

### 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 OF OUR IPO

##### 3.1.1 Institutional Offering

The Institutional Offering involves the offering of up to 2,300,000,000 IPO Shares, representing up to 23.00% of our issued share capital, subject to the clawback and reallocation provisions and the Over-allotment Option as set out in Sections 4.2.3 and 4.2.4 of this Prospectus, at the Institutional Price in the following manner:

- (i) 1,150,000,000 IPO Shares, representing 11.50% of the issued share capital to Bumiputera investors approved by the MITI; and
- (ii) up to 1,150,000,000 IPO Shares, representing up to 11.50% of our issued share capital of the Company to the following persons:
  - (a) Malaysian institutional and selected investors (other than Bumiputera investors approved by the MITI); and
  - (b) foreign institutional and selected investors outside the United States in reliance on Regulation S.

##### 3.1.2 Retail Offering

The Retail Offering involves the offering of 300,000,000 IPO Shares, representing 3.00% of our issued share capital, subject to the clawback and reallocation provisions as set out in Section 4.2.3 of this Prospectus, at the Retail Price in the following manner:

###### (i) Allocation to the Eligible Persons

100,000,000 IPO Shares, representing 1.00% of our issued share capital, are reserved for application by the Eligible Persons.

###### (ii) Allocation via balloting to the Malaysian Public

200,000,000 IPO Shares, representing 2.00% of our issued share capital, are reserved for application by the Malaysian Public, of which 100,000,000 IPO Shares have been set aside for application by Bumiputera citizens, companies, co-operatives, societies and institutions

##### 3.1.3 Moratorium on our Shares

In accordance with the Equity Guidelines, the Moratorium Providers are not allowed to sell, transfer or assign any part of their respective holdings in our Shares as at the date of our Listing under moratorium, for a period of six months from the date of our Listing. The direct shareholders of OTS Global are not allowed to sell, transfer or assign any part of their respective interests in OTS Global for a period of six months from the date of our Listing. Haziq Bin Zairel Oh and Moh Ung Nang are also not allowed to sell, transfer or assign any Shares that they may subscribe for, following the exercise of the ESOS Options granted to them for a period of six months from the date of our Listing.

For further details relating to our IPO and moratorium on our Shares, see Sections 4.2 and 2.2 of this Prospectus, respectively.

### 3. PROSPECTUS SUMMARY *(Cont'd)*

#### 3.2 OUR BUSINESS

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 and assumed the name of HARPS Holdings Bhd.

Our Company is principally an investment holding company with two wholly-owned subsidiaries, Central Medicare and New Era Medicare. Central Medicare is principally engaged in the manufacturing and marketing of examination gloves while New Era Medicare is principally engaged in research and development, manufacturing and distribution of surgical gloves.

We are a fast-growing manufacturer and distributor of high-quality nitrile examination gloves. We are based in Malaysia but produce gloves for the global market, with particularly strong customer relationships in the United States. All the gloves manufactured by the HARPS Group are made from nitrile latex, a type of synthetic latex which is protein-free allowing nitrile gloves to be an alternative to natural rubber gloves for users who are allergic or sensitive to proteins found in natural rubber gloves. Compared to natural rubber gloves, nitrile gloves are capable of better resistance to oils, solvents and chemicals, and also require less thickness to achieve similar tensile strength.

We manufacture nitrile examination gloves for a variety of applications, including for use in the medical, food safety and industrial sectors. Our customers are in medical and non-medical industries and our end-users include hospitals, clinics, laboratories, nursing homes, food industry businesses, industrial workers and frontline workers in a wide range of industries who are using disposable examination gloves due to increased hygiene requirements in the wake of the Covid-19 pandemic. We sell all of our products under third-party labels where we have been engaged as an OEM by our customers.

We currently operate one manufacturing facility in Malaysia and as at 31 December 2020 had 32 production lines and a total annual installed capacity of 8.2 billion gloves. As at 31 January 2021, we completed the new expansion to our manufacturing facility, increasing our production lines to 34 and our total annual installed capacity to 11.6 billion gloves. We intend to increase our total annual installed capacity to 19.5 billion gloves by the end of 2023 with a total of 54 production lines.

For further details on our history, group structure and business, see Sections 6 and 7 of this Prospectus.

#### 3.3 COMPETITIVE STRENGTHS

Our competitive strengths are as follows:

(i) **Strong fundamental industry growth drivers which we can benefit from through our planned capacity expansion**

We operate in an industry with strong fundamental growth drivers, and we believe that our planned capacity expansion will enable us to benefit from this growth. Global demand for disposable examination gloves has experienced steady growth over the past two decades, with the total global export value of rubber gloves (including nitrile and natural rubber gloves) expanding by a CAGR of 9.9% between 2000 and 2020. We believe that there are certain sustained long-term drivers of this growth, which are fundamental to the long-term development of the examination glove industry and make the industry resilient to short-term fluctuations in Malaysian, regional and global economic cycles.

**3. PROSPECTUS SUMMARY (Cont'd)****(ii) Strong demand in the wake of the COVID-19 pandemic and higher hygiene standards globally**

We expect the continuing impact of the COVID-19 pandemic to drive global demand for gloves and global glove production volumes for the foreseeable future. Glove production globally is expected to grow at a CAGR of 20% from 2020 to 2023, from 327 billion gloves in 2020 to 571 billion gloves in 2023. We expect that both supply and demand will remain above pre-COVID-19 levels after the pandemic, as global health standards and consumer behaviour evolve. Total global demand for gloves in 2020 exceeded global production output by 120%, with total global demand for 718 billion gloves and global production output of 327 billion gloves. We expect that the unmet total global demand will support the growth in global production output of gloves for the next one to two years, with global production volumes only fulfilling global demand in 2023. Past epidemics and pandemics have shown that glove consumption surges during a health crisis and then tends to remain above pre-crisis levels even after the crisis abates. Even with widespread distribution of vaccines, gloves will still be required for tasks such as COVID-19 testing and administering the vaccines.

**(iii) Global reach across developed, developing and emerging markets through strong relationships with OEM customers and suppliers**

Our sales and distribution capabilities have a global reach covering the United States, Europe and Asia, with a strong base of major customers in the United States, where we have established strong, long-term relationships with strategic customers. As at LPD, we serve over 35 customers across four continents. We sell our gloves, unbranded, to our key customers who then distribute our gloves, under their own brand names or otherwise, across the world. This approach provides us with global reach, covering developed markets like the United States as well as developing and emerging markets. We also have strong relationships with our suppliers. Regular communication with our suppliers helps to manage our supply chain to mitigate potential risks in supply, balance costs, leverage services and improve the performance of our supply chain.

**(iv) High-quality product portfolio focused on the attractive nitrile segment**

Product quality is our primary focus and we specialise in the production of nitrile gloves. Our products comply with key international standards and requirements, including those of the ASTM, the FDA in the United States, the PMDA in Japan, the NMPA in China, the Medical Device Authority in Malaysia, Health Canada and European Union regulations. Our quality management systems are certified under the MDSAP and we have received ISO 9001:2015 and ISO 13485:2016 certifications for our design, development and manufacturing processes. We have adopted for our quality control system, the acceptable quality limit system of quality measurement in accordance with ISO 2859-1:1999 to ensure the quality of our gloves exceeds the minimum acceptance rate outlined by the applicable international standard standards. The growth in demand for nitrile gloves has significantly outpaced the growth for demand for other types of examination gloves such as natural rubber over the last ten years because of the several advantages nitrile gloves have over natural rubber gloves.

**(v) Innovation culture, driven by R&D and talent development**

Innovation is a core element of our corporate culture and a key pillar of our business strategy, and we believe that it is necessary for our business competitiveness and sustainability. We seek to foster innovation throughout our Company, from the R&D of new products to our processes and operational facility design. We also incorporate innovation in our organisational talent management system. We have developed and produce multiple types of gloves including, among others, eco-friendly gloves, gloves with high permeation resistance to chemotherapy chemicals, gloves with resistance to fentanyl and gloves with low dermatitis potential. We hold various intellectual property for our products including a trademark for our eco-friendly gloves, Malachite for which we have a pending industrial design application.

### 3. PROSPECTUS SUMMARY *(Cont'd)*

(vi) **New and modern production lines that we design in-house with an emphasis on quality and improving production efficiency**

We operate our modern manufacturing facility with new and modern production lines that have enabled us to consistently deliver high product quality while improving our production capacity and efficiency over time. We have grown our production output by almost ten times over the past five years, demonstrating our capacity of supplying at scale. This scale-to-supply approach enables us to compete with other manufacturers in the market and to improve our per-unit costs. We have achieved our output growth in part through capacity expansion but also through significant improvements in efficiency and we have achieved our increased level of production while also decreasing the comparative level of manpower involved.

(vii) **Experienced and operationally engaged management team, capable of delivering strong growth and results**

Our Executive Directors, Key Senior Management and key mid-level management have extensive industry knowledge, experience and operational expertise, with our Key Senior Management having an average of over 15 years of experience in the glove and polymer industry. Together, our Key Senior Management have extensive experience in the development, production and distribution of examination gloves and the financial and strategic aspects of our business.

For further details on our competitive strengths, see Section 7.2 of this Prospectus.

#### 3.4 IMPACT OF THE COVID-19 PANDEMIC

The COVID-19 pandemic has had various effects on our business and operations, from driving global demand for examination gloves which has resulted in significant increases in our ASPs to an interruption and suspension of operations at our manufacturing facility in Teluk Intan in February and March 2021 due to confirmed cases of COVID-19 among our workers.

(i) **Impact on our business and operations for FYE 31 December 2020**

In 2020, the COVID-19 pandemic, including the related travel restrictions, quarantine and lockdown measures imposed in Malaysia have not had a material adverse effect on our business and operations as we were allowed to continue operating during the MCO, CMCO and RMCO periods as our business was deemed "essential" because we manufacture protective medical equipment. While the COVID-19 pandemic has led to an increase in demand for personal protective equipment such as examination gloves, we do not believe that this increased demand significantly impacted our sales volumes in the FYE 31 December 2020 because we were already operating at high levels of production capacity prior to the COVID-19 pandemic. The increased global demand for personal protective equipment significantly contributed to a rise in our ASPs to the highest levels that our Company has experienced to date. In response to market forces, including rising prices of raw materials and increased supply and demand pressures, we gradually increased the ASPs of our gloves during FYE 31 December 2020.

(ii) **Impact on our business and operations for FYE 31 December 2021**

In February and March 2021, we experienced a disruption to our operations at our manufacturing facility due to the occurrence of confirmed cases of COVID-19 among our workers. We detected the first case of COVID-19 in early February 2021 and immediately began testing and quarantine measures and had worked closely with local district health authority (the district office of the Ministry of Health) in this regard. Based on the results of the mass screening conducted on our workers, we initiated a temporary suspension of our manufacturing operations from 15 February 2021 to prioritise the safety of our workers and the surrounding community.

### 3. PROSPECTUS SUMMARY (Cont'd)

Subsequently, an EMCO was imposed on our manufacturing operations and our workers' hostels from 22 February 2021 through 7 March 2021, which required us to suspend all operations at our manufacturing facility and the construction site where our new worker hostel is under construction, test all of our workers and quarantine those who tested positive. We resumed operations in phases after the EMCO was lifted on 8 March 2021, achieving a daily production output in terms of number of gloves produced equal to pre-suspension levels by 13 March 2021. We also implemented reinforced health and safety measures, including the engagement of a new third-party supplier of healthcare services and the implementation of routine testing of our workers.

The temporary suspension of our operations from 15 February 2021 to the end of the EMCO period on 7 March 2021 resulted in a reduction in the number of gloves that we produced by approximately 628 million pieces, which is approximately 5% of our total annual installed capacity for FYE 31 December 2021. Despite the reduction in the number of gloves produced, we expect our Group's revenue and PAT for FYE 31 December 2021 to be higher than FYE 31 December 2020, due to the increase in our installed annual capacity to 11.6 billion gloves from February 2021 onward and the strong global demand for gloves which has resulted in higher ASPs for our gloves from the start of 2021 until the LPD as compared to the ASPs for FYE 31 December 2020.

This disruption to our manufacturing operations has resulted in delays in our shipments and deliveries and the fulfilling of our customers' purchase orders. We maintained close communication with our customers throughout this period to address the delay in fulfilling their orders and kept them updated on our progress and our expected timeline for resuming production in order to minimise the impact on our customers.

For further details on the impact of the COVID-19 pandemic on our business, see Sections 5.1.3, 5.1.4, 5.1.7, 5.2.1, 5.2.2, 5.2.4, 5.2.5, 5.3.5, 7.1, 7.2.1, 7.2.2, 7.3.6, 7.5, 7.9, 7.10, 7.18, 12.2.1, 12.2.2, 12.2.6(i) and 12.2.13 of this Prospectus.

#### 3.5 FUTURE PLANS AND STRATEGIES

Our future plans and strategies are as follows:

(i) **Expand capacity to meet increased demand and benefit from economies of scale**

We have plans in place to expand our total annual installed capacity from 11.6 billion gloves and 34 production lines in 2021 to 19.5 billion gloves and 54 production lines by the end of 2023. We intend to expand our operations in 2023 onto the piece of 19.5 acres land that we own which is adjacent to our current manufacturing facility.

(ii) **Pursue operational excellence through continued improvement initiatives**

We continually aim to improve the operational efficiencies of our manufacturing processes and the consistency of the quality of our products and strive for operational excellence. We view our automation initiatives specifically as both improving our manufacturing capabilities and helping to mitigate against labour shortages. We are also working on researching wastewater treatment technologies that would support better environmental care, improve compliance with environmental requirements and help us fulfil our corporate commitment to environmental stewardship.

(iii) **Focus on evolutionary innovation to deliver new, value-adding products**

We seek to continually focus on material innovation and the application of new materials and formulation science to our new and existing products. We also plan to invest in operational innovation, process optimisation and automation. We have five cross-disciplinary task forces that focus on searching for solutions in key areas, including water, formers, quality defects, downtime response and potential areas of automation. We are currently developing gloves with even higher permeation resistance to chemotherapy chemicals, as well as gloves with other improved

### 3. PROSPECTUS SUMMARY *(Cont'd)*

applications, including a new medical glove that complies with more stringent medical standards which we expect to launch by 2022.

(iv) **Develop our human capital**

We seek to foster an innovative culture and grow our Company. We endeavour to attract, retain, nurture and develop our talent through various initiatives.

(v) **Focus on commercial and supply chain excellence**

We plan to continue to improve our commercial performance and our supply chain through various areas of focus, including proactive key account management and partnership development with our customers, strategic marketing and branding management, and an efficient integrated supply chain system.

(vi) **Expand into new markets and distribution channels**

Subject to the exigencies of the COVID-19 pandemic and our servicing of increased demand from our existing customers, we aim to diversify our customer base and the distribution of our gloves by increasing our sales to China and Europe where our products are already ready and certified for distribution into. We believe that there is significant growth potential for gloves in China in particular since current per-capita annual glove consumption in China is low. We are also considering using new distribution channels in addition to our traditional channels, including opening online channels and distributing our own brands.

For further details on our future plans and strategies, see Section 7.3 of this Prospectus.

### 3.6 RISK FACTORS

An investment in our Shares involves a number of risks, many of which are beyond our control. You should carefully consider all of the information contained in this Prospectus, including all the risk factors, before deciding to invest in our Shares. Set out below are the key risks faced by us in our business operations:

- (i) We require licences, permits and approvals from relevant government authorities and regulatory agencies for our operations, and we may be materially and adversely affected if our licences, permits and approvals are revoked, suspended or not renewed. See Annexure A of this Prospectus for further details on our major licences, permits and approvals;
- (ii) We are required to obtain certification by government authorities and regulatory agencies before making any claims regarding our products and to sell our products both domestically and for export to other countries, including certification by the FDA for sale of certain medical examination gloves in the United States. We may be materially and adversely affected if the certifications for any of our products are revoked or not renewed or if we are unable to obtain the relevant certifications for new products;
- (iii) We may be materially and adversely affected by events relating to the COVID-19 pandemic or other epidemics or pandemics. We have faced and may in the future face disruptions to our operations and our manufacturing activities due to the COVID-19 pandemic or other epidemics or pandemics or other health factors. We were not required to close or suspend operations pursuant to the MCO, RMCO and CMCO, as our business was deemed to be "essential", but we suspended operations at our manufacturing facility from 15 February 2021 because of the occurrence of a number of confirmed cases of COVID-19 amongst our workers at our facility. Subsequently an EMCO was imposed on us from 22 February 2021 through 7 March 2021, which required us to suspend all operations at our manufacturing facility and the construction site where our new worker hostel is under construction. We resumed operations in phases after the EMCO was lifted on 8 March 2021.

**3. PROSPECTUS SUMMARY (Cont'd)**

There can be no assurance that we will not encounter a similar COVID-19 outbreak at our facilities in the future and in such event, we may be required to shut down our manufacturing facility and quarantine our workers. Any such disruption could adversely affect our glove production and our ability to meet our customers' orders, on time or at all, in particular because we only operate a single manufacturing facility, at a single location, and we would not be able to shift production to other facilities. There can also be no assurance that we will not in the future experience more severe disruptions in the event that more stringent governmental measures are imposed or if the COVID-19 pandemic becomes more severe or protracted. Any regulatory measures or restrictions taken in response to the current pandemic or a future outbreak of infectious disease in Malaysia or any other country where our operations, customers or suppliers are based, could severely disrupt our supply chain, our business operations, our distribution network, delay our expansion plans and affect our ability to staff our operations and as such, we are uncertain as to the final impact of the COVID-19 pandemic on our Group, it could weaken global demand for examination gloves, which could adversely affect our selling prices and market position and have a material adverse effect on our business, financial condition, results of operations and prospects;

- (iv) We are exposed to the risk of delays, claims, reductions or cancellations of orders from customers. Our sales are affected by demand from the end customers of our customers. Although we are not dependent on any particular major customer, our revenue has been concentrated on our major customers as a result of our prioritising our expansion efforts on satisfying the demands of our current customers and developing key large accounts. We may be materially and adversely affected if there are any significant changes in our customers' requirements or the make up of our major customers, any material delay, cancellation, reduction and/or cessation of orders and/or claims for whatsoever reason by any of our major customers;
- (v) We are exposed to the risk of delays, reductions and cancellations of supplies from our suppliers. The COVID-19 pandemic has resulted in high industry demand for raw materials and tighter supplies, in particular for nitrile latex. Our profitability may be affected by shortages in these raw materials or the inability of our suppliers to meet our raw material requirements;
- (vi) The global demand for and average selling prices of examination gloves may be subject to fluctuations, in particular during pandemics and epidemics. As vaccines for the COVID-19 pandemic have been developed, there may be a reduction in global demand for examination gloves, which may result in a fall in the selling prices for examination gloves. Selling prices may also fall as global production output increases as glove manufacturers seek to increase their production output to meet the increased global demand;
- (vii) We may from time to time face allegations of forced or unethical labour practices, even if the bases for such allegations are not valid. Any allegations of forced or unethical labour practices may negatively affect our customers' willingness to trade with us or may lead to negative publicity. Governments in other countries may also restrict or ban the import of our products due to such allegations or negative publicity, which may materially and adversely affect our business, financial condition, results of operations and prospects; and
- (viii) We are dependent on foreign labour and may face increased labour costs or labour shortage. As at 31 December 2020, our employees at our manufacturing facility consisted of approximately 76% foreign workers. Any changes in immigration and labour policies by the Malaysia government including any implementation of a policy requiring employers to bear the cost of levy payments for foreign workers, the revision of minimum monthly wage for foreign workers in Malaysia, restriction on the number of recruitment of foreign workers or continuous rejection of our applications to recruit foreign workers may materially and adversely affect our business, financial condition, results of operations and prospects.

### 3. PROSPECTUS SUMMARY *(Cont'd)*

For further details of our risk factors, see Section 5 of this Prospectus.

#### 3.7 DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, our Directors and Key Senior Management are as follows:

<b>Name</b>	<b>Designation</b>
<b>Directors</b>	
Dr. Tunku Alina Binti Raja Muhd Alias	Independent Non-Executive Chairman
Haziq Bin Zairel Oh	Non-Independent Executive Managing Director and Chief Executive Officer
Chen Ghee Wen	Non-Independent Executive Director and Chief Operating Officer
Moh Ung Nang	Non-Independent Executive Director
Lim Loi Heng	Non-Independent Non-Executive Director
Anne Rodrigues née Koh Lan Heong	Senior Independent Non-Executive Director
Loke Foong Wai	Independent Non-Executive Director
Dr. Lim Thian Soo	Independent Non-Executive Director
Mohammed Rafidz Bin Ahmed Rasiddi	Independent Non-Executive Director
<b>Key Senior Management</b>	
Haziq Bin Zairel Oh	Non-Independent Executive Managing Director and Chief Executive Officer
Chen Ghee Wen	Non-Independent Executive Director and Chief Operating Officer
Moh Ung Nang	Non-Independent Executive Director
Lee Pei Pei	Chief Strategy Officer
Lee Chee Sian	Chief Technology Officer
Veronica How Mei Yen	Chief Financial Officer
Dr. Ng Thian Hong	Chief Innovation Officer

For further details on our Directors and Key Senior Management, see Sections 9.2 and 9.3 of this Prospectus, respectively.

#### 3.8 DIVIDEND POLICY

No inference should be made from any of the foregoing statements as to our actual future profitability or our ability to pay dividends in the future. As our Company is a holding company, our income and therefore, our ability to pay dividends is dependent upon the dividends that we receive from our subsidiaries. Distributions by our subsidiaries will depend upon their operating results, earnings, capital requirements, general financial condition and other relevant factors including exchange controls.

We target a payout ratio of up to 35% of our PATAMI of each financial year on a consolidated basis after taking into account working capital and maintenance capital requirements, subject to any applicable law, licence conditions and contractual obligations and provided that such distribution will not be detrimental to our Group's cash requirements or any plans approved by our Board. Investors should note that this dividend policy merely describes our present intention and shall not constitute legally binding statements in respect of our future dividends which are subject to modification (including non-declaration thereof) at our Board's discretion. We cannot assure you that we will be able to pay dividends or that our Board will declare dividends in the future. There can also be no assurance that future dividends declared by our Board, if any, will not differ materially from historical dividend levels. See Section 5 of this Prospectus for the factors which may affect or restrict our ability to pay dividends.

### 3. PROSPECTUS SUMMARY (Cont'd)

#### 3.9 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

The following table set out the direct and indirect shareholding of our Promoters and substantial shareholders before and after our IPO:

Name	Nationality/ Country of incorporation	After our IPO											
		Before our IPO				Assuming the Over-allotment Option is not exercised				Assuming the Over-allotment Option is fully exercised <sup>(2)</sup>			
		Direct		Indirect		Direct		Indirect		Direct		Indirect	
		No. of Shares ( <sup>'000</sup> )	%	No. of Shares ( <sup>'000</sup> )	%	No. of Shares ( <sup>'000</sup> )	% <sup>(1)</sup>	No. of Shares ( <sup>'000</sup> )	% <sup>(1)</sup>	No. of Shares ( <sup>'000</sup> )	% <sup>(1)</sup>	No. of Shares ( <sup>'000</sup> )	% <sup>(1)</sup>
<b>Promoters and substantial shareholders</b>													
Haziq Bin Zairel Oh	Malaysian	920,000	9.20	4,512,500	<sup>(3)</sup> 45.13	680,800	6.81	3,339,250	<sup>(3)</sup> 33.39	653,300	6.53	3,339,250	<sup>(3)</sup> 33.39
Moh Ung Nang	Malaysian	1,710,000	17.10	-	-	1,265,400	12.65	-	-	1,213,400	12.13	-	-
<b>Promoter</b>													
Chen Ghee Wen	Malaysian	332,500	3.33	50,000	<sup>(4)</sup> 0.50	246,050	2.46	37,000	<sup>(4)</sup> 0.37	142,050	1.42	35,500	<sup>(4)</sup> 0.36
<b>Substantial shareholders</b>													
OTS Global	Malaysia	4,512,500	45.13	-	-	3,339,250	33.39	-	-	3,339,250	33.39	-	-
Lim Loi Heng	Malaysian	2,090,000	20.90	-	-	1,546,600	15.47	-	-	1,482,600	14.83	-	-

#### Notes:

- (1) Based on our issued share capital of 10,000,000,000 Shares after the Share Split.
- (2) Assuming an Over-allotment Option of up to an aggregate of 260,000,000 Shares, representing up to 10.00% of the total number of IPO Shares offered.
- (3) Deemed interested by virtue of his shareholding in OTS Global pursuant to Section 8(4) of the Act.
- (4) Deemed Interested by virtue of his spouse's, Lee Pei Pei, direct interest in our Company pursuant to Section 59(11)(c) of the Act.

### 3. PROSPECTUS SUMMARY *(cont'd)*

#### 3.10 USE OF PROCEEDS

We will not be receiving any proceeds from our IPO as there is no public issue to be undertaken as part of our IPO.

#### 3.11 FINANCIAL AND OPERATIONAL INFORMATION

The following table set out the financial highlights of our consolidated results of operations for the periods indicated:

	FYE 31 December		
	Audited		
	2018	2019	2020
	RM'000	RM'000	RM'000
Revenue	276,982	512,217	1,218,283
Cost of sales	(247,677)	(450,345)	(554,333)
<b>Gross Profit</b>	<b>29,305</b>	<b>61,872</b>	<b>663,950</b>
PBT	10,239	34,696	627,736
PAT	11,090	37,594	514,486
Total equity	101,465	139,059	653,545
Total borrowings (including lease liabilities)	133,040	176,561	271,385
Gross Profit margin (%) <sup>(1)</sup>	10.6	12.1	54.5
PBT margin (%) <sup>(2)</sup>	3.7	6.8	51.5
PAT margin (%) <sup>(3)</sup>	4.0	7.3	42.2
Gearing ratio (times) <sup>(4)</sup>	1.3	1.3	0.4

**Notes:**

- (1) Computed based on gross profit divided by revenue.  
(2) Computed based on PBT divided by revenue.  
(3) Computed based on PAT divided by revenue.  
(4) Computed based on total borrowings (including lease liabilities) over total equity as at the end of the year.

The following table sets out the production capacity and utilisation rates of our manufacturing facility for the years indicated:

FYE 31 December	Manufacturing Facility	Block A	Block B	Block E	Block F	Total
2018	Annual installed capacity (million units)	1,203.6	2,031.4	566.7	-	3,801.7
	Actual production output (million units)	982.7	1,613.0	389.6	-	2,985.2
	Utilisation rate	81.6%	79.4%	68.7%	-	78.5%
2019	Annual installed capacity (million units)	1,242.4	2,263.5	3,462.3	-	6,968.3
	Actual production output (million units)	1,138.3	1,863.4	2,922.3	-	5,924.0
	Utilisation rate	91.6%	82.3%	84.4%	-	85.0%
2020	Annual installed capacity (million units)	1,337.3	2,670.3	3,494.4	656.9	8,158.9
	Actual production output (million units)	1,218.7	2,353.5	3,155.2	641.1	7,368.6
	Utilisation rate	91.1%	88.1%	90.3%	97.6%	90.3%

As at 31 January 2021, our total annual installed capacity has increased to 11.6 billion gloves. For further details on financial information relating to our Group and our manufacturing facility, see Sections 12 and 7.7 of this Prospectus.