3. PROSPECTUS SUMMARY

THIS PROSPECTUS SUMMARY ONLY HIGHLIGHTS THE KEY INFORMATION FROM OTHER PARTS OF THIS PROSPECTUS. IT DOES NOT CONTAIN ALL THE INFORMATION THAT MAY BE IMPORTANT TO YOU. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE WHOLE PROSPECTUS PRIOR TO DECIDING ON WHETHER TO INVEST IN OUR SHARES.

3.1 PRINCIPAL DETAILS RELATING TO OUR IPO

The following details relating to our IPO are derived from the full text of this Prospectus and should be read in conjunction with that text:

No. of Shares to be issued under the Public Issue	96,668,000
- For application by the Malaysian Public (1)	12,393,400
- For Pink Form Allocations	6,196,700
- For private placement to selected investors (2)	78,077,900
Enlarged number of Shares upon Listing	247,868,000
IPO Price per Share (RM)	[•]
Market capitalisation (calculated based on our IPO Price and enlarged number of Shares upon Listing)	RM[•]

Notes:

(1) Including 6,196,700 Issue Shares made available to Bumiputera public investors.

(2) Including 30,983,500 Issue Shares made available to selected Bumiputera investors approved by MITI and 30,983,500 Issue Shares made available to the Cornerstone Investor.

Our Promoter's entire shareholding after IPO will be under moratorium for 6 months from the date of Listing. Thereafter, our Promoter's shareholding amounting to 45% of our share capital will remain under moratorium for another 6 months. Our Promoter may sell, transfer or assign up to a maximum of one-third per annum (on a straight line basis) of their shares held under moratorium upon expiry of the second 6 months.

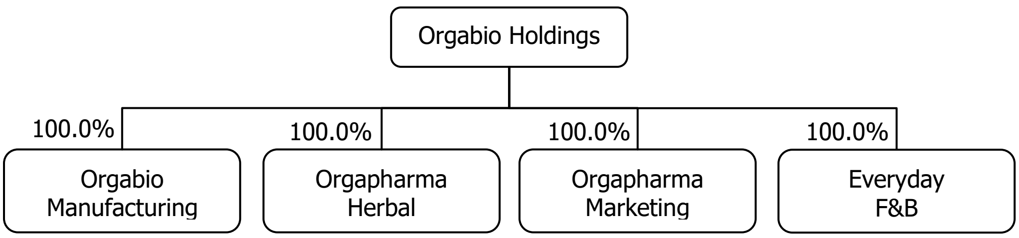
Hai-O Enterprise Berhad, our Cornerstone Investor, has voluntarily agreed to place its entire shareholding under moratorium for the period of 6 months.

Further details on the moratorium on our shares are set out in Section 2.2.

Further details on our IPO are set out in Section 4.

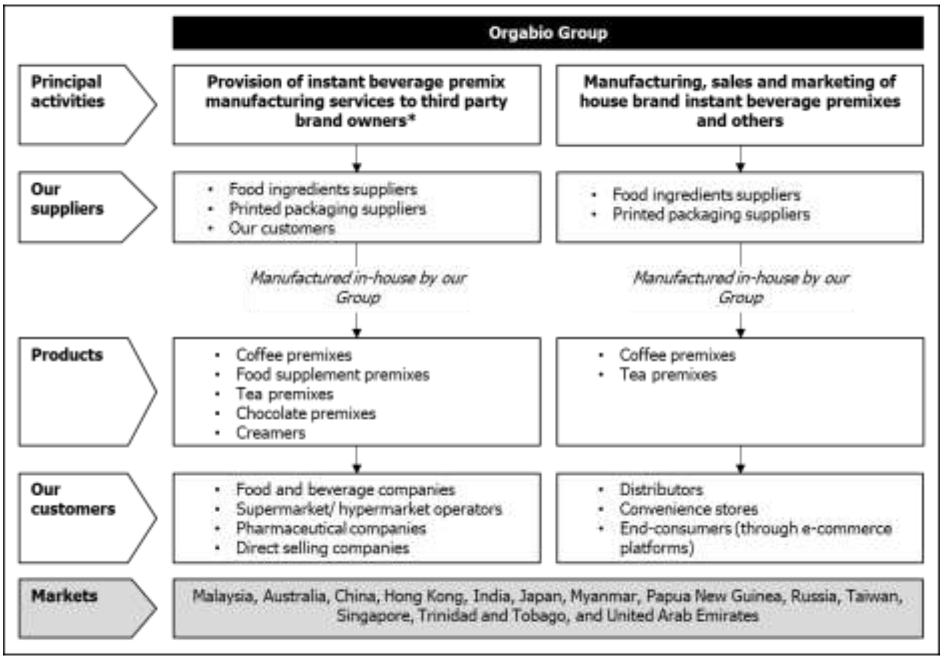
3.2 GROUP STRUCTURE AND BUSINESS MODEL

Our Company was incorporated in Malaysia on 2 May 2018 under the Act as a private limited company under the name of Orgabio Holdings Sdn Bhd. On 24 November 2020, we converted into a public limited company and assumed our present name. We were incorporated as a special purpose vehicle to facilitate the listing of our Subsidiaries on the ACE Market. Our group structure [as at the LPD] is as follows:



Orgabio Holdings is an investment holding company and through our subsidiaries, we are principally involved in the provision of instant beverage premix manufacturing services to third party brand owners and manufacturing, sales and marketing of house brand instant beverage premixes. We have not entered into any long-term contracts with our customers as our sales are derived based on purchase orders whereby our customers will purchase our services on an as-needed basis.

Our business model is depicted in the following diagram:



Note:

* We are also involved in the sale of aloe vera gel, whereby we source for ingredients and packaging materials internally and outsource the packaging process to a third party packaging company.

Further details of our Group and our business model are set out in Section 6.

The breakdown of our Group's revenue segmentation by principal markets is as follows:

	Audited					
Revenue by principal market	**FYE 2018**		**FYE 2019**		**FYE 2020**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**
Local						
Malaysia	26,456	80.98	23,102	72.89	32,553	82.68
Overseas						
Singapore	112	0.34	2,901	9.15	2,325	5.90
China	5,347	16.37	5,063	15.97	1,630	4.14
Papua New Guinea	-	-	95	0.30	1,081	2.75
United Arab Emirates	366	1.12	447	1.41	714	1.81
Hong Kong	81	0.25	-	-	642	1.63
Others	308[(1)]	0.94	88[(2)]	0.28	428[(3)]	1.09
	6,214	19.02	8,594	27.11	6,820	17.32
Total revenue	**32,670**	**100.00**	**31,696**	**100.00**	**39,373**	**100.00**

Notes:

(1) Comprises revenue derived from sales to Japan, Myanmar, Russia and Taiwan.
(2) Comprises revenue derived from sales to India and Russia.
(3) Comprises revenue derived from sales to Australia and Trinidad and Tobago.

3.3 IMPACT OF COVID-19 AND THE MCO

Our business and operations faced temporary interruption pursuant to the COVID-19 outbreak globally. The imposition of the MCO effective on 18 March 2020 to 3 May 2020 by the government of Malaysia to contain the spread of virus has resulted in mandatory closure of all government and private premises, except those involved in essential services, unless written permission is obtained from the relevant governmental bodies. As our business is categorised under essential services, we were allowed to continue operating during the period of the MCO. Nevertheless, between 18 March 2020 and 3 May 2020, we were required to adhere to the standard operating procedures set out by MITI whereby we had reduced our Group's total workforce to a capacity of 50%.

(a) Impact on local sales and delivery

During the initial stage of the MCO, temporary disruptions to the logistics flow had resulted in delays of up to 2 weeks in our delivery schedule to local customers. Nevertheless, we had informed our customers of such delay in delivery schedule and in view of the COVID-19 situation, our customers did not initiate any penalty claims against our Group arising from the delay. Subsequently, as the logistics flow normalised, we no longer experienced any disruptions in the delivery of manufactured products to local customers.

(b) Impact on export sales

Further, during the initial stage of the MCO, temporary logistic disruptions had resulted in delays of up to 2 weeks in our delivery schedule to foreign customers. Nevertheless, we had informed our customers of such delay in delivery schedule and in view of the COVID-19 situation, our customers did not initiate any penalty claims against our Group arising from the delay. Subsequently, as the logistics flow normalised, we no longer experienced any disruptions in the delivery of manufactured products to foreign customers.

Resulting from the COVID-19 outbreak, we had received a suspension of 2 purchase orders from 1 foreign customer, namely Loi Hein (Singapore) Pte Ltd, our major customer in the FYE 2019 and FYE 2020. The suspension of these 2 purchase orders amounted to USD0.45 million (approximately RM1.85 million) and we are unable to recognise such revenue until we complete the fulfilment of the order. As at the LPD, we have yet to receive instructions from Loi Hein (Singapore) Pte Ltd to resume manufacturing of these suspended orders. Nevertheless, our Group was able to recognise revenue for the 3 purchase orders which amounted to RM1.86 million from Loi Hein (Singapore) Pte Ltd which were not suspended in the FYE 2020.

During the MCO, we experienced a 1-month delay in fulfilling orders secured from Bryden Pi Ltd which resulted from a delay in receiving supplies purchased from overseas. Bryden Pi Ltd is our new customer in which we received the purchase orders in November 2019 for the manufacturing of coffee premixes. As we did not have ready supplies available in our inventory to undertake manufacturing activities for Bryden Pi Ltd, we had to purchase the required supplies from overseas. Nevertheless, we had informed Bryden Pi Ltd of such delays in the delivery schedule and in view of the COVID-19 situation, Bryden Pi Ltd did not initiate any penalty claims against our Group arising from the delay. The orders secured from Bryden Pi Ltd were eventually fulfilled on 3 April 2020 and 23 April 2020.

Following the resurgence of COVID-19 cases in Malaysia, a second MCO was imposed in all federal territories and most of the states in Malaysia for different durations from January 2021 to March 2021. Subsequently, conditional MCO and recovery MCO were imposed in different states for different durations from March 2021 to May 2021. In Selangor, where our factory is located, a second MCO was imposed effective 13 January 2021 to 4 March 2021. Subsequently, conditional MCO was imposed on 5 March 2021. Nevertheless, there were no disruptions to our operations and our Group was allowed to operate at full workforce capacity as our business is categorised under essential services by MITI. Further, there were no disruptions in the procurement and receipt of supplies as our suppliers are also categorised under essential services. Due to the above, there were no delays in the fulfilment of orders.

During the MCO, conditional MCO and recovery MCO period since March 2020, we continue to receive enquires for our instant beverage premix manufacturing services and we have managed to secure and fulfilled orders from 12 new customers with total purchase orders that amounted to RM1.40 million.

A third MCO was imposed in 6 districts in Selangor which include the district in which our factory is located from 6 May 2021 and it was later extended throughout Malaysia from 12 May 2021. Subsequently, the National Recovery Plan (phase 1) (previously known as nationwide total lockdown (phase 1)) was imposed from 1 June 2021 onwards. As our business is categorised under essential services, we were allowed to continue operating during the third MCO and National Recovery Plan (phase 1). However, our employees who were physically present at our factory at any given time was limited to 60% of the total workforce (including production and office workforce). Nevertheless, even with the reduced workforce, our production was able to continue to operate 2 shifts, where we limited the number of employees who were physically present at our factory at less than 60% of our total workforce in each shift. We did not face any major disruption for our production, sales and marketing activities, procurement and receipt of supplies.

An enhanced MCO was imposed in 34 sub-districts in Selangor, which include the sub-district in which our factory is located from 3 July 2021 to 16 July 2021. Our Group was not allowed to operate from 3 July 2021 to 7 July 2021 as coffee and tea manufacturing was not included in the list of essential food and beverage manufacturing. Orders from our local and foreign customers which are intended to be manufactured and/or delivered from 3 July 2021 to 7 July 2021 are temporarily delayed. However, our customers did not initiate any penalty claims against our Group arising from the delay. On 7 July 2021, MITI included coffee and tea manufacturing in the list of essential food and beverage manufacturing which allows us to resume our operations on 8 July 2021. However, our employees who are physically present at our factory at any given time is limited to 60% of the total workforce (including production and office workforce). Nevertheless, even with the reduced workforce, our production can continue to operate 2 shifts, and we limit the number of employees who are physically present at our factory at less than 60% of our total workforce in each shift. As such, we do not foresee any major disruption to our production, sales and marketing activities, procurement and receipt of supplies.

To comply with the standard operating procedure(s) ("SOP(s)") imposed during the MCO, conditional MCO and recovery MCO period since March 2020, our Group has incurred testing costs and disinfection costs amounting to RM0.08 million, which is not material to our Group. Our Group has also not been in breach of any laws relating to COVID-19 restrictions and/or SOPs as issued by the relevant authorities.

Kindly refer to Section 6.7.4 for additional details.

3.4 COMPETITIVE STRENGTHS

Our Directors believe that our business sustainability and growth is built on the following competitive strengths:

(i) Our industry experience and expertise enable us to propose and provide customised formulations for instant beverage premixes to suit the needs of a broad range of customers. Having been in the industry for 15 years since we commenced our instant beverage premix business in 2006, we have gained extensive experience in the formulation and manufacturing of instant beverage premixes.

(ii) We provide end-to-end solutions to customers, where our services range from the development of product formulations, sourcing of supplies, to manufacturing of products, and finally the delivery of products to our customers' premise.

(iii) We have an established track record of long-standing relationships with our notable customers, such as Amway (M) Sdn Bhd (15 years), Hai-O Enterprise Berhad (14 years), Lotuss Stores (Malaysia) Sdn Bhd (formerly known as Tesco Stores (Malaysia) Sdn Bhd) (14 years), TDC Avenue Sdn Bhd (formerly known as Tunas Duta Cemerlang Sdn Bhd) (13 years) and Econsave Cash & Carry Sdn Bhd (12 years).

(iv) We are accredited with various certifications as a testament of our manufacturing compliance to internationally recognised food quality and safety standards, such as HACCP, FSSC 22000, MeSTI and GMP. Our manufacturing facility is also registered with the US FDA and certified Halal by JAKIM.

(v) We have an experienced and hands-on management team with accumulated years of experience in their respective field and key expertise, industry experience and in-depth knowledge of our business operations. Our Executive Deputy Chairman, Dato' Ean Yong Tin Sin; Executive Director/Chief Executive Officer, Ean Yong Hien Voon; and Executive Director, Ean Yong Hen Loen have working experience in instant beverage premix industry for over 28 years, 19 years and 9 years, respectively.

Further details of our competitive strengths are set out in Section 6.8.

3.5 BUSINESS STRATEGIES AND PROSPECTS

A summary of our business strategies and prospects are set out below:

(i) We intend to construct a new factory on our Semenyih Land which will enable us to customise the design for our manufacturing area. This will allow us to optimise the configuration of our existing machinery and new machinery to be purchased in order to enhance our manufacturing workflow and efficiency. This will allow our manufacturing workflow to be more linear and continuous as compared to our current manufacturing workflow.

On 20 January 2021, we had obtained bank borrowings amounting to RM8.33 million to part finance the construction of our new factory. Upon Listing, we plan to utilise RM[•] million from our IPO proceeds to repay bank borrowings secured for the construction of our new factory of RM[•] million and to fund the remaining cost of construction of RM[•] million. In the event that the construction of our new factory is completed before the completion of IPO, the RM[•] million shall be funded via internally generated funds and the RM[•] million allocated from our IPO proceeds shall be used for our working capital.

(ii) We intend to enhance the efficiency of our existing manufacturing activities and increase our manufacturing capacity to enable our Group to take on opportunities arising from future demand which will in turn contribute to the growth of our financial performance. Hence, we plan to utilise our IPO proceed to set up the Intermediate Bulk Containers blending system, which will enhance our efficiency via automation of transferring and cleaning processes (RM[•] million) and purchase 2 additional filling machines, which will increase our manufacturing capacity from 150.48 million sachets to 249.15 million sachets (RM[•] million).

(iii) We plan to grow our customer base in the direct selling segment by securing more local and overseas direct selling companies as our customers as direct selling companies are able to provide us with high manufacturing volumes, which will in turn enhance the growth of our financial performance and the sustainability of our Group.

(iv) We plan to continue expanding our export sales via participation in international trade fairs and exhibitions as this will aid in enhancing our market presence and visibility as it enables us to showcase our products and services. Subject to the development of the COVID-19 pandemic, our Group expects to resume participation in trade fairs and exhibitions in 2022 when overseas traveling is allowed as these trade fairs and exhibitions are expected to be held physically.

(v) We plan to continue expanding the range of product offerings and market presence of our house brands by launching new instant beverage premixes which include ice coffee and tea premixes, low GI formulated tea premixes, chocolate premixes and oat cereal premixes under new house brands which we plan to introduce. The ice coffee and tea premixes, low GI formulated tea premixes, chocolate premixes and oat cereal premixes are currently under product development stages, which are expected to complete by September 2021 and March 2022, respectively. We will be able to commence selling of the new instant beverage premixes after obtaining Halal certification for all new instant beverage premixes and certification for low GI content for our low GI formulated tea premixes.

Further details on our business strategies and prospects are set out in Section 6.19.

3.6 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with other matters in this Prospectus, the risk factors as set out in Section 8. Some of the more important risk factors are summarised below:

(i) Our business and operations faced temporary interruption pursuant to the outbreak of the COVID-19 virus globally. Between 18 March 2020 and 3 May 2020, we were required to adhere to the standard operating procedures set out by MITI whereby we had reduced our Group's total workforce to a capacity of 50%. Resulting from the COVID-19 pandemic, we received a suspension of order from 1 foreign customer, namely Loi Hein (Singapore) Pte Ltd, our major customer in the FYE 2019 and FYE 2020, for order of USD0.45 million (approximately RM1.85 million). The imposition of the second MCO in Selangor from 13 January 2021 to 4 March 2021 did not cause any adverse impact to our operations, including the procurement and receipt of supplies and fulfilment of orders.

(ii) We are dependent on Hai-O Enterprise Berhad and TDC Avenue Sdn Bhd (formerly Tunas Duta Cemerlang Sdn Bhd), whom have been our customer since 2007 and 2008 respectively. Collectively, they have contributed 69.58% to our Group's revenue for FYE 2020. We are also dependent on single products from both of these customers, namely one coffee premix product from Hai-O Enterprise Berhad and one food supplement premix product from TDC Avenue Sdn Bhd. Any loss of these major customers could result in a loss of revenue and will have an adverse impact on our financial performance.

(iii) The absence of long-term contracts may result in the fluctuation of our Group's sales and result in uncertainties over our overall financial performance.

(iv) Save for the Certificate for Accommodation, We have obtained the necessary licences and approvals from various governmental authorities for our business such as manufacturing licence, MeSTI, GMP, HACCP, Halal Certificate, FSSC 22000 and US FDA. The licences and approvals are subject to compliance with relevant conditions, laws and regulations under which they were issued. In the event of non-compliance, these licences and approvals may be revoked or may not be renewed upon expiry. Similarly, any breach of these conditions, laws and regulations can result in penalties, fines, potential prosecution against us and/or our directors, restrictions on operations and/or remedial liabilities. If we fail to obtain the Certificate for Accommodation, on conviction, we shall be liable to a fine not exceeding RM50,000 for each location. In addition, our operations may be temporarily affected as we will be required to relocate our foreign workers to new accommodation locations. In addition, we are also required to obtain the Certificate for Accommodation for the new accommodation locations. Kindly refer to Sections 6.18(ii) and 8.1.4 for more details.

(v) The construction of the new factory within time and budget is subject to the requisite approvals and licences as well as machinery procurement and relocation of our existing machinery. Delays in the construction of our new factory may also lead to higher than anticipated construction costs. We expect to complete the construction of the new factory by March 2023.

3.7 DIRECTORS, KEY SENIOR MANAGEMENT, PROMOTER AND SUBSTANTIAL SHAREHOLDERS

Our Directors and key senior management are as follows:

Name	Designation
Directors	
Dr Teh Chee Ghee	Independent Non-Executive Chairman
Dato' Ean Yong Tin Sin	Executive Deputy Chairman
Ean Yong Hien Voon	Executive Director / Chief Executive Officer
Ean Yong Hen Loen	Executive Director
Phang Sze Fui	Independent Non-Executive Director

Name	Designation
Dato' Magaret Ting Thien Hung	Independent Non-Executive Director
Dato' Chan Kong Yew	Independent Non-Executive Director
Key senior management	
Ean Yong Hien Chal	Production Manager
Ngooi Sok Ling	Chief Financial Officer
Tok Ai Mei	Quality Assurance and Quality Control Manager

Further details of our Directors and key senior management are set out in Sections 5.2 and 5.3 respectively.

The details and shareholdings of our Promoter and substantial shareholders in our Company before and after our IPO are as follows:

	Before IPO[1]				After IPO[2]			
	Direct		Indirect		Direct		Indirect	
Name/ Nationality	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Promoter and substantial shareholder								
Ean Yong & Sons / Malaysia	151,199,998	99.99	-	-	151,199,998	61.00	-	-
Substantial shareholders								
Dato' Ean Yong Tin Sin / Malaysian	-	-	(3) 151,199,998	99.99	(4) 400,000	0.16	(3) 152,849,998	61.67
Datin Lai You Mooi / Malaysian	-	-	(3) 151,199,998	99.99	(4) 150,000	0.06	(3) 153,099,998	61.77
Ean Yong Hien Voon / Malaysian	-	-	(3) 151,199,998	99.99	(4) 300,000	0.12	(3) 152,949,998	61.71
Ean Yong Hien Chal / Malaysian	-	-	(3) 151,199,998	99.99	(4) 300,000	0.12	(3) 152,949,998	61.71
Ean Yong Han Khian / Malaysian	-	-	(3) 151,199,998	99.99	(4) 150,000	0.06	(3) 153,099,998	61.77
Ean Yong Hen Loen / Malaysian	-	-	(3) 151,199,998	99.99	(4) 300,000	0.12	(3) 152,949,998	61.71
Ean Yong Sik Siew / Malaysian	-	-	(3) 151,199,998	99.99	-	-	(3) 153,249,998	61.83
Hai-O Enterprise Berhad / Malaysia	-	-	-	-	(5) 30,983,500	12.50	-	-

Notes:

(1) Based on the share capital of 151,200,000 Shares after the Acquisition of Subsidiaries.

(2) Based on the enlarged share capital of 247,868,000 Shares after the IPO.

(3) Deemed interested by virtue of their shareholdings in Ean Yong & Sons and family members' shareholdings in Orgabio Holdings.

(4) Assuming that our Directors/employees will fully subscribe for their respective entitlements under the Pink Form Allocations.

(5) Assuming Hai-O Enterprise Berhad subscribes for 30,983,500 Shares pursuant to the Cornerstone Investment Agreement set out in Section 6.16(iv).

Further details of the Promoter and substantial shareholders are set out in Section 5.1.2.

3.8 UTILISATION OF PROCEEDS

The gross proceeds arising from the Public Issue of approximately RM[•] million shall accrue entirely to us and will be utilised in the following manner:

Utilisation of proceeds	**Reference**	**Estimated timeframe for utilisation**	**RM'000**	**%**
Construction of new factory including:	(i)	March 2023 (1)		
- Repayment of bank borrowings drawn	(i)		[•]	[•]
- Remaining construction cost	(i)		[•]	[•]
Acquisition of machinery	(ii)	4 months (2)	[•]	[•]
Working capital	(iii)	12 months (3)	[•]	[•]
Estimated listing expenses	(iv)	1 month (3)	[•]	[•]
			[•]	**100.00**

Notes:

(1) Kindly refer to Sections 4.10.1(i) and 6.19.1(iv) for the detailed timeline.
(2) From the estimated completion of the construction of our new factory.
(3) From the date of listing of our Shares.

There is no minimum subscription to be raised from our IPO.

Detailed information on our utilisation of proceeds is set out in Section 4.10.

3.9 FINANCIAL AND OPERATIONAL HIGHLIGHTS

The selected financial and operational information included in this Prospectus is not intended to predict our Group's financial position, results and cash flows.

3.9.1 Historical combined statements of profit or loss and other comprehensive income

The following table sets out the financial highlights of our historical audited combined statements of profit or loss and other comprehensive income for the FYEs 2018 to 2020:

	Audited		
	FYE 2018	**FYE 2019**	**FYE 2020**
	RM'000	**RM'000**	**RM'000**
Revenue	32,670	31,696	39,373
Cost of sales	(20,861)	(23,572)	(26,958)
GP	11,809	8,124	12,415
PBT	7,424	3,398	7,724
PAT attributable to:			
- Owners of the Company	5,502	2,254	5,636
- Non-controlling interest	4	9	-
EBIT	7,960	4,099	8,305
EBITDA	9,213	5,647	9,912
GP margin (%)	36.15	25.63	31.53
PBT margin (%)	22.72	10.72	19.62
PAT margin (%)	16.85	7.14	14.31
Effective tax rate (%)	25.84	33.40	27.03
EPS (sen) (1)	3.64	1.49	3.73
Diluted EPS (sen) (2)	2.22	0.91	2.27

In FYE 2019, we recorded lower revenue as compared to preceding FYE 2018 due to lower revenue from other premixes as our major customer, Hai-O Enterprise Berhad did not purchase any tea premixes in FYE 2019 (FYE 2018: RM2.33 million) due to lower sales of their tea premixes in FYE 2019. Products under other premixes include regular milk tea, green tea, matcha latte, chocolate premixes and creamers. We recorded increase in cost of sachet foils used for the packing of instant beverage premixes due to increase in prices by our suppliers, which result in lower GP margin of 25.63%. In addition, we recorded higher administrative expenses due to the hiring of additional employees which had also decreased our overall PBT margin and PAT margin.

Notes:

(1) Calculated based on the PAT attributable to owners of the Company divided by the share capital of 151,200,000 Shares before the IPO.

(2) Calculated based on the PAT attributable to owners of the Company divided by the enlarged share capital of 247,868,000 Shares after the IPO.

Further details on the financial information are set out in Sections 12 and 13.

There were no exceptional or extraordinary items during the financial years under review. Our audited financial statements for the financial years under review were not subject to any audit qualifications.

3.9.2 Pro forma combined statements of financial position

The following table sets out a summary of the pro forma combined statements of financial position of our Group, to show the effects of the Acquisition of Subsidiaries, Public Issue and utilisation of IPO proceeds.

It is presented for illustrative purposes only and should be read together with the Pro forma Combined Statements of Financial Position as set out in Section 13.

	Orgabio Holdings	**I**	**II**	**III**
	As at 30 June 2020	**After Acquisition of Subsidiaries**	**After I and after Public Issue**	**After II and after utilisation of IPO proceeds**
	RM'000	**RM'000**	**RM'000**	**RM'000**
ASSETS				
Non-current assets				
Property, plant and equipment	-	9,009	9,009	[•]
Investment properties	-	10,568	10,568	10,568
Intangible assets	-	19	19	19
Total non-current assets	**-**	**19,596**	**19,596**	**[•]**
Current assets				
Inventories	-	4,085	4,085	4,085
Trade receivables	-	5,262	5,262	5,262
Other receivables	-	573	573	573
Tax recoverable	-	160	160	160
Short-term deposits with licenced banks	-	1,019	1,019	1,019
Cash and bank balances	*	3,690	[•]	[•]
Total current assets	*****	**14,789**	**[•]**	**[•]**
TOTAL ASSETS	*****	**34,385**	**[•]**	**[•]**
EQUITY AND LIABILITIES				
EQUITY				
Share capital	*	15,120	[•]	[•]
Merger deficit	-	(14,186)	(14,186)	(14,186)
(Accumulated losses)/Retained earnings	(13)	12,199	12,199	[•]
Total equity	**(13)**	**13,133**	**[•]**	**[•]**
LIABILITIES				
Non-current liabilities				
Borrowings	-	10,380	10,380	10,380

	Orgabio Holdings	I	II	III
	As at 30 June 2020	After Acquisition of Subsidiaries	After I and after Public Issue	After II and after utilisation of IPO proceeds
	RM'000	RM'000	RM'000	RM'000
Lease liabilities	-	930	930	930
Deferred tax liabilities	-	24	24	24
Total non-current liabilities	**-**	**11,334**	**11,334**	**11,334**
Current liabilities				
Trade payables	-	3,719	3,719	3,719
Other payables	13	4,200	4,200	4,200
Borrowings	-	1,237	1,237	1,237
Lease liabilities	-	424	424	424
Tax payable	-	338	338	338
Total current liabilities	**13**	**9,918**	**9,918**	**9,918**
TOTAL LIABILITIES	**13**	**21,252**	**21,252**	**21,252**
TOTAL EQUITY AND LIABILITIES	*****	**34,385**	**[•]**	**[•]**
Number of Shares in issue ('000)	^	151,200	247,868	247,868
Net (liabilities)/asset per Share (RM)	(6,575)	0.09	[•]	[•]
Borrowings (All interest bearing debts)	-	12,971	12,971	12,971
Gearing (times) (1)	-	0.99	[•]	[•]
Current ratio (times) (2)	~	1.49	[•]	[•]

Notes:

* Representing RM2 only.
^ Representing 2 Shares only.

3.10 DIVIDENDS

Our Company does not have any formal dividend policy. As we are a holding company, our Company's income and therefore our ability to pay dividends is dependent upon the dividends we receive from our subsidiaries, present or future. The payment of dividends or other distributions by our subsidiaries will depend on their distributable profits, operating results, financial condition, capital expenditure plans, business expansion plans and other factors that their respective boards of directors deem relevant.

In respect of FYEs 2018 to 2020, dividends declared by our subsidiaries, Orgabio Manufacturing and Orgapharma Marketing were as follows:

	FYE 2018	FYE 2019	FYE 2020
	RM'000	RM'000	RM'000
Dividends declared	-	-	(1) 5,000

Note:

(1) Declared on 30 June 2020 and paid on 28 August 2020.

Subsequent to FYE 2020, our subsidiary, Orgabio Manufacturing had on 4 January 2021 declared a dividend of RM2.00 million in respect of financial year ending 30 June 2021. The dividend was paid on 5 January 2021.

Further details of our dividends are set out in Section 11.13.