

6. INFORMATION ON OUR GROUP

6.1 OUR COMPANY

6.1.1 History and background

Our Company was incorporated in Malaysia under the Companies Act, 1965 on 27 February 2015 and is deemed registered under the Act as a private limited company under the name of HARPS Global Industry Sdn Bhd. On 28 May 2020, our Company changed its name to HARPS Holdings Sdn Bhd and was converted into a public company on 18 January 2021.

Our Company is principally an investment holding company and we have two wholly owned subsidiaries.

Central Medicare became our wholly-owned subsidiary in October 2017. Our Company first acquired 12,870,000 ordinary shares in Central Medicare, representing 75.71% equity interest of Central Medicare, from Encompass Medical Supplies Inc. Ltd and Ray Max Investment Limited in November 2015. In June 2016, Central Medicare capitalised the amount owing to our Company via the issuance of new 83,000,000 ordinary shares in Central Medicare to our Company. Subsequently, our Company acquired a further 2,700,000 ordinary shares in Central Medicare, representing 2.70% equity interest of Central Medicare, from Wong May Ching in July 2017 and the remaining 1,430,000 ordinary shares in Central Medicare, representing 1.43% equity interest of Central Medicare, was acquired from Encompass Medical Supplies Inc. Ltd. in October 2017.

Central Medicare was incorporated in 2004 and has been principally engaged in the manufacturing and marketing of examination gloves. Over the years, Central Medicare has expanded from a single manufacturing facility with a total of six production lines and a total annual installed capacity of 1.1 billion gloves in 2015 to 32 production lines with a total annual installed capacity of 8.2 billion gloves as at 31 December 2020. In January 2021, Central Medicare completed the expansion of our manufacturing facility, increasing our production lines to 34 production lines and in consequence, increasing the total annual installed capacity to 11.6 billion gloves as at the LPD.

New Era Medicare became our wholly-owned subsidiary in 2015 following the acquisition of the entire issued share capital of New Era Medicare by HARPS from Encompass Medical Supplies Inc. Ltd. New Era Medicare was incorporated in 2012 and was principally engaged in the business of manufacturing and marketing of examination gloves. However, it ceased manufacturing operations in July 2017 and has yet to resume manufacturing operations as at the LPD. New Era Medicare is principally engaged in research and development, manufacturing and distribution of surgical gloves.

6. INFORMATION ON OUR GROUP (Cont'd)

6.1.2 Share Split

[We undertook a subdivision of all the existing HARPS Shares in issue of 100,000,000 HARPS Shares into 10,000,000,000 HARPS Shares.]

The purpose of the Share Split is to enhance the liquidity of HARPS Shares at the time of our Listing.

Upon completion of the Share Split, we have 10,000,000,000 HARPS Shares in issue where the shareholding structure of HARPS before and after the Share Split are as follows:

	Before the Share Split		After the Share Split	
	No. of HARPS Shares	%	No. of HARPS Shares	%
	('000)		('000)	
OTS Global	45,125	45.13	4,512,500	45.13
Lim Loi Heng	20,900	20.90	2,090,000	20.90
Moh Ung Nang	17,100	17.10	1,710,000	17.10
Haziq Bin Zairel Oh	9,200	9.20	920,000	9.20
Chen Ghee Wen	3,325	3.33	332,500	3.33
Lim Hong Jun	2,850	2.85	285,000	2.85
Lee Chee Sian	1,000	1.00	100,000	1.00
Lee Pei Pei	500	0.50	50,000	0.50
Total	100,000	100.00	10,000,000	100.00

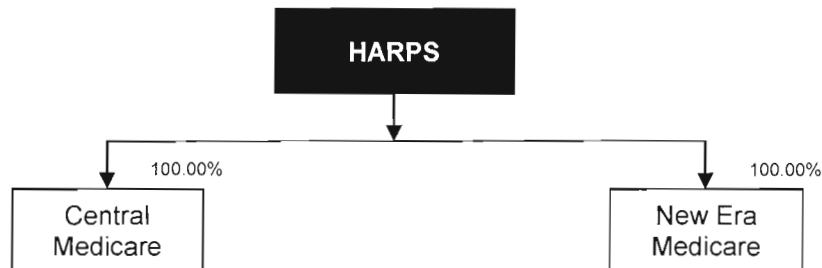
6.1.3 Share capital

Our issued share capital is RM100,000,000, comprising 10,000,000,000 Shares as at the date of this Prospectus.

Save for the Share Split which was completed on [●], there has been no changes in our issued share capital and number of shares for the past three years preceding the LPD.

6.2 OUR GROUP STRUCTURE

Our group structure as at the LPD is as follows:



6. INFORMATION ON OUR GROUP (Cont'd)**6.3 OUR SUBSIDIARIES**

Our subsidiaries as at the LPD are as follows:

Name / registration number	Date and country of incorporation	Share capital RM (unless otherwise stated)	Our effective equity interest (%)	Principal activities
Central Medicare 200401022391 (660896-T)	26 July 2004 Malaysia	100,000,000	100.00	Manufacturing and marketing of examination gloves
New Era Medicare 201201016707 (1002218-K)	17 May 2012 Malaysia	10,000,000	100.00	Engaged in research and development, manufacturing and distribution of surgical gloves

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

6.3.1 Central Medicare

Central Medicare was incorporated in Malaysia under the Companies Act, 1965 on 26 July 2004 as a private limited company under the name of Ritma Teguh Sdn Bhd and is deemed registered under the Act. It changed its name to Central Boiler and Energy System Sdn Bhd on 8 July 2005 and subsequently assumed its present name on 16 October 2007. Central Medicare is principally engaged in the manufacturing and marketing of examination gloves.

The principal place of business of Central Medicare is at PT 2609 – 2620, Batu 8, Jalan Changkat Jong, Mukim Changkat Jong, 36000 Teluk Intan, Perak, Malaysia.

As at the LPD, the issued share capital of Central Medicare is RM100,000,000 comprising 100,000,000 ordinary shares. There has been no change in the issued share capital of Central Medicare for the past three years preceding the LPD.

Central Medicare is our wholly-owned subsidiary. As at the LPD, Central Medicare does not have any subsidiary, associate or joint venture.

6.3.2 New Era Medicare

New Era Medicare was incorporated in Malaysia under the Companies Act, 1965 on 17 May 2012 as a private limited company under the name of Encompass Medical Supplies Sdn Bhd and is deemed registered under the Act. It subsequently assumed its present name on 20 September 2017. New Era Medicare is principally engaged in research and development, manufacturing and distribution of surgical gloves.

The principal place of business of New Era Medicare is at PT 2621 – 2624, Batu 8, Jalan Changkat Jong, 36000 Teluk Intan, Perak, Malaysia.

As at the LPD, the issued share capital of New Era Medicare is RM10,000,000 comprising 10,000,000 ordinary shares. There has been no change in the issued share capital of New Era Medicare for the past three years preceding the LPD.

New Era Medicare is our wholly-owned subsidiary. As at the LPD, New Era Medicare does not have any subsidiary, associate or joint venture.

As at the LPD, our Group does not have any outstanding warrants, options, convertible securities or uncalled capital.

6. INFORMATION ON OUR GROUP *(Cont'd)*

None of our Shares and share capital in our subsidiaries were issued and allotted at a discount or have any special terms or instalment payment term. Our issued Shares and the issued shares of our subsidiaries are fully paid-up.

As at the LPD, neither our Company nor our subsidiaries are involved in any bankruptcy, receivership or similar proceedings.

During the last financial year and up to the LPD, there were no:

- (i) public take-over offers by third parties in respect of our Shares; and
- (ii) public take-over offers by our Company in respect of other companies' securities.