by you, your account with the relevant Internet Participating Financial Institution and Bursa Depository, to the relevant authorities and any person as may be necessary or expedient to facilitate the application/refund;
- (ii) you confirm that you are not applying for the Rights Shares as a nominee of any other person and that the Internet Application is made in your own name, as beneficial owner and subject to the risks referred to in this Abridged Prospectus;
 - (iii) you agree and undertake to subscribe for or purchase and to accept the number of Rights Shares applied for as stated on the Confirmation Screen. Your confirmation of the number of Rights Shares applied for will signify, and will be treated as, your acceptance of the number of Rights Shares that may be allotted to you.

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

- (iv) by making and completing your Internet Application, you, if successful, request and authorise our Company to credit the Rights Shares allotted to you into your CDS Account;
- (v) you acknowledge that your Internet Application is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of our Company, Bursa Depository, the Share Registrar or the relevant Internet Participating Financial Institution and irrevocably agree that if:
 - (a) our Company, Bursa Depository or the Share Registrar does not receive your Internet Application; or
 - (b) data relating to your Internet Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company, Bursa Depository or our Share Registrar,

you will be deemed not to have made an Internet Application and you may not make any claim whatsoever against our Company, Bursa Depository, our Share Registrar or the relevant Internet Participating Financial Institution for the Rights Shares applied for or for any compensation, loss or damage relating to the application for the Rights Shares;

- (vi) all of your particulars, including your nationality and place of residence, in the records of the relevant Internet Participating Financial Institution at the time you make your Internet Application must be true and correct, and our Company, Bursa Depository, the Share Registrar and the relevant Internet Participating Financial Institution are entitled to rely on the accuracy thereof;
- (vii) you will ensure that your personal particulars as recorded by both Bursa Depository and the relevant Internet Participating Financial Institution are correct and identical. Otherwise, your Internet Application may be rejected. You must inform Bursa Depository promptly of any change in address failing which the notification letter of successful allocation will be sent to your address last maintained with Bursa Depository;
- (viii) by making and completing an Internet Application, you agree that:
 - (a) in consideration of our Company agreeing to allow and accept your application for the Rights Shares via the Internet Application facility established by the Internet Participating Financial Institutions at their respective internet financial services website, your Internet Application is irrevocable and cannot be subsequently withdrawn;
 - (b) our Company, Bursa Depository, the Share Registrar and the relevant Internet Participating Financial Institutions will not be liable for any delays, failures or inaccuracies in the processing of data relating to your Internet Application due to a breakdown or failure of transmission or communication facilities or to any cause beyond their control;
 - (c) notwithstanding the receipt of any payment by or on behalf of our Company, the notice of successful allocation for prescribed securities issued in respect of the Rights Shares for which your Internet Application has been successfully completed is the only confirmation for the acceptance of this offer to subscribe for and purchase the said Rights Shares; and
 - (d) you agree that in relation to any legal action, proceedings or dispute arising out of or in relation with the contract between the parties and/or the Internet Application and/or any terms herein, all rights, obligations and liabilities will be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (ix) our Share Registrar, on the authority of our Company, reserves the right to reject applications which do not conform to these instructions;
- (x) notification on the outcome of your application for the Rights Shares 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:-
 - (a) successful application – a notice of allotment will be despatched within eight (8) Market Days from the last day for application and payment for the Rights Shares; or
 - (b) unsuccessful/partially successful application - the full amount or the surplus application monies, as the case may be, will be refunded without interest within fifteen (15) Market Days from the last day of application and payment for the Rights Shares.

The refund will be credited directly into your bank account from which your Internet Application was made. Kindly take note of the terms and conditions as stated in Section 10.4.3(iii) of this Abridged Prospectus and the required consent in making your Internet Application.

If the crediting of the refund into your bank account, from which your Internet Application was made, is unsuccessful, the refund will then be made via cheque which 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;

- (xi) a surcharge is imposed on each Internet Application which will be charged by the respective Internet Participating Financial Institutions as mentioned in Section 10.3 of this Abridged Prospectus; and
- (xii) you authorise the relevant Internet Participating Financial Institution to disclose and transfer to any person, including any Government or regulatory authority in any jurisdiction, Bursa Securities or other relevant parties in connection with the Rights Issue, all information relating to you if required by any law, regulation, court order or any Government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the relevant Internet Participating Financial Institution, necessary for the provision of the Internet Application services or if such disclosure is requested or required in connection with Rights Issue. Further, the relevant Internet Participating Financial Institution will take reasonable precautions to preserve the confidentiality of information furnished by you to the relevant Internet Participating Financial Institution in connection with the use of their Internet Application services.

10.4.4 By way of NRS

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

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

(i) Steps for applications via NRS

- (a) If you are an Entitled Shareholder, and who is an Authorised Nominee who has subscribed for NRS with Bursa Depository, you will not be receiving this Abridged Prospectus, the RSF nor the NPA by post.
- (b) Instead, this Abridged Prospectus and a Rights Issue Entitlement File will be transmitted electronically to you by Bursa Depository through Bursa Depository's existing network facility with the Authorised Nominees in the manner as set out in Bursa Depository's User Guide for NRS, on the next business day after the Entitlement Date.
- (c) A notification of the delivery of the Abridged Prospectus and the Rights Issue Entitlement File will also be sent to you via email using the details you have provided to Bursa Depository when you subscribed for NRS with Bursa Depository.
- (d) You are advised to read carefully, understand and follow the terms of this Abridged Prospectus, **BEFORE** making the application.

- (e) You may accept, on behalf of your client, partially or fully, their respective allocation under the Rights Issue.
- (f) To apply for the Rights Shares, you will be required to submit your subscription information via a Rights Shares Subscription File which is to be prepared based on the format as set out in Bursa Depository's User Guide for NRS.
- (g) Once completed, you will need to submit the Rights Share Subscription File to Bursa Depository at any time daily before 5:00 P.M., but in any event no later than the last day and time for acceptance and payment.
- (h) Together with the Rights Shares Subscription File, you will also need to submit a confirmation to Bursa Depository of the following information:
 - (i) Confirmation that you have, prior to making the application via NRS, received and/or had access to the electronic copy of this Abridged Prospectus, the contents of which you have read, understood and agreed; and
 - (ii) Consent to the disclosure of your information to facilitate electronic refunds where applicable.
- (i) With regards to payment for the Rights Shares which you have applied for, you must transfer the amount payable directly to our bank account, the details of which are as follows:

Bank: **AMBANK ISLAMIC BERHAD**
Account Name: **MHB RIGHTS SHARES ACCOUNT**
Bank Account No.: **8881024725442**

prior to submitting the Rights Shares Subscription File to Bursa Depository.

- (j) Upon completion of the transfer/payment, you may receive a transaction slip ("**Transaction Record**") from the transacting financial institution confirming the details of your transfer/payment. The Transaction Record is only a record of the completed transaction and not a record of the receipt of the application via NRS or any data relating to such an application by our Company or Bursa Depository. The Transaction Record is for your record and is not required to be submitted with your application via NRS.
- (k) You will be notified on the outcome of your application for the Rights Shares electronically within the timelines as stated below. No physical notice of allotment will be mailed to you.
 - (i) successful application – an electronic notification will be sent to you within eight (8) Market Days from the last day for application and payment for the Rights Shares; or
 - (ii) unsuccessful/partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within fifteen (15) Market Days from the last day for application and payment for the Rights Shares.

The refund will be credited directly into your bank account(s) from which payment of your subscription monies were made. Kindly take note of the terms and conditions as stated in Section 10.5.4(ii)(a) of this Abridged Prospectus and the required consent in making the application via NRS.

If the crediting of the refund into your bank account(s) (as provided by you in the Rights Shares Subscription File) from which payment of your subscription monies were made is unsuccessful, the refund will then be made via cheque(s) which will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk.

- (l) Upon crediting of the Rights Shares allotted to you into your CDS account(s), you will also receive an electronic confirmation of the crediting from Bursa Depository.
- (m) You should note that all applications made for the Rights Shares submitted under NRS will be irrevocable upon submission of the Rights Shares Subscription File to Bursa Depository and cannot be subsequently withdrawn.

(ii) Terms and conditions for applications via NRS

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

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

you will be deemed not to have made your application and you may not make any claim whatsoever against our Company, Bursa Depository, our Share Registrar or the relevant financial institution for the Rights Shares applied for or for any compensation, loss or damage relating to the application for the Rights Shares.

- (e) By completing and submitting the Rights Shares Subscription File to Bursa Depository, you agree that:
- (i) In consideration of our Company agreeing to allow and accept your application for the Rights Shares via the NRS facility established by Bursa Depository, your application via NRS is irrevocable and cannot be subsequently withdrawn;
 - (ii) Our Company, the relevant financial institutions, Bursa Depository and our Share Registrar will not be liable for any delays, failures or inaccuracies in the processing of data relating to your application via NRS due to a breakdown or failure of transmission or communication facilities or to any cause beyond our control;
 - (iii) Notwithstanding the receipt of any payment by or on behalf of our Company, the electronic notification of allotment in respect of the Rights Shares issued is the only confirmation for the acceptance of this offer to subscribe for and purchase the said Rights Shares; and
 - (iv) You agree that in relation to any legal action, proceedings or dispute arising out of or in relation to with the contract between the parties and/or the application via NRS and/or any terms herein, all rights, obligations and liabilities will be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (f) Our Share Registrar and Bursa Depository, on the authority of our Company, reserves the right to reject applications which do not conform to these instructions.

10.5 Procedures for sale or transfer of Provisional Allotments

As the Provisional Allotments are prescribed securities which will be traded on Bursa Securities commencing from 27 March 2018 to 5:00 P.M. on 2 April 2018, you may sell all or part of your entitlement to the Rights Shares during such period. You may transfer all or part of your entitlement to the Rights Shares from 27 March 2018 to 4:00 P.M. on 5 April 2018.

As an Entitled Shareholder, should you wish to sell or transfer all or part of your entitlement to one (1) or more persons, you may do so through your stockbrokers without first having to request for a split of the Provisional Allotments standing to the credit of your CDS Account. You may sell such entitlement on Bursa Securities or transfer to such persons as may be allowed pursuant to the Rules of Bursa Depository, both for the period up to the last date and time for the sale and transfer of the Provisional Allotments.

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF. IN SELLING OR TRANSFERRING ALL OR PART OF YOUR PROVISIONAL ALLOTMENTS, YOU NEED NOT DELIVER ANY DOCUMENT INCLUDING THE RSF, TO ANY STOCKBROKER. HOWEVER, YOU MUST ENSURE THAT THERE ARE SUFFICIENT PROVISIONAL ALLOTMENTS STANDING TO THE CREDIT OF YOUR CDS ACCOUNTS THAT ARE AVAILABLE FOR SETTLEMENT OF THE SALE OR TRANSFER.

If you have sold or transferred only part of the Provisional Allotments, you may still accept the balance of the Provisional Allotments by completing Parts I(A) and II of the RSF. Please refer to Section 10.4 of this Abridged Prospectus for the method of acceptance and application.

10.6 Procedures for acceptance by renounee(s) and/or transferee(s)

Renounee(s) or transferee(s) who wish to accept the Provisional Allotments must obtain a copy of the RSF from their stockbrokers, Bursa Securities' website, our Share Registrar or our Registered Office.

Please complete the RSF in accordance with the notes and instructions printed therein and submit the same together with the remittance to our Share Registrar at the above-stated address.

As a renounee or transferee, the procedures for acceptance, payment, selling and transferring of the Provisional Allotments are the same as that applicable to the Entitled Shareholders as set out in Sections 10.3 and 10.4 of this Abridged Prospectus.

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

10.7 Procedures for application for Excess Rights Shares

10.7.1 By way of RSF

If you are an Entitled Shareholder and/or a renounee/transferee, you may apply for the Excess Rights Shares in addition to your Provisional Allotments. If you wish to do so, please complete Part I(B) of the RSF (in addition to Parts I(A) and II) and forward it (together with a **separate remittance** made in RM for the **FULL** and **EXACT** amount payable in respect of the Excess Rights Shares applied for) using the envelope provided. Each completed RSF together with the relevant payment must be despatched **BY ORDINARY POST, COURIER** or **DELIVERED BY HAND** (at your own risk) to our Share Registrar at the address as set out in Section 10.4.1 of this Abridged Prospectus, so as to arrive by the Closing Date.

Payment for the Excess Rights Shares applied should be made in the same manner described in Section 10.4.1 of this Abridged Prospectus except that the **Banker's Draft** or **Cashier's Order** or **Money Order** or **Postal Order** drawn on a bank or post office in Malaysia be made payable to "**MHB EXCESS RIGHTS SHARES ACCOUNT**", crossed "**ACCOUNT PAYEE ONLY**" and endorsed on the reverse side with your name, address, contact number and CDS Account number to be received by our Share Registrar by the Closing Date. The payment must be made for the **FULL** and **EXACT** amount payable for the Excess Rights Shares applied for. Any excess or insufficient payment may be rejected at the absolute discretion of our Board. Cheques or other modes of payment not prescribed herein are unacceptable. Details of the remittances must be filled in the appropriate boxes provided in the RSF.

It is the intention of our Board to allot the Excess Rights Shares, if any, in a fair and equitable manner to the Entitled Shareholders and/or their renounee(s) and/or transferee(s) who have applied for the Excess Rights Shares in the following priority:-

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, for allocation to Entitled Shareholders who have applied for Excess Rights Shares on a pro-rata basis and in board lot, calculated based on their respective shareholdings as per their CDS Account as at the Entitlement Date;
- (iii) thirdly, for allocation to Entitled Shareholders who have applied for Excess Rights Shares on a pro-rata basis and in board lot, calculated based on the quantum of Excess Rights Shares applied in their respective CDS Account; and

- (iv) fourthly, for allocation to renounee(s) and/or transferee(s) who have applied for Excess Rights Shares on a pro-rata basis and in board lot, calculated based on the quantum of Excess Rights Shares applied in their respective CDS Account.

In the event of any Excess Rights Shares balance after steps (i) to (iv) are carried out, steps (ii) to (iv) will be repeated to allocate the balance Excess Rights Shares.

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

APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.

PROOF OF TIME OF POSTAGE WILL NOT CONSTITUTE PROOF OF TIME OF RECEIPT BY OUR SHARE REGISTRAR. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT OR TO ACCEPT IN PART ONLY ANY APPLICATION WITHOUT PROVIDING ANY REASONS.

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

Notification on the outcome of your application for the Excess Rights Shares will be despatched to you by ordinary post to the address as shown in Bursa Depository's records at your own risk within the timelines as follows:

- (i) successful application – a notice of allotment will be despatched within eight (8) Market Days from the last day for application and payment for the Excess Rights Shares or
- (ii) unsuccessful/partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within fifteen (15) Market Days from the last day for application and payment for the Excess Rights Shares.

10.7.2 By way of Electronic Application

If you are an Entitled Shareholder and/or a renounee/transferee who is an individual, you may apply for the Excess Rights Shares via Electronic Application in addition to your Provisional Allotments. If you wish to do so, you may apply for the Excess Rights Shares by following the same steps as set out in Section 10.4.2 of this Abridged Prospectus save and except that you should proceed with the option for Excess Application and the amount payable to be directed to "MHB EXCESS RIGHTS SHARES ACCOUNT" for the Excess Rights Shares applied.

It is the intention of our Board to allot the Excess Rights Shares, if any, in a fair and equitable manner to the Entitled Shareholders and/or their renounee(s) and/or transferee(s) who have applied for the Excess Rights Shares in the priority set out in Section 10.7.1 of this Abridged Prospectus.

Nevertheless, our Board reserves the right to allot the Excess Rights Shares applied for in such manner as our Board deems fit and expedient in the best interest of our Company subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board set out in Section 10.7.1 of this Abridged Prospectus is achieved.

The Electronic Application for Excess Rights Shares will be made on, and subject to, the same terms and conditions appearing in Section 10.4.2 of this Abridged Prospectus, as well as the terms and conditions as stated below:-

- (i) you agree and undertake to subscribe for or purchase and to accept the number of Excess Rights Shares applied for as stated on the Transaction Record or any lesser number of Excess Rights Shares that may be allotted to you in respect of your Electronic Application. In the event that our Company decides to allot any lesser number of such Excess Rights Shares or not to allot any Excess Rights Shares to you, you agree to accept any such decision as final. If your Electronic Application is successful, your confirmation (by your action of pressing the pre-designated keys or buttons on the ATM) of the number of Excess Rights Shares applied for will signify, and will be treated as, your acceptance of the number of Excess Rights Shares that may be allotted to you;
- (ii) our Share Registrar, on the authority of our Company, reserves the right to reject applications which do not conform to these instructions; and
- (iii) notification on the outcome of your 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:-
 - (a) successful application — a notice of allotment will be despatched within eight (8) Market Days from the last day for application and payment for the Excess Rights Shares; or
 - (b) unsuccessful/partially successful application - the full amount or the surplus application monies, as the case may be, will be refunded without interest within fifteen (15) Market Days from the last day of application and payment for the Excess Rights Shares.

The refund will be credited directly into your bank account from which your Electronic Application was made. Kindly take note of the terms and conditions as stated in Section 10.4.2(ii) of this Abridged Prospectus and the required consent in making your Electronic Application.

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

10.7.3 By way of Internet Application

If you are an Entitled Shareholder and/or a renounee/transferee, you may apply for the Excess Rights Shares via Internet Application in addition to your Provisional Allotments. If you wish to do so, you may apply for the Excess Rights Shares by following the same steps as set out in Section 10.4.3 of this Abridged Prospectus save and except that you should proceed with the option for Excess Application and the amount payable to be directed to "**MHB EXCESS RIGHTS SHARES ACCOUNT**" for the Excess Rights Shares applied.

It is the intention of our Board to allot the Excess Rights Shares, if any, in a fair and equitable manner to the Entitled Shareholders and/or their renounee(s) and/or transferee(s) who have applied for the Excess Rights Shares in the priority set out in Section 10.7.1 of this Abridged Prospectus.

Nevertheless, our Board reserves the right to allot the Excess Rights Shares applied for in such manner as our Board deems fit and expedient in the best interest of our Company subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board set out in Section 10.7.1 of this Abridged Prospectus is achieved.

The Internet Application for Excess Rights Shares will be made on, and subject to, the same terms and conditions appearing in Section 10.4.3 of this Abridged Prospectus, as well as the terms and conditions as stated below:-

- (i) you agree and undertake to subscribe for or purchase and to accept the number of Excess Rights Shares applied for as stated on the Confirmation Screen or any lesser number of Excess Rights Shares that may be allotted to you in respect of your Internet Application. In the event that our Company decides to allot any lesser number of such Excess Rights Shares or not to allot any Excess Rights Shares to you, you agree to accept any such decision as final. If your Internet Application is successful, your confirmation (by your action of clicking the designated hyperlink on the relevant screen of the website) of the number of Excess Rights Shares applied for will signify, and will be treated as, your acceptance of the number of Excess Rights Shares that may be allotted to you;
- (ii) our Share Registrar, on the authority of our Company, reserves the right to reject applications which do not conform to these instructions; and
- (iii) notification on the outcome of your 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:-
 - (a) successful application — a notice of allotment will be despatched within eight (8) Market Days from the last day for application and payment for the Excess Rights Shares; or
 - (b) unsuccessful/partially successful application — the full amount or the surplus application monies, as the case may be, will be refunded without interest within fifteen (15) Market Days from the last day of application and payment for the Excess Rights Shares.

The refund will be credited directly into your bank account from which your Internet Application was made. Kindly take note of the terms and conditions as stated in Section 10.4.3(iii) of this Abridged Prospectus and the required consent in making your Internet Application.

If the crediting of the refund into your bank account, from which your Internet Application was made, is unsuccessful, the refund will then be made via cheque which 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.

10.7.4 By way of NRS

If you are an Authorised Nominee who has subscribed for NRS with Bursa Depository who is an Entitled Shareholder and/or a renounee and/or a transferee, you may apply for the Excess Rights Shares via NRS in addition to your Provisional Allotments. If you wish to do so, you may apply for the Excess Rights Shares by following the same steps as set out in Section 10.4.4 of this Abridged Prospectus save and except that the amount payable to be directed to "**MHB EXCESS RIGHTS SHARES ACCOUNT**" for the Excess Rights Shares applied and also that you should complete the details for excess rights application at the designated fields for excess applications in the Rights Shares Subscription File. The details of the account are as follows:-

Bank: **AMBANK ISLAMIC BERHAD**
Account Name: **MHB EXCESS RIGHTS SHARES ACCOUNT**
Bank Account No.: **8881024725419**

It is the intention of our Board to allot the Excess Rights Shares, if any, in a fair and equitable manner to the Entitled Shareholders and/or their renounee(s) and/or transferee(s) who have applied for the Excess Rights Shares in the priority set out in Section 10.7.1 of this Abridged Prospectus.

The application via NRS for Excess Rights Shares will be made on, and subject to, the terms of this Abridged Prospectus, Bursa Depository's terms and conditions for NRS, Bursa Depository's User Guide for NRS and the same terms and conditions appearing Section 10.4.4 of this Abridged Prospectus as well as the terms and conditions as stated below:-

- (i) you agree and undertake to subscribe for or purchase and to accept the number of Excess Rights Shares applied for as stated on your Rights Shares Subscription File in respect of your application via NRS. Your application will signify, and will be treated as, your acceptance of the number of Excess Rights Shares that may be allotted to you;
- (ii) our Share Registrar, on the authority of our Company, reserves the right to reject applications which do not conform to these instructions; and
- (iii) notification on the outcome of your application for the Excess Rights Shares electronically within the timelines as stated below. No physical notice of allotment will be mailed to you.
 - (a) successful application – an electronic notification will be sent to you within eight (8) Market Days from the last day for application and payment for the Excess Rights Shares; or
 - (b) unsuccessful/partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within fifteen (15) Market Days from the last day for application and payment for the Excess Rights Shares.

The refund will be credited directly into your bank account(s) from which payment of your subscription monies were made. Kindly take note of the terms and conditions as stated in Section 10.4.4(ii)(a) of this Abridged Prospectus and the required consent in making the application via NRS.

If the crediting of the refund into your bank account(s) (as provided by you in the Rights Shares Subscription File) from which payment of your subscription monies were made is unsuccessful, the refund will then be made via cheque(s) which will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk.

10.8 Form of issuance

Bursa Securities has already prescribed the MHB Shares listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Rights Shares are prescribed securities and as such, the SICDA Securities Industry (Central Depositories) (Amendment) Act, 1998 and the Rules of Bursa Depository will apply in respect of the dealings in the said securities.

Failure to comply with the specific instructions for applications or inaccuracy in the CDS Account number may result in the application being rejected.

No physical share certificate will be issued to you under the Rights Issue. Instead, the Rights Shares will be credited directly into your CDS Accounts.

Any person who intends to subscribe for the Rights Shares as a renouncee(s) and/or transferee(s) by purchasing the provisional allotment of Rights Shares from an Entitled Shareholder will have his Rights Shares credited directly as prescribed securities into his CDS Account.

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

10.9 Laws of foreign jurisdictions

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

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

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

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

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

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

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

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

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

No person in any territory outside of Malaysia receiving this Abridged Prospectus and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for or acquire any Rights Shares unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other regulatory or legal requirements in such territory.

We reserve the right, in our absolute discretion, to treat any acceptance of the Rights Shares as invalid, if we believe that such acceptance may violate applicable legal or regulatory requirements. The Provisional Allotments relating to any acceptance which is treated as invalid will be included in the pool of Excess Rights Shares available for excess application by the other Entitled Shareholders. You and/or your renounee(s) and/or transferee(s) (if applicable) will also have no claims whatsoever against the Parties in respect of your, and/or your renounee(s)'s and/or transferee(s)'s entitlement under the Rights Issue or to any net proceeds thereof.

11 TERMS AND CONDITIONS

The issuance of the Rights Shares, Warrants E and Bonus Shares pursuant to the Rights Issue is governed by the terms and conditions as set out in the Documents.

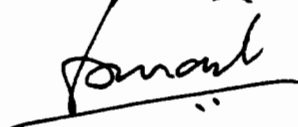
12 FURTHER INFORMATION

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

Yours faithfully

For and on behalf of our Board

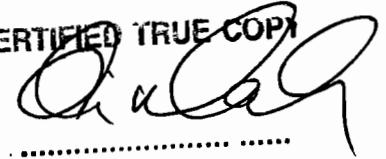
MITRAJAYA HOLDINGS BERHAD



General Tan Sri Ismail Bin Hassan (R)
Independent Non-Executive Chairman

APPENDIX I – CERTIFIED TRUE EXTRACT OF THE RESOLUTION PERTAINING TO THE RIGHTS ISSUE PASSED AT OUR EGM HELD ON 12 FEBRUARY 2018

CERTIFIED TRUE COPY



Secretary

LEONG OI WAH
(MAICSA 7023802)

MITRAJAYA HOLDINGS BERHAD
Company No. : 268257-T
(Incorporated in Malaysia)

EXTRACT OF RESOLUTION PASSED AT EXTRAORDINARY GENERAL MEETING OF MITRAJAYA HOLDINGS BERHAD (“MHB” OR THE “COMPANY”) HELD AT MITRAJAYA TRAINING ROOM, B-04-10, BLOCK B, JALAN PRIMA 5/5, PUSAT PERDAGANGAN PUCHONG PRIMA, PERSIARAN PRIMA UTAMA, TAMAN PUCHONG PRIMA, 47150 PUCHONG, SELANGOR, MALAYSIA ON MONDAY, 12 FEBRUARY 2018

ORDINARY RESOLUTION

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 157,447,598 NEW ORDINARY SHARES IN MHB (“MHB SHARE(S)” OR “SHARE(S)”) (“RIGHTS SHARE(S)”) ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FIVE (5) EXISTING MHB SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER, TOGETHER WITH UP TO 78,723,799 FREE DETACHABLE WARRANTS (“WARRANT(S) E”) AND AN ATTACHED BONUS ISSUE OF UP TO 78,723,799 NEW MHB SHARES (“BONUS SHARE(S)”) ON THE BASIS OF ONE (1) WARRANT E AND ONE (1) BONUS SHARE FOR EVERY TWO (2) RIGHTS SHARES SUBSCRIBED (“PROPOSED RIGHTS ISSUE”)

It was RESOLVED:

“THAT, subject to the approvals of all relevant authorities and/ or parties (if required) being obtained, the Board of Directors of MHB (“Board”) be and is hereby authorised to:-

- (i) provisionally allot and issue by way of a renounceable rights issue of up to 157,447,598 Rights Shares on the basis of one (1) Rights Share for every five (5) existing MHB Shares held on an entitlement date to be determined later (“Entitlement Date”) together with up to 78,723,799 Warrants E and an attached bonus issue of up to 78,723,799 new Bonus Shares on the basis of one (1) Warrant E and one (1) Bonus Share for every two (2) Rights Shares subscribed by the shareholders of MHB whose names appear in the Record of Depositors of the Company as at the close of business on the Entitlement Date (“Entitled Shareholders”);
- (ii) determine the final issue price of the Rights Shares and the exercise price of the Warrants E after taking into consideration the basis and justification of determining such prices, as set out in the Circular dated 26 January 2018 (“Circular”);
- (iii) wherein each of the Warrants E will carry the right to subscribe, subject to any adjustment in accordance with a deed poll to be executed (“Deed Poll”), at any time during the exercise period, for one (1) new MHB Share at an exercise price to be determined and fixed at a later date by the Board;
- (iv) to allot and issue such number of new MHB Shares pursuant to the exercise of the Warrants E, from time to time during the tenure of the Warrants E, in accordance with the provision of the Deed Poll;
- (v) to allot and issue such further Warrants E and new MHB Shares arising from the exercise of such further Warrants E as a consequence of any adjustment in accordance with the provision of the Deed Poll and/ or as may be required by the relevant authorities; and

APPENDIX I – CERTIFIED TRUE EXTRACT OF THE RESOLUTION PERTAINING TO THE RIGHTS ISSUE PASSED AT OUR EGM HELD ON 12 FEBRUARY 2018 (CONT'D)

Mitrajaya Holdings Berhad (Company No. : 268257-T)
• Extraordinary General Meeting [Cont'd]

(vi) capitalise a total sum of up to RM39,361,900 from the Company's share premium and retained profits accounts for the purpose of the issuance of up to 78,723,799 Bonus Shares to be credited as fully paid-up and allotted to the Entitled Shareholders and/ or their renounee(s) who successfully subscribed for their entitlements pursuant to the Proposed Rights Issue;

THAT the Board be and is hereby authorised to deal with any fractional entitlements arising from the Proposed Rights Issue in such manner as the Board shall in its absolute discretion deem fit, expedient, and in the best interest of the Company;

THAT the proceeds from the Proposed Rights Issue be utilised for the purposes as set out in the Circular, and the Board be and is hereby authorised with full powers to vary the manner and/ or purpose of utilisation of such proceeds in such manner as the Board may at its absolute discretion deem fit, necessary, expedient and in the best interest of the Company, subject to the approval of the relevant authorities, where required;

THAT the Rights Shares, the Bonus Shares and the new MHB Shares to be issued arising from the exercise of the Warrants E will, upon allotment and issuance, rank pari passu in all respects with the then existing MHB Shares, save and except that they will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution that may be declared, made or paid which the entitlement date precedes the date of allotment of the Rights Shares, the Bonus Shares and the new MHB Shares to be issued arising from the exercise of the Warrants E.

THAT the Board be and is hereby authorised to enter into and execute the Deed Poll with full powers to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required by the relevant authorities or deemed necessary by the Board, and with full powers to implement and give effect to the terms and conditions of the Deed Poll;

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all things and acts as may be required to give full effect to the Proposed Rights Issue with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all such acts and things in any manner as they may deem fit, necessary and/ or expedient to implement, finalise and give full effect to the Proposed Rights Issue."

CERTIFIED TRUE EXTRACT



TAN ENG PIOW
Director



FOO CHEK LEE
Director

APPENDIX II – INFORMATION ON OUR COMPANY

1. HISTORY AND BUSINESS

We were incorporated in Malaysia on 28 June 1993 as a private limited company under the name of Persmumi Sdn Bhd and converted into a public company on 6 November 1993 with the name of Persmurni Berhad. On 19 November 1993, we changed our name to Mitrajaya Holdings Berhad. On 8 December 1994, we successfully listed on the Second Board of Bursa Securities and was subsequently transferred to the Main Board (now known as Main Market) of Bursa Securities on 29 May 1998.

Our principal activity is investment holding, whilst the principal activities of our subsidiary companies and associated companies are in construction and property development. Further details for the principal activities of our subsidiaries and associated companies are set out in Section 5 of this Appendix.

2. SHARE CAPITAL

2.1 Issued share capital

The issued Shares in our Company as at the LPD are as follows:-

	No. of Shares (‘000)	Total share capital (RM’000)
Issued Shares	689,481	381,213

2.2 Changes in issued share capital

The changes in our issued share capital for the past three (3) years up to the LPD are as follows:-

Date of allotment	No. of Shares allotted	Consideration/ Type of Issue	Cumulative number of issued shares	Cumulative issued share capital (RM)
05.03.2015	35,100	Cash (from exercise of warrants)	397,566,901	198,783,451
10.03.2015	648,750	Cash (from exercise of warrants)	398,215,651	199,107,826
13.03.2015	88,475	Cash (from exercise of warrants)	398,304,126	199,152,063
17.03.2015	1,181,950	Cash (from exercise of warrants)	399,486,076	199,743,038
19.03.2015	50,000	Cash (from exercise of warrants)	399,536,076	199,768,038
24.03.2015	166,900	Cash (from exercise of warrants)	399,702,976	199,851,488
27.03.2015	485,800	Cash (from exercise of warrants)	400,188,776	200,094,388
31.03.2015	457,850	Cash (from exercise of warrants)	400,646,626	200,323,313
03.04.2015	102,950	Cash (from exercise of warrants)	400,749,576	200,374,788
07.04.2015	210,000	Cash (from exercise of warrants)	400,959,576	200,479,788
09.04.2015	106,350	Cash (from exercise of warrants)	401,065,926	200,532,963

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)

<u>Date of allotment</u>	<u>No. of Shares allotted</u>	<u>Consideration/ Type of Issue</u>	<u>Cumulative number of issued shares</u>	<u>Cumulative issued share capital (RM)</u>
13.04.2015	227,725	Cash (from exercise of warrants)	401,293,651	200,646,826
15.04.2015	1,718,437	Cash (from exercise of warrants)	403,012,088	201,506,044
21.04.2015	1,706,630	Cash (from exercise of warrants)	404,718,718	202,359,359
24.04.2015	734,100	Cash (from exercise of warrants)	405,452,818	202,726,409
28.04.2015	78,862	Cash (from exercise of warrants)	405,531,680	202,765,840
05.05.2015	20,000	Cash (from exercise of warrants)	405,551,680	202,775,840
06.05.2015	87,250	Cash (from exercise of warrants)	405,638,930	202,819,465
07.05.2015	205,400	Cash (from exercise of warrants)	405,844,330	202,922,165
11.05.2015	6,000	Cash (from exercise of warrants)	405,850,330	202,925,165
13.05.2015	18,500	Cash (from exercise of warrants)	405,868,830	202,934,415
15.05.2015	274,100	Cash (from exercise of warrants)	406,142,930	203,071,465
25.05.2015	270,950	Cash (from exercise of warrants)	406,413,880	203,206,940
28.05.2015	17,390	Cash (from exercise of warrants)	406,431,270	203,215,635
01.06.2015	229,000	Cash (from exercise of warrants)	406,660,270	203,330,135
03.06.2015	5,075	Cash (from exercise of warrants)	406,665,345	203,332,673
15.06.2015	1,254,541	Cash (from exercise of warrants)	407,919,886	203,959,943
17.06.2015	1,165,700	Cash (from exercise of warrants)	409,085,586	204,542,793
23.06.2015	179,875	Cash (from exercise of warrants)	409,265,461	204,632,731
26.06.2015	261,790	Cash (from exercise of warrants)	409,527,251	204,763,626
30.06.2015	22,335	Cash (from exercise of warrants)	409,549,586	204,774,793
07.07.2015	3,875	Cash (from exercise of warrants)	409,553,461	204,776,731
08.07.2015	4,000	Cash (from exercise of warrants)	409,557,461	204,778,731
13.07.2015	162,000	Cash (from exercise of warrants)	409,719,461	204,859,731
15.07.2015	6,987	Cash (from exercise of warrants)	409,726,448	204,863,224
21.07.2015	178,000	Cash (from exercise of warrants)	409,904,448	204,952,224
28.07.2015	2,415,624	Cash (from exercise of warrants)	412,320,072	206,160,036

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)

<u>Date of allotment</u>	<u>No. of Shares allotted</u>	<u>Consideration/ Type of Issue</u>	<u>Cumulative number of issued shares</u>	<u>Cumulative issued share capital (RM)</u>
30.07.2015	411,300	Cash (from exercise of warrants)	412,731,372	206,365,686
04.08.2015	140,425	Cash (from exercise of warrants)	412,871,797	206,435,899
06.08.2015	1,646,175	Cash (from exercise of warrants)	414,517,972	207,258,986
10.08.2015	4,001,775	Cash (from exercise of warrants)	418,519,747	209,259,874
11.08.2015	9,521,650	Cash (from exercise of warrants)	428,041,397	214,020,699
12.08.2015	32,000	Cash (from exercise of warrants)	428,073,397	214,036,699
19.08.2015	214,036,654	Bonus Issue	642,110,051	321,055,026
19.10.2015	55,000	Cash (from exercise of ESOS Options)	642,165,051	321,082,526
28.10.2015	4,500	Cash (from exercise of warrants)	642,169,551	321,084,776
11.01.2016	16,500	Cash (from exercise of ESOS Options)	642,186,051	321,093,026
08.03.2016	15,186	Cash (from exercise of warrants)	642,201,237	321,100,619
10.03.2016	3,375	Cash (from exercise of warrants)	642,204,612	321,102,306
23.03.2016	178,000	Cash (from exercise of warrants)	642,382,612	321,191,306
29.03.2016	1,125	Cash (from exercise of warrants)	642,383,737	321,191,869
04.04.2016	39,400	Cash (from exercise of warrants)	642,423,137	321,211,569
11.04.2016	587,500	Cash (from exercise of warrants)	643,010,637	321,505,319
28.04.2016	2,250	Cash (from exercise of warrants)	643,012,887	321,506,444
29.04.2016	30,000	Cash (from exercise of warrants)	643,042,887	321,521,444
04.05.2016	1,800	Cash (from exercise of warrants)	643,044,687	321,522,344
12.05.2016	2,250	Cash (from exercise of warrants)	643,046,937	321,523,469
19.05.2016	39,600	Cash (from exercise of warrants)	643,086,537	321,543,269
20.05.2016	59,700	Cash (from exercise of warrants)	643,146,237	321,573,119
24.05.2016	300,000	Cash (from exercise of ESOS Options)	643,446,237	321,723,119
24.05.2016	172,000	Cash (from exercise of warrants)	643,618,237	321,809,119
27.05.2016	652,800	Cash (from exercise of warrants)	644,271,037	322,135,519
31.05.2016	97,000	Cash (from exercise of warrants)	644,368,037	322,184,019

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)

Date of allotment	No. of Shares allotted	Consideration/ Type of Issue	Cumulative number of issued shares	Cumulative issued share capital (RM)
03.06.2016	2,380,790	Cash (from exercise of warrants)	646,748,827	323,374,414
07.06.2016	2,082,825	Cash (from exercise of warrants)	648,831,652	324,415,826
10.06.2016	497,000	Cash (from exercise of ESOS Options)	649,328,652	324,664,326
10.06.2016	78,500	Cash (from exercise of warrants)	649,407,152	324,703,576
14.06.2016	160,455	Cash (from exercise of warrants)	649,567,607	324,783,804
17.06.2016	267,879	Cash (from exercise of warrants)	649,835,486	324,917,743
17.06.2016	40,000	Cash (from exercise of warrants)	649,875,486	324,937,743
21.06.2016	4,543,888	Cash (from exercise of warrants)	654,419,374	327,209,687
23.06.2016	1,242,000	Cash (from exercise of ESOS Options)	655,661,374	327,830,687
23.06.2016	558	Cash (from exercise of warrants)	655,661,932	327,830,966
27.06.2016	824,483	Cash (from exercise of warrants)	656,486,415	328,243,208
29.06.2016	3,131,161	Cash (from exercise of warrants)	659,617,576	329,808,788
01.07.2016	1,642,444	Cash (from exercise of warrants)	661,260,020	330,630,010
01.07.2016	764,700	Cash (from exercise of ESOS Options)	662,024,720	331,012,360
05.07.2016	4,748,295	Cash (from exercise of warrants)	666,773,015	333,386,508
05.07.2016	12,720	Cash (from exercise of warrants)	666,785,735	333,392,868
05.07.2016	60,000	Cash (from exercise of warrants)	666,845,735	333,422,868
12.07.2016	2,118,093	Cash (from exercise of warrants)	668,963,828	334,481,914
12.07.2016	500	Cash (from exercise of warrants)	668,964,328	334,482,164
13.07.2016	68,934	Cash (from exercise of warrants)	669,033,262	334,516,631
13.07.2016	1,650	Cash (from exercise of warrants)	669,034,912	334,517,456
05.08.2016	36,000	Cash (from exercise of warrants)	669,070,912	334,535,456
05.08.2016	180,000	Cash (from exercise of ESOS Options)	669,250,912	334,625,456
08.08.2016	160	Cash (from exercise of warrants)	669,251,072	334,625,536
18.08.2016	182,500	Cash (from exercise of ESOS Options)	669,433,572	334,716,786
06.09.2016	20,000	Cash (from exercise of ESOS Options)	669,453,572	334,726,786

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)

<u>Date of allotment</u>	<u>No. of Shares allotted</u>	<u>Consideration/ Type of Issue</u>	<u>Cumulative number of issued shares</u>	<u>Cumulative issued share capital (RM)</u>
05.10.2016	22,500	Cash (from exercise of ESOS Options)	669,476,072	334,738,036
17.10.2016	46,000	Cash (from exercise of warrants)	669,522,072	334,761,036
19.10.2016	150,000	Cash (from exercise of ESOS Options)	669,672,072	334,836,036
21.11.2016	50,000	Cash (from exercise of ESOS Options)	669,722,072	334,861,036
24.01.2017	58,000	Cash (from exercise of ESOS Options)	669,780,072	334,890,036
03.03.2017	200,000	Cash (from exercise of ESOS Options)	669,980,072	358,934,980 ⁽¹⁾ ⁽²⁾
07.04.2017	48,500	Cash (from exercise of ESOS Options)	670,028,572	359,010,465 ⁽²⁾
29.05.2017	140,000	Cash (from exercise of ESOS Options)	670,168,572	359,228,361 ⁽²⁾
05.06.2017	621,000	Cash (from exercise of ESOS Options)	670,789,572	360,163,455 ⁽²⁾
09.06.2017	1,369,040	Cash (from exercise of warrants)	672,158,612	361,655,669 ⁽²⁾
21.06.2017	648,000	Cash (from exercise of ESOS Options)	672,806,612	362,664,216 ⁽²⁾
23.06.2017	599,150	Cash (from exercise of warrants)	673,405,762	363,317,290 ⁽²⁾
03.07.2017	992	Cash (from exercise of warrants)	673,406,754	363,318,371 ⁽²⁾
06.07.2017	150,000	Cash (from exercise of warrants)	673,556,754	363,481,871 ⁽²⁾
06.07.2017	922,500	Cash (from exercise of ESOS Options)	674,479,254	364,812,750 ⁽²⁾
10.07.2017	7,671,360	Cash (from exercise of MHB Warrants)	682,150,614	373,174,532 ⁽²⁾
18.07.2017	500,000	Cash (from exercise of warrants)	682,650,614	373,719,532 ⁽²⁾
20.07.2017	19,500	Cash (from exercise of ESOS Options)	682,670,114	373,749,882 ⁽²⁾
25.07.2017	2,000	Cash (from exercise of warrants)	682,672,114	373,752,062 ⁽²⁾
01.08.2017	445,350	Cash (from exercise of warrants)	683,117,464	374,237,494 ⁽²⁾
03.08.2017	150,000	Cash (from exercise of ESOS Options)	683,267,464	374,439,484 ⁽²⁾
08.08.2017	81,940	Cash (from exercise of warrants)	683,349,404	374,528,799 ⁽²⁾
22.08.2017	6,000,000	Cash (from exercise of warrants)	689,349,404	381,068,799 ⁽²⁾
28.08.2017	132,009	Cash (from exercise of warrants)	689,481,413	381,212,689 ⁽²⁾

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)

Note:-

- (1) Includes share premium of RM23,775,624 as at 31 January 2017 pursuant to Section 618 (2) of the Act (in relation to the transitional provisions relating to the abolition of par or nominal value) which took effect on 31 January 2017.
- (2) Adjustment made which includes the fair value adjustment arising from the exercise of MHB Warrants D and ESOS Options pursuant to the migration to no par value regime according to the Act from 31 January 2017 up to the LPD. Under the Act, par or nominal value is no longer applicable with effect from 31 January 2017.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)

3. SUBSTANTIAL SHAREHOLDERS

The pro forma effects of the Rights Issue on the substantial shareholders' shareholdings as at the LPD are as follows:-

Substantial shareholders	Shareholdings as at the LPD				I				II			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares ('000)	% ⁽¹⁾	No. of Shares ('000)	% ⁽¹⁾	No. of Shares ('000)	% ⁽²⁾	No. of Shares ('000)	% ⁽²⁾	No. of Shares ('000)	% ⁽³⁾	No. of Shares ('000)	% ⁽³⁾
Tan Eng Piow	281,845	40.91	-	-	366,399	40.91	-	-	394,583	40.91	-	-
Employee Provident Fund	43,207	6.27	-	-	56,169	6.27	-	-	60,490	6.27	-	-

Notes:-

- (1) Calculated based on 688,891,413 MHB Shares as at the LPD.
- (2) Calculated based on the enlarged issued share capital of the Company of 895,558,836 MHB Shares after issuance of 137,778,282 Rights Shares and 68,889,141 Bonus Shares.
- (3) Calculated based on the enlarged issued share capital of the Company of 964,447,977 MHB Shares assuming full exercise of 68,889,141 Warrants E.

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)**Maximum Scenario**

	Shareholdings as at the LPD			Assuming all the treasury shares are resold and full exercise of the Warrants D and ESOS Options		
	Direct	Indirect	No. of Shares ('000)	Direct	Indirect	No. of Shares ('000)
Substantial shareholders	No. of Shares ('000)	%⁽¹⁾	No. of Shares ('000)	%⁽²⁾	No. of Shares ('000)	%⁽²⁾
Tan Eng Piow	281,845	40.91	-	38.74	304,939	-
Employee Provident Fund	43,207	6.27	-	5.49	43,207	-
II						
After I and the Rights Issue			After II and assuming full exercise of the Warrants E			
	Direct	Indirect	No. of Shares ('000)	% ⁽³⁾	Direct	Indirect
Substantial shareholders	No. of Shares ('000)	%⁽³⁾	No. of Shares ('000)	%⁽⁴⁾	No. of Shares ('000)	%⁽⁴⁾
Tan Eng Piow	396,421	38.74	-	38.74	426,914	-
Employee Provident Fund	56,169	5.49	-	5.49	60,490	-

Notes:-

- (1) Calculated based on 688,891,413 MHB Shares as at the LPD.
- (2) Calculated based on the enlarged issued share capital of the Company of 787,167,990 MHB Shares assuming all the 590,000 treasury shares are resold and full exercise of the outstanding 68,566,777 Warrants D and 29,119,800 ESOS Options.
- (3) Calculated based on the enlarged issued share capital of the Company of 1,023,318,387 MHB Shares after issuance of 157,433,598 Rights Shares and 78,716,799 Bonus Shares.
- (4) Calculated based on the enlarged issued share capital of the Company of 1,102,035,186 MHB Shares assuming full exercise of 78,716,799 Warrants E.

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)

4. BOARD OF DIRECTORS OF OUR COMPANY**4.1 Details of our Directors**

Name	Age	Address	Nationality	Profession
General Tan Sri Ismail Bin Hassan (R) <i>(Independent Non-Executive Chairman)</i>	75	81, Jalan Athinahapan 1 Taman Tun Dr Ismail 60000 Kuala Lumpur	Malaysian	Company Director
Tan Eng Piow <i>(Group Managing Director)</i>	64	C-39A-3, Kiara 9 Residency Jalan Kiara 3, Mont Kiara 50480 Kuala Lumpur	Malaysian	Company Director
Foo Chek Lee <i>(Executive Director)</i>	63	239, Jalan A2 Taman Melawati Ulu Klang 53100 Kuala Lumpur	Malaysian	Company Director
Cho Wai Ling <i>(Executive Director)</i>	45	55, Jalan Hilir 5 Taman Sri Angsana Hilir Kampung Pandan Dalam 55100 Kuala Lumpur	Malaysian	Company Director/ Group Finance Manager
Tan Sri Dato' Seri Mohamad Noor Bin Abdul Rahim <i>(Independent Non-Executive Director)</i>	73	P3-05-1 Andalucia Pantai Hill Park Jalan Pantai Permai (off Jalan Kerinchi) Pantai 59200 Kuala Lumpur	Malaysian	Company Director
Ir Zakaria Bin Nanyan <i>(Independent Non-Executive Director)</i>	75	14 Jalan LP 6/14 Taman Lestari Perdana 43300 Seri Kembangan Selangor Darul Ehsan	Malaysian	Company Director
Roland Kenneth Selvanayagam <i>(Independent Non-Executive Director)</i>	61	28, Jalan SS 18/3C Subang Jaya 47500 Petaling Jaya Selangor Darul Ehsan	Malaysian	Company Director

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)

4.2 Directors' shareholdings

Assuming all the directors fully subscribe for their entitlements under the Rights Issue, the pro forma effects of the Rights Issue on the shareholdings of our Directors as at the LPD are as follows:-

Minimum Scenario

Directors' shareholding	As at the LPD				(I)				(II)			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares ('000)	% ⁽¹⁾	No. of Shares ('000)	% ⁽¹⁾	No. of Shares ('000)	% ⁽²⁾	No. of Shares ('000)	% ⁽²⁾	No. of Shares ('000)	% ⁽³⁾	No. of Shares ('000)	% ⁽³⁾
Tan Eng Piow	281,845	40.91	7,191 ⁽⁴⁾	1.04	366,399	40.91	9,348 ⁽⁴⁾	1.04	394,583	40.91	10,067 ⁽⁴⁾	1.04
Foo Chek Lee	1,316	0.19	36 ⁽⁵⁾	0.01	1,711	0.19	47 ⁽⁵⁾	0.01	1,842	0.19	50 ⁽⁵⁾	0.01
General Tan Sri Ismail Bin Hassan (R)	-	-	-	-	-	-	-	-	-	-	-	-
Cho Wai Ling	22	- ⁽⁶⁾	-	-	29	- ⁽⁶⁾	-	-	31	- ⁽⁶⁾	-	-
Tan Sri Dato' Seri Mohamad Noor Bin Abdul Rahim	-	-	-	-	-	-	-	-	-	-	-	-
Ir Zakaria Bin Nanyan	-	-	-	-	-	-	-	-	-	-	-	-
Roland Kenneth Selvanayagam	-	-	-	-	-	-	-	-	-	-	-	-

Notes:-

- (1) Calculated based on 688,891,413 MHB Shares as at the LPD.
- (2) Calculated based on the enlarged issued share capital of the Company of 895,558,836 MHB Shares after issuance of 137,778,282 Rights Shares and 68,889,141 Bonus Shares.
- (3) Calculated based on the enlarged issued share capital of the Company of 964,447,977 MHB Shares assuming full exercise of 68,889,141 Warrants E.
- (4) Deemed interested through his children's interest in MHB pursuant to Section 59(11)(c) of the Act.

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)

- (5) Deemed interested through his spouse's interest in MHB pursuant to Section 59(11)(c) of the Act.
 (6) Negligible.

Maximum Scenario

Directors' shareholding	As at the LPD			Assuming all treasury shares are resold, full exercise of Warrants D and ESOS			After (I) and the Rights Issue			After (II) and assuming full exercise of the Warrants E						
	Direct		Indirect	Direct		Indirect	Direct		Indirect	Direct		Indirect				
	No. of Shares ('000)	% ⁽¹⁾	No. of Shares ('000)	No. of Shares ('000)	% ⁽²⁾	No. of Shares ('000)	% ⁽²⁾	No. of Shares ('000)	% ⁽³⁾	No. of Shares ('000)	% ⁽⁴⁾	No. of Shares ('000)	% ⁽⁴⁾			
Tan Eng Piow	281,845	40.91	7,191 ⁽⁵⁾	1.04	304,939	38.74	8,474 ⁽⁵⁾	1.08	396,421	38.74	11,016 ⁽⁵⁾	1.08	426,914	38.74	11,864 ⁽⁵⁾	1.08
Foo Chek Lee	1,316	0.19	36 ⁽⁶⁾	0.01	2,907	0.37	41 ⁽⁶⁾	0.01	3,778	0.37	53 ⁽⁶⁾	0.01	4,069	0.37	57 ⁽⁶⁾	0.01
General Tan Sri Ismail Bin Hassan (R)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cho Wai Ling	22	- ⁽⁷⁾	-	-	866	0.11	-	-	1,126	0.11	-	-	1,213	0.11	-	-
Tan Sri Dato' Seri Mohamad Noor Bin Abdul Rahim	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ir Zakaria Bin Nanyan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Roland Kenneth Selvanayagam	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:-

- (1) Calculated based on 688,891,413 MHB Shares as at the LPD.
 (2) Calculated based on the enlarged issued share capital of the Company of 787,167,990 MHB Shares assuming all the 590,000 treasury shares are resold and full exercise of the outstanding 65,566,777 Warrants D and 29,119,800 ESOS Options.

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)

- (3) Calculated based on the enlarged issued share capital of the Company of 1,023,318,387 MHB Shares after issuance of 157,433,598 Rights Shares and 78,716,799 Bonus Shares.
- (4) Calculated based on the enlarged issued share capital of the Company of 1,102,035,186 MHB Shares assuming full exercise of 78,716,799 Warrants E.
- (5) Deemed interested through his children's interest in MHB pursuant to Section 59(11)(c) of the Act.
- (6) Deemed interested through his spouse's interest in MHB pursuant to Section 59(11)(c) of the Act.
- (7) Negligible.

5. SUBSIDIARIES AND ASSOCIATED COMPANY

Our subsidiaries as at the LPD are as follows:-

Company	Date /Place of incorporation	Issued share capital	Effective equity interest	Principal activities
			%	
Pembinaan Mitrajaya Sdn Bhd	9 September 1985 / Malaysia	RM113,000,000	100	Civil engineering, building and road construction works
Mitrajaya Homes Sdn Bhd	13 September 1996 / Malaysia	RM110,000,000	100	Property development
Skyway Development Sdn Bhd	19 December 2006 / Malaysia	RM500,000	72	Property development
Mitrajaya Warisan Sdn Bhd (formerly known as Mitrajaya Equipment Resources Sdn Bhd)	1 April 1998 / Malaysia	RM47,976,500	60	Property development
Kemajuan Sekim Baru Sdn Bhd	8 May 1984 / Malaysia	RM5,750,000	100	Property development
Kina-Bijak Sdn Bhd	9 September 1998 / Malaysia	RM8,664,000	100	Property development
Leo Vista Sdn Bhd	8 October 2003 / Malaysia	RM250,000	100	Property development
Awana Prisma Sdn Bhd	7 April 2004 / Malaysia	RM250,000	100	Property development
Primaharta Development Sdn Bhd	4 June 1996 / Malaysia	RM32,125,000	100	Property development
Centennial March Sdn Bhd	10 February 2017/ Malaysia	RM82,922,500	60	Property development
Daya Asphalt Sdn Bhd	28 April 1986 / Malaysia	RM200,000	100	Investment holding
Dutawani Sdn Bhd	20 June 1997 / Malaysia	RM100,000	100	Maintenance of properties

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)

Company	Date /Place of incorporation	Issued share capital	Effective equity interest	Principal activities
			%	
Mitrajaya Development Sdn Bhd	7 September 1996 / Malaysia	RM2	100	Investment holding
Maha-Mayang Sdn Bhd	8 May 1998 / Malaysia	RM100	100	Sub-contract for landscaping and road works
Eminent Earnings Sdn Bhd	20 August 2008/ Malaysia	RM55,610,035	60	Investment properties
Mitrajaya SA (Pty) Ltd	30 April 1998 / South Africa	ZAR100	100	Civil engineering, building and road construction works and property development
Mitrajaya Development SA (Pty) Ltd	11 September 1998 / South Africa	ZAR1,000	100	Property development
Kyalami & Mitrajaya Civil Engineering (Pty) Ltd	12 June 1998 / South Africa	ZAR100,000	100	Civil engineering, building and road construction works and property development
Kyalami & Mitrajaya Builders (Pty) Ltd	7 September 1998 / South Africa	ZAR100	100	Builders
Blue Valley Golf & Country Club (Pty) Ltd	18 January 2000 / South Africa	ZAR100	100	Golf management

The associated company of our Company as at the LPD are as follows:-

Company	Date /Place of incorporation	Issued share capital	Effective equity interest	Principal activities
			%	
Maha-Mayang Quarry Sdn Bhd	Malaysia	RM1,000,000	35	Quarry Operations

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)

6. PROFIT AND DIVIDEND RECORDS

Our profit and dividend records based on our audited consolidated financial statements for the past three (3) financial years up to FYE 31 December 2016 as well as our unaudited consolidated financial statements for the FYE 31 December 2017 are as follows:-

	Audited FYE 31 December			Unaudited FYE
	2015 ⁽¹⁾			31 December
	2014	(Restated)	2016	2017
	(RM '000)	(RM '000)	(RM '000)	(RM '000)
Revenue	520,205	861,694	966,170	1,164,202
Cost of sales	(409,757)	(685,917)	(753,095)	(1,008,080)
Gross profit	110,448	175,777	213,075	156,122
Other income	5,083	5,366	6,711	7,226
Administrative expenses	(24,353)	(27,089)	(33,198)	(29,842)
Other operating expenses	(15,095)	(15,546)	(15,797)	(20,507)
Share option expenses	-	(11,642)	(3,068)	(523)
Operating profit	76,083	126,866	167,723	112,476
Share of results of associates	-	234	249	340
Finance costs	(3,600)	(4,994)	(7,840)	(10,739)
PBT	72,483	122,106	160,132	102,077
Income tax expense	(19,198)	(37,353)	(40,383)	(29,122)
Discontinued operations	-	2,217	1,517	-
PAT	53,285	86,970	121,266	72,955
Profit attributable to:				
Owners of the parent	53,769	86,576	118,683	80,456
Non-controlling interests	(484)	394	2,583	(7,501)
	53,285	86,970	121,266	72,955
Earnings before interest, tax, depreciation and amortisation	77,816	130,008	172,235	118,791
Weighted average number of MHB Shares in issue ('000)				
- Basic	394,130	624,989	655,750	677,998
- Diluted	394,130 ⁽²⁾	764,972 ⁽³⁾	774,767 ⁽³⁾	775,756 ⁽³⁾
Basic EPS (sen)	13.64	13.85	18.10	11.87
Diluted EPS (sen)	13.64	11.32	15.32	10.37
Gross dividend per Share (sen)	2.00	5.00	5.00	2.00*
Gross profit margin	21.2%	20.4%	22.1%	13.4%
PAT margin	10.2%	10.1%	12.6%	6.3%

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)

Notes:-

- (1) On 5 February 2016, MHB disposed 1,275,000 ordinary shares of RM1.00 each, representing 51% equity interest in Optimax Eye Specialist Centre Sdn. Bhd. (“**Optimax**”) for a total cash consideration of RM5,100,000. The disposal was completed on 18 October 2016 and consequently, Optimax together with its subsidiaries ceased to be subsidiaries of our Group. However, Optimax was not a discontinued operation as at 31 December 2015 and as such, the comparative statement of comprehensive income has been re-presented to show the discontinued operations separately from continuing operations.
 - (2) No consideration is taken for Warrants 2011/2016 in MHB constituted by the deed poll dated 21 June 2011 (“**Warrants C**”) for financial year 2014 as the effect is not dilutive.
 - (3) Adjusted for the dilutive effects of all potential ordinary shares, arising from Warrants C, Warrants D and/or ESOS Options.
- * Proposed dividend subject to shareholders’ approval.

Commentary on Financial Performance**(i) FYE 31 December 2014**

For the FYE 31 December 2014, our Group recorded revenue of RM520.21 million representing an increase of RM181.77 million or 53.7% from revenue of RM338.44 million in the FYE 31 December 2013. The revenue growth was mainly attributable to an increase in revenue from the construction division and property development division as both divisions contributed to 71.3% and 19.0% of our Group’s revenue respectively.

The increase in revenue of the construction division was mainly due to the higher recognition of work progress from our on-going and completed projects which include amongst others, City Campus project for Heriot-Watt University in Precinct 5, Putrajaya, infrastructure works in Persiaran Arked, Seksyen U8, Bukit Jelutong, Selangor and South Kelantan Agropolitan project in Gua Musang, Kelantan.

The increase in revenue of the property development division was mainly due to the higher profit recognition from the on-going property project ‘280 Park Homes’ in Puchong Prima, Selangor.

Our Group’s PBT increased by RM32.18 million or 79.9% to RM72.48 million in FYE 31 December 2014 from PBT of RM40.30 million in the FYE 31 December 2013. The improved PBT performance was mainly due to our Group’s improved revenue coupled with better profits margin from the abovementioned construction projects.

(ii) FYE 31 December 2015

For the FYE 31 December 2015, our Group recorded revenue of RM861.69 million representing an increase of RM341.48 million or 65.6% as compared to revenue of RM520.21 million in the FYE 31 December 2014. The increase in revenue was mainly contributed by higher revenue contribution from the construction division by RM396.55 million and investments in South Africa by RM16.85 million, which was offset by lower revenue contribution from our property development division by RM43.53 million.

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)

Our construction division's higher revenue recorded was mainly due to the recognition of work progress from the on-going and completed projects which include, amongst others, 6 LRT stations for Ampang & Kelana Jaya extension line, Malaysian Anti-Corruption Commission ("MACC") headquarters in Putrajaya, Raffles American School in Nusajaya, Johor, Verdi Eco-Dominiums for Symphony Hills in Cyberjaya and a business operation complex in Shah Alam, Selangor.

Higher contribution from investment in South Africa was derived from revenue recognition upon completion of transfer of bungalow lots in Blue Valley Golf & Country Estate to purchasers in 2015 for a total sum of ZAR123.22 million following the launching of bungalow lots for a total GDV of ZAR208.90 million in 2014 and early 2015. The property development division has contributed a lower revenue in FYE 31 December 2015 of RM55.19 million as compared to FYE 31 December 2014 of RM98.72 million which was mainly due to the slowdown in property sales for completed projects and the lower recognition from the existing on-going project namely, Wangsa 9 Residency, as it was at the initial construction stage.

Our Group's PBT increased by RM49.63 million or 68.5% to RM122.11 million in FYE 31 December 2015 from PBT of RM72.48 million in the FYE 31 December 2014 due to improved margins from our construction division, arising from better cost management and close monitoring at execution of the construction projects.

(iii) FYE 31 December 2016

For the FYE 31 December 2016, our Group recorded revenue of RM966.17 million representing an increase of RM104.48 million or 12.1% from revenue of RM861.69 million in the FYE 31 December 2015. The increase in revenue in FYE 31 December 2016 was attributed to higher contribution from construction division by RM78.35 million and property development division by RM34.46 million.

The increase in revenue from construction division is mainly due to the higher revenue recognition of work progress and sales from our on-going projects which include amongst others, MACC headquarters in Putrajaya, Residency 22 in Mont Kiara, Kuala Lumpur and Raffles American School in Nusajaya, Johor.

The increase in revenue from property development division was due to one-off transaction from disposal of our project land located in Mukim Pengerang, Johor amounting to RM19.59 million, the recognition from our on-going property project, namely Wangsa 9 Residency in Wangsa Maju, Kuala Lumpur, and completed project namely, Kiara 9 Residency in Mont Kiara, Kuala Lumpur.

Our Group's PBT increased by RM38.02 million or 31.1% to RM160.13 million in FYE 31 December 2016 from PBT of RM122.11 million in the FYE 31 December 2015. It was mainly due to the revenue recognition from the abovementioned construction projects as well as the abovementioned disposal of project land located in Mukim Pengerang, Johor. This said land was compulsory acquired and contributed PBT of RM17.63 million to our Group.

(iv) FYE 31 December 2017

For the FYE 31 December 2017, our Group recorded revenue of RM1.16 billion representing an increase of RM198.03 million or 20.5% from revenue of RM966.17 million in the FYE 31 December 2016. The increase was mainly due to higher recognition of the work progress in the construction division by RM148.64 million and increase of revenue in the property development division by RM55.26 million.

APPENDIX II – INFORMATION ON OUR COMPANY (CONT'D)

The revenue contribution from construction division is derived from our completed projects which include among others, MACC headquarters in Putrajaya and Residency 22 in Mont Kiara, Kuala Lumpur and on-going mixed development complex building and external works for PJ Midtown in Petaling Jaya, Selangor.

The increase in revenue from property development division is due to higher recognition from our on-going property project, namely Wangsa 9 Residency in Wangsa Maju, Kuala Lumpur. This project is currently at advanced construction stage, of which phase 1 (consists of Block B & C) will be completed for handing over in first quarter of 2019. In addition, this division has recognised additional compensation sum of RM15.95 million from the compulsory land acquisition on our project land located in Mukim Pengerang, Johor.

Our Group's PBT has reduced by RM58.05 million or 36.3% to RM102.08 million in FYE 31 December 2017 from PBT of RM160.13 million in the FYE 31 December 2016. The decline in PBT was mainly due to lower profit margin from our current on-going construction projects arising from escalating cost of certain construction materials and labour cost and provision for increased in cost for refinery and petrochemical integrated development (RAPID) project.

7. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of MHB Shares as traded on the Main Market of Bursa Securities for the past twelve (12) months from March 2017 to February 2018 are as follows:-

	<u>Highest (RM)</u>	<u>Lowest (RM)</u>
<u>2017</u>		
March	1.38	1.25
April	1.38	1.30
May	1.46	1.33
June	1.43	1.36
July	1.43	1.31
August	1.36	1.12
September	1.14	1.02
October	1.07	0.90
November	0.94	0.76
December	0.98	0.74
<u>2018</u>		
January	0.80	1.02
February	0.89	0.99

RM

The last transacted market price of MHB Shares on 12 October 2017 (being the last Market Day prior to the announcement of the Rights Issue) 1.04

The last transacted market price of MHB Shares on the LPD 0.92

The last transacted market price of MHB Shares on 21 March 2018 (being the last transacted market price on the day prior to the ex-date on for the Rights Issue) 0.78

(Source: Bloomberg Finance L.P.)

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON

PKF

(AF 0911)

The Board of Directors
Mitrajaya Holdings Berhad
No. 9, Blok D
Pusat Perdagangan Puchong Prima
Persiaran Prima Utama
Taman Puchong Prima
47150 Puchong
Selangor Darul Ehsan.

PKF

Accountants &
business advisers

Dear Sirs,

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF MITRAJAYA HOLDINGS BERHAD

Report on the Compilation of Pro forma Consolidated Statement of Financial Position

We have completed our assurance engagement to report on the compilation of pro forma consolidated financial information of Mitrajaya Holdings Berhad ("**MHB**" or "**the Company**") by the Directors of MHB. The pro forma financial information of MHB consists of the pro forma consolidated statement of financial position of MHB as at 31 December 2016 together with the notes thereon as set out in the accompanying statement. The applicable criteria on the basis and assumptions of which the Directors of MHB have compiled the pro forma consolidated statement of financial position are described in the notes.

The pro forma consolidated statement of financial position has been compiled by the Directors of MHB to illustrate the impact of the renounceable rights issue of up to 157,433,598 new ordinary shares in MHB ("**MHB Share(s)**") ("**Rights Share(s)**") on the basis of one (1) Rights Share for every five (5) existing MHB Shares held together with up to 78,716,799 free detachable warrants ("**Warrant(s) E**") and an attached bonus issue of up to 78,716,799 new MHB Shares ("**Bonus Share(s)**") on the basis of one (1) Warrant E and one (1) Bonus Share for every two (2) Rights Shares subscribed ("**Rights Issue**"), on the financial position of MHB and its subsidiaries ("**MHB Group**" or "**the Group**") as at 31 December 2016 as if the Rights Issue had taken place on 31 December 2016.

As part of this process, information about the Group's financial position has been extracted by the Directors of MHB from the Company's consolidated financial statement for the financial year ended 31 December 2016, on which an audit report has been published.

Responsibility for the Pro forma Consolidated Statement of Financial Position

The Directors of MHB are responsible for the compilation of the pro forma consolidated statement of financial position of MHB Group in relation to the Rights Issue on the basis and assumptions stated in the notes thereon.

Reporting Accountants' Independence and Quality Control

We have complied with the independence and other ethical requirements of the By-Laws (on Professional Ethics, Conduct and Practice) issued by the Malaysian Institute of Accountants and the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants ("**IESBA Code**"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Tel: +603 6203 1888 • Fax: +603 6201 8880 • Email: general@pkfmalaysia.com • Web: www.pkfmalaysia.com
Level 33 • Menara 1MK • Kompleks 1 Mont' Kiara • No. 1, Jalan Kiara • Mont' Kiara • 50480 Kuala Lumpur • Malaysia

PKF is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)



Accountants &
business advisers

Reporting Accountants' Independence and Quality Control (continued)

Our firm applies International Standard on Quality Control ("ISQC") 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion about whether the pro forma consolidated statement of financial position of MHB Group as at 31 December 2016 has been compiled, in all material respects, by the Directors of MHB on the basis and assumptions stated in the notes thereon.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information included in a Prospectus*, issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires that the Reporting Accountants comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors of MHB have compiled, in all material respects, the pro forma consolidated statement of financial position of MHB Group as at 31 December 2016 on the basis and assumptions stated.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma consolidated statement of financial position of the Group, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma consolidated statement of financial position of the Group.

The purpose of the pro forma consolidated statement of financial position of the Group to be included in the Abridged Prospectus in relation to the Rights Issue ("Abridged Prospectus") is solely to illustrate the impact of the Rights Issue as if the event had occurred or had been undertaken at the earlier date of 31 December 2016 (being the most recent audited financial year end) selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of this event would have been as presented.

A reasonable assurance engagement to report on whether the pro forma consolidated statement of financial position of the Group has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors of MHB in the compilation of the pro forma consolidated statement of financial position of the Group provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether the related pro forma adjustments give appropriate effect to those criteria and the pro forma consolidated statement of financial position reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the pro forma consolidated statement of financial position has been compiled, and other relevant engagement circumstances. The engagement also involves evaluating the overall presentation of the pro forma consolidated statement of financial position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

PKF

Accountants &
business advisers

Opinion

In our opinion,

- (i) the pro forma consolidated statement of financial position of MHB Group as at 31 December 2016, which are prepared for illustrative purposes only, have been properly compiled on the bases and assumptions set out in the accompanying notes to the said pro forma consolidated statement of financial position;
- (ii) the bases are consistent with the accounting policies normally adopted by MHB Group in the preparation of its audited consolidated financial statement; and
- (iii) the adjustments made to the information used in the preparation of the pro forma consolidated statement of financial position of the Group are appropriate for the purposes of preparing the pro forma consolidated statement of financial position.

Other Matters

This report is made solely for the purpose of inclusion in the Abridged Prospectus. As such, this report should not be used or referred to, in whole or in part, for any other purposes without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

PKF

PKF
AF 0911
CHARTERED ACCOUNTANTS

NGU SIOW PING

NGU SIOW PING
03033/11/2019 J
CHARTERED ACCOUNTANT

12 MAR 2018

**APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF
OUR GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS'
LETTER THEREON (CONT'D)**

**MITRAJAYA HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016**

Minimum scenario

			Pro forma I	Pro forma II
		After	Rights Issue	After Pro
	Audited	adjustment		forma I and full
Note	31.12.2016			exercise of
	RM	RM	RM	Warrants E
				RM
ASSETS				
Non-current assets				
Property, plant and equipment	121,195,513	121,195,513	121,195,513	121,195,513
Land held for property development	131,407,297	131,407,297	131,407,297	131,407,297
Investment properties	6,663,509	6,663,509	6,663,509	6,663,509
Investment in an associate	833,769	833,769	833,769	833,769
Goodwill on consolidation	2,216,219	2,216,219	2,216,219	2,216,219
Deferred tax assets	5,518,726	5,518,726	5,518,726	5,518,726
	<u>267,835,033</u>	<u>267,835,033</u>	<u>267,835,033</u>	<u>267,835,033</u>
Current assets				
Amount due from customers for contract works	103,857,230	103,857,230	103,857,230	103,857,230
Property development costs	99,494,415	99,494,415	99,494,415	99,494,415
Inventories	192,307,676	192,307,676	192,307,676	192,307,676
Trade and other receivables	493,026,093	493,026,093	493,026,093	493,026,093
Tax recoverable	2,571,335	2,571,335	2,571,335	2,571,335
Other investment	19,600,867	19,600,867	19,600,867	19,600,867
Deposits, cash and bank balances	58,180,152	45,624,451	45,624,451	110,380,244
	<u>969,037,768</u>	<u>956,482,067</u>	<u>956,482,067</u>	<u>1,021,237,860</u>
TOTAL ASSETS	<u>1,236,872,801</u>	<u>1,224,317,100</u>	<u>1,224,317,100</u>	<u>1,289,072,893</u>
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital	334,861,036	381,212,689	464,904,125	537,926,615
Share premium	23,714,353	-	-	-
Treasury shares	(572,350)	(585,652)	(585,652)	(585,652)
Other reserves	8,592,528	6,852,905	15,119,602	6,852,905
Retained earnings	251,962,228	218,522,152	206,203,205	206,203,205
	<u>618,557,795</u>	<u>606,002,094</u>	<u>685,641,280</u>	<u>750,397,073</u>
Non-controlling interests	(1,424,466)	(1,424,466)	(1,424,466)	(1,424,466)
Total equity	<u>617,133,329</u>	<u>604,577,628</u>	<u>684,216,814</u>	<u>748,972,607</u>
Non-current liabilities				
Deferred tax liabilities	2,066,849	2,066,849	2,066,849	2,066,849
Borrowings	39,468,065	39,468,065	39,468,065	39,468,065
	<u>41,534,914</u>	<u>41,534,914</u>	<u>41,534,914</u>	<u>41,534,914</u>
Current liabilities				
Amount due to customers for contract works	10,003,272	10,003,272	10,003,272	10,003,272
Trade and other payables	336,936,573	336,936,573	336,936,573	336,936,573
Borrowings	215,468,668	215,468,668	135,829,482	135,829,482
Tax payable	15,796,045	15,796,045	15,796,045	15,796,045
	<u>578,204,558</u>	<u>578,204,558</u>	<u>498,565,372</u>	<u>498,565,372</u>
Total liabilities	<u>619,739,472</u>	<u>619,739,472</u>	<u>540,100,286</u>	<u>540,100,286</u>
TOTAL EQUITY AND LIABILITIES	<u>1,236,872,801</u>	<u>1,224,317,100</u>	<u>1,224,317,100</u>	<u>1,289,072,893</u>
Net assets attributable to the owners of the Company (RM)	618,557,795	606,002,094	685,641,280	750,397,073
Total borrowings (RM)	254,936,733	254,936,733	175,297,547	175,297,547
Gearing ratio (Times)	0.41	0.42	0.26	0.23
Total number of ordinary shares (excluding treasury shares) (Number)	669,142,072	688,891,413	895,558,836	964,447,977
Net assets attributable to the owners of the Company/share (RM)	0.92	0.88	0.77	0.78

STAMPED FOR THE PURPOSE OF
IDENTIFICATION ONLY.
PKF (AF 0911)
Chartered Accountants

**APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF
OUR GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS'
LETTER THEREON (CONT'D)**

**MITRAJAYA HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016**

Maximum scenario

			Pro forma I Assuming all the treasury shares are resold and full exercise of the outstanding Warrants D and the ESOS Options	Pro forma II After Pro forma I and the Rights Issue	Pro forma III After Pro forma II and assuming full exercise of the Warrants E
	Note	Audited 31.12.2016 RM	After adjustment RM	RM	RM
ASSETS					
Non-current assets					
Property, plant and equipment		121,195,513	121,195,513	121,195,513	121,195,513
Land held for property development		131,407,297	131,407,297	131,407,297	131,407,297
Investment properties		6,663,509	6,663,509	6,663,509	6,663,509
Investment in an associate		833,769	833,769	833,769	833,769
Goodwill on consolidation		2,216,219	2,216,219	2,216,219	2,216,219
Deferred tax assets		5,518,726	5,518,726	5,518,726	5,518,726
		<u>267,835,033</u>	<u>267,835,033</u>	<u>267,835,033</u>	<u>267,835,033</u>
Current assets					
Amount due from customers for contract works		103,857,230	103,857,230	103,857,230	103,857,230
Property development costs		99,494,415	99,494,415	99,494,415	99,494,415
Inventories		192,307,676	192,307,676	192,307,676	192,307,676
Trade and other receivables		493,026,093	493,026,093	493,026,093	493,026,093
Tax recoverable		2,571,335	2,571,335	2,571,335	2,571,335
Other investment		19,600,867	19,600,867	19,600,867	19,600,867
Deposits, cash and bank balances	1	58,180,152	45,624,451	153,330,860	227,324,451
		<u>969,037,768</u>	<u>956,482,067</u>	<u>1,064,188,276</u>	<u>1,138,182,067</u>
TOTAL ASSETS		<u>1,236,872,801</u>	<u>1,224,317,100</u>	<u>1,332,023,309</u>	<u>1,406,017,100</u>
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital		334,861,036	381,212,689	499,908,832	598,931,415
Share premium		23,714,353	-	-	-
Treasury shares		(572,350)	(585,652)	-	-
Other reserves		8,592,528	6,852,905	(4,722,681)	4,723,335
Retained earnings		251,962,228	218,522,152	218,522,152	201,289,376
	2	<u>618,557,795</u>	<u>606,002,094</u>	<u>713,708,303</u>	<u>804,944,126</u>
Non-controlling interests		(1,424,466)	(1,424,466)	(1,424,466)	(1,424,466)
Total equity		<u>617,133,329</u>	<u>604,577,628</u>	<u>712,283,837</u>	<u>803,519,660</u>
Non-current liabilities					
Deferred tax liabilities		2,066,849	2,066,849	2,066,849	2,066,849
Borrowings		39,466,065	39,468,065	39,468,065	39,468,065
		<u>41,534,914</u>	<u>41,534,914</u>	<u>41,534,914</u>	<u>41,534,914</u>
Current liabilities					
Amount due to customers for contract works		10,003,272	10,003,272	10,003,272	10,003,272
Trade and other payables		336,936,573	336,936,573	336,936,573	336,936,573
Borrowings	3	215,468,668	215,468,668	215,468,668	124,232,845
Tax payable		15,796,045	15,796,045	15,796,045	15,796,045
		<u>578,204,558</u>	<u>578,204,558</u>	<u>578,204,558</u>	<u>486,968,735</u>
Total liabilities		<u>619,739,472</u>	<u>619,739,472</u>	<u>619,739,472</u>	<u>528,503,649</u>
TOTAL EQUITY AND LIABILITIES		<u>1,236,872,801</u>	<u>1,224,317,100</u>	<u>1,332,023,309</u>	<u>1,406,017,100</u>
Net assets attributable to the owners of the Company (RM)		616,557,795	606,002,094	713,708,303	804,944,126
Total borrowings (RM)		254,936,733	254,936,733	254,936,733	163,700,910
Gearing ratio (Times)		0.41	0.42	0.36	0.20
Total number of ordinary shares (excluding treasury shares) (Number)		669,142,072	688,891,413	787,167,990	1,023,318,387
Net assets attributable to the owners of the Company/share (RM)		0.92	0.88	0.91	0.79

STAMPED FOR THE PURPOSE OF
IDENTIFICATION ONLY.
PKF (AF 0911)
Chartered Accountants

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

(I) Basis of preparation

The pro forma consolidated statement of financial position of MHB Group has been prepared for illustrative purposes only, based on the audited consolidated statement of financial position of MHB as at 31 December 2016, to provide information about how the audited consolidated statement of financial position of MHB as at 31 December 2016 might have been affected on the assumption that the Rights Issue as mentioned below to be undertaken by MHB Group was completed as at 31 December 2016 and should be read in conjunction with the notes herein.

The auditors' report on the audited financial statements of the MHB Group for the financial year ended 31 December 2016, on which the pro forma consolidated statement of financial position are based, was unmodified.

The pro forma consolidated statement of financial position has been prepared in a manner consistent with both the format of the financial statements and the accounting policies of MHB Group, which have been prepared in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

The Company is to undertake a renounceable rights issue of up to 157,433,598 Rights Shares on the basis of one (1) Rights Share for every five (5) existing MHB Shares held together with up to 78,716,799 Warrants E and an attached Bonus Issue of up to 78,716,799 Bonus Shares on the basis of one (1) Warrant E and one (1) Bonus Share for every two (2) Rights Shares subscribed.

The pro forma consolidated statements of financial position of MHB are prepared based on two (2) scenarios and has been prepared for illustrative purposes and on the assumptions that the Rights Issue was effected on that date, as follows:-

Minimum scenario:

Assuming all the existing 590,000 treasury shares are retained by the Company and none of the outstanding 68,566,777 warrants 2015/2020 in MHB ("**Warrants D**") as well as the 29,119,800 options granted under the Company's employees' share option scheme ("**ESOS Options**") are exercised prior to the entitlement date of the Rights Issue.

Maximum scenario:

Assuming all the existing treasury shares have been resold in the open market at their respective acquisition prices and all the outstanding 68,566,777 Warrants D as well as the 29,119,800 ESOS Options are exercised prior to the entitlement date of the Rights Issue.

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

NOTES TO THE PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016 (CONTINUED)

(II) Bases and assumptions

Adjusted consolidated statement of financial position as at 31 December 2016

The audited consolidated statement of financial position of MHB Group as at 31 December 2016 has been adjusted for the following transactions that occurred subsequent to 31 December 2016 up to 27 February 2018, being the latest practicable date prior to the printing of the Abridged Prospectus ("LPD"):-

Purchase of treasury shares

From 31 December 2016 to the LPD, MHB bought back 10,000 MHB Shares amounting to approximately RM0.01 million.

Exercise of Warrants D

16,951,841 Warrants D were exercised at RM1.09 each.

Exercise of ESOS Options

- i. 58,000 ESOS Options were exercised before 31 January 2017 at RM1.15 each giving rise to the increase of share premium
- ii. 2,749,500 ESOS Options were exercised after 31 January 2017 at the following respective price per ESOS Option with a total fair value of approximately RM1.08 million transferred to the share capital:-
 - a. 1,000,000 ESOS Options were exercised at RM0.98 each.
 - b. 1,749,500 ESOS Options were exercised at RM1.15 each.
- iii. The fair value of 64,500 ESOS Options previously granted and become exercisable in 2017 amounted to approximately RM0.03 million was recognised in the ESOS reserve account.
- iv. The fair value of 1,635,500 ESOS Options lapsed amounted to approximately RM0.66 million was reversed to the retained earnings.

Dividend

The payment of the first and final dividend of approximately RM34.08 million to the shareholders of MHB for the financial year ended 31 December 2016.

Transition to No Par Value Regime on 31 January 2017

The new Companies Act 2016 ("the Act"), which came into effect on 31 January 2017, abolished the concept of authorised share capital and par value of share. Consequently, the amounts standing to the credit of the share premium account become part of the Company's share capital pursuant to the transitional provisions set out in Section 618(2) of the Act. Notwithstanding this provision, the Company may within 24 months from the commencement of the Act, use the amount standing to the credit of its share premium account of RM23,775,624 (after the effects of the exercise of ESOS Options before 31 January 2017) for the purposes as set out in Section 618(3) of the Act. There is no impact on the number of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

NOTES TO THE PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016 (CONTINUED)

(II) Bases and assumptions (continued)

Minimum scenario

Pro forma I

Pro forma I incorporates the effects of the adjusted consolidated statement of financial position as at 31 December 2016 and the Rights Issue as follows:-

- (a) the issuance of 137,778,282 Rights Shares at an indicative issue price of RM0.59 per Rights Share together with 68,889,141 Warrants E and 68,889,141 Bonus Shares;
- (b) a total of RM23,775,624 from share premium and RM10,668,947 from retained earnings are capitalised for the issuance of the Bonus Shares;
- (c) the theoretical fair value of RM0.12 is determined using the Trinomial option pricing model as at 9 March 2018 extracted from Bloomberg, translating to warrant reserves of RM8,266,697;
- (d) a total of RM79,639,186 raised from the Rights Issue is earmarked for the repayment of borrowings; and
- (e) the estimated expenses of RM1,650,000 in relation to the Rights Issue is deducted against retained earnings.

Pro forma II

Pro forma II incorporates the effects of Pro forma I and assumes that the 68,889,141 Warrants E to be issued pursuant to the Rights Issue are fully exercised at an indicative exercise price of RM0.94 each. Upon the full exercise of the Warrants E, the warrant reserves of RM8,266,697 will be transferred to the share capital.

Maximum scenario

Pro forma I

Pro forma I incorporates the effects of the adjusted consolidated statement of financial position as at 31 December 2016 and assumes that all the existing 590,000 treasury shares are resold at their respective acquisition price such that there will be no gain or loss arising from such resale and full exercise of all the outstanding 68,566,777 Warrants D at an exercise price of RM1.09 each, 6,500,000 ESOS Options at RM0.98 each and 22,619,800 ESOS Options at RM1.15 each prior to the entitlement date of the Rights Issue. Upon full exercise of ESOS Options, the ESOS reserve is transferred to the share capital account.

Pro forma II

Pro forma II incorporates the effects of Pro forma I and the Rights Issue as follows:-

- (a) the issuance of 157,433,598 Rights Shares at an indicative issue price of RM0.59 per Rights Share together with 78,716,799 Warrants E and 78,716,799 Bonus Shares;
- (b) a total of RM23,775,624 from share premium and RM15,582,776 from retained earnings are capitalised for the issuance of the Bonus Shares;
- (c) the theoretical fair value of RM0.12 is determined using the Trinomial option pricing model as at 23 January 2018 extracted from Bloomberg, translating to warrant reserves of RM9,446,016;
- (d) a total of RM91,235,823 raised from the Rights Issue is earmarked for the repayment of borrowings; and
- (e) the estimated expenses of RM1,650,000 in relation to the Rights Issue is deducted against retained earnings.

STAMPED FOR THE PURPOSE OF
IDENTIFICATION ONLY.
PKF (AF 0911)
Chartered Accountants

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

NOTES TO THE PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016 (CONTINUED)

(II) Bases and assumptions (continued)

Maximum scenario (continued)

Pro forma III

Pro forma III incorporates the effects of Pro forma II and assumes that the 78,716,799 Warrants E to be issued pursuant to the Rights Issue are fully exercised at an indicative exercise price of RM0.94 each. Upon the full exercise of the Warrants E, the warrant reserves of RM9,446,016 will be transferred to the share capital.

(III) Explanatory Notes to the Pro Forma Consolidated Statement of Financial Position

1. Deposits, cash and bank balances

The movement of the deposits, cash and bank balances upon the completion of the Rights Issue and utilisation of proceeds are as follows:

	Minimum scenario RM
As at 31 December 2016	58,180,152
<i>Subsequent events after financial year:-</i>	
Exercise of ESOS Options and Warrants D	21,536,132
Purchase of treasury shares	(13,302)
Dividend	<u>(34,078,531)</u>
As per adjusted consolidated statement of financial position	45,624,451
Pursuant to the Rights Issue	81,289,186
Repayment of borrowings	(79,639,186)
Estimated expenses in relation to the Rights Issue	<u>(1,650,000)</u>
As per Pro forma I	45,624,451
Pursuant to the exercise of all Warrants E	64,755,793
As per Pro forma II	<u>110,380,244</u>
	Maximum scenario RM
As at 31 December 2016	58,180,152
<i>Subsequent events after financial year:-</i>	
Exercise of ESOS Options and Warrants D	21,536,132
Purchase of treasury shares	(13,302)
Dividend	<u>(34,078,531)</u>
As per adjusted consolidated statement of financial position	45,624,451
Assuming all the treasury shares are resold and full exercise of the outstanding Warrants D and the ESOS Options	107,706,209
As per Pro forma I	153,330,660
Pursuant to the Rights Issue	92,885,823
Repayment of borrowings	(91,235,823)
Estimated expenses in relation to the Rights Issue	<u>(1,650,000)</u>
As per Pro forma II	153,330,660
Pursuant to the exercise of all Warrants E	73,993,791
As per Pro forma III	<u>227,324,451</u>

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

(III) Explanatory Notes to the Pro Forma Consolidated Statement of Financial Position (continued)

1. Deposits, cash and bank balances (continued)

Utilisation of proceeds

The proceed arising from the Rights Issue will be utilised in the manner as set out below:-

Details of utilisation	Minimum scenario RM'000	Maximum scenario RM'000
Repayment of bank borrowing	79,639	91,236
Estimated expenses in relation to the Rights Issue	1,650	1,650
	<u>81,289</u>	<u>92,886</u>

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

(III) Explanatory Notes to the Pro Forma Consolidated Statement of Financial Position (continued)

2. Equity attributable to owners of the Company

The movement in the statement of changes in equity are as follows:

Minimum scenario

	Share capital RM	Share premium RM	Treasury shares RM	Foreign exchange reserves RM	Revaluation reserves RM	Warrant reserves RM	Share option (ESOS) reserves RM	Retained earnings RM
As at 31 December 2016	334,861,036	23,714,353	(572,350)	(11,958,271)	7,235,590	-	13,315,209	251,962,228
Subsequent events after the financial year:-								
Exercise/Lapse of ESOS Options and exercise of Warrants D	22,576,029	61,271	-	-	-	-	(1,739,623)	638,455
Transfer in accordance to Section 74 of the Act	23,775,624	(23,775,624)	-	-	-	-	-	-
Purchase of treasury shares	-	-	(13,302)	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-
As per adjusted consolidated statement of financial position Pursuant to the Rights Issue	381,212,689	-	(585,652)	(11,958,271)	7,235,590	-	11,575,586	(34,078,531)
Estimated expenses in relation to the Rights Issue	83,691,436	-	-	-	-	8,266,697	-	218,522,152
As per Pro forma I Pursuant to the exercise of all Warrants E	464,904,125	-	(585,652)	(11,958,271)	7,235,590	8,266,697	11,575,586	(1,650,000)
As per Pro forma II	73,022,490	-	-	-	-	(8,266,697)	-	206,203,205
	537,926,615	-	(585,652)	(11,958,271)	7,235,590	-	11,575,586	206,203,205

STAMPED FOR THE PURPOSE OF IDENTIFICATION ONLY.
PKF (AF 0911)
Chartered Accountants

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

(III) Explanatory Notes to the Pro Forma Consolidated Statement of Financial Position (continued)

2. Equity attributable to owners of the Company (continued)

Maximum scenario

	Share capital RM	Share premium RM	Treasury shares RM	Foreign exchange reserves RM	Revaluation reserves RM	Warrant reserves RM	Share option (ESOS) reserves RM	Retained earnings RM
As at 31 December 2016	334,861,036	23,714,353	(572,350)	(11,958,271)	7,235,590	-	13,315,209	251,962,228
Subsequent events after the financial year:-								
Exercise/Lapse of ESOS Options and exercise of Warrants D	22,576,029	61,271	-	-	-	-	(1,739,623)	638,455
Transfer in accordance to Section 74 of the Act	23,775,624	(23,775,624)	(13,302)	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	(34,078,531)
As per adjusted consolidated statement of financial position	381,212,689	-	(585,652)	(11,958,271)	7,235,590	-	11,575,586	218,522,152
Assuming all the treasury shares are resold and full exercise of the outstanding Warrants D and the ESOS Options	118,696,143	-	585,652	-	-	-	(11,575,586)	-
As per Pro forma I	499,908,832	-	-	(11,958,271)	7,235,590	-	-	218,522,152
Pursuant to the Rights Issue	99,022,583	-	-	-	-	9,446,016	-	(15,582,776)
Estimated expenses in relation to the Rights Issue	-	-	-	-	-	-	-	(1,650,000)
As per Pro forma II	598,931,415	-	-	(11,958,271)	7,235,590	9,446,016	-	201,289,376
Pursuant to the exercise of all Warrants E	83,439,807	-	-	-	-	(9,446,016)	-	-
As per Pro forma III	682,371,222	-	-	(11,958,271)	7,235,590	-	-	201,289,376

STAMPED FOR THE PURPOSE OF IDENTIFICATION ONLY.
PKF (AF 0911)
Chartered Accountants

APPENDIX III – PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

(III) Explanatory Notes to the Pro forma Consolidated Statement of Financial Position (continued)

3. Borrowings

The movement of MHB Group's short term borrowings upon the completion of the Rights Issue would be as follows:

	Minimum scenario RM
Per audited financial statements as at 31 December 2016 and adjusted balances	215,468,668
Repayment of bank borrowings	(79,639,186)
As per Pro forma I and II	<u>135,829,482</u>
	Maximum scenario RM
Per audited financial statements as at 31 December 2016, adjusted balances and Pro forma I	215,468,668
Repayment of bank borrowings	(91,235,823)
As per Pro forma II and III	<u>124,232,845</u>