

14. ADDITIONAL INFORMATION

14.1 EXTRACT OF OUR CONSTITUTION

The following provisions are extracted from our Company's Constitution and are qualified in its entirety by the provisions of our Constitution and by applicable law.

The words and expressions appearing in the following provisions shall bear the same meanings used in our Company's Constitution unless they are otherwise defined or the context otherwise requires.

14.1.1 Remuneration of Directors

The provision in our Constitution dealing with remuneration of Directors are as follows:

Clause 93 - Directors' remuneration

93. The fees and benefits payable to the Directors of the Company including compensation for loss of employment of a Director or a former Director of the Company shall from time to time be approved by Members in general meeting and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree PROVIDED ALWAYS that:
- 93.1 salaries payable to executive Director(s) may not include a commission on or percentage of turnover; and
- 93.2 fees payable to non-executive Directors shall be a fixed sum and not by a commission on or percentage of profits or turnover.

Clause 94 - Reimbursement of expenses

- 94.1 The Directors shall be paid all their travelling and other expenses properly and necessarily expended by them in and about the business of the Company including their travelling and other expenses incurred in attending board meetings or of any committee of the Directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors.
- 94.2 If by arrangement with the Directors, any Director shall perform or render any special duties or services outside his ordinary duties as a Director in particular without limiting to the generality of the foregoing if any Director being willing shall be called upon to perform extra services or to make any special efforts in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Company may remunerate the Director so doing a special remuneration in addition to his Director's fees and such special remuneration may be by way fixed sum or otherwise as may be arranged.

Clause 115 – Alternate Director

- 115.1 A Director may appoint any person to act as his Alternate Director and at his discretion by way of a notice to the Company, remove such Alternate Director from office. PROVIDED ALWAYS that:
- (a) such person is not a director of the Company;
- (b) such person does not act as an alternate for more than one (1) Director of the Company;
- (c) the appointment is approved by a majority of the other members of the Board; and
- (d) any fee paid by the Company to an alternate director shall be deducted from that Director's remuneration.

14. ADDITIONAL INFORMATION (Cont'd)

- 115.2 An alternate Director shall (except as regards power to appoint an alternate Director and remuneration) be subject in all respects to the terms and conditions existing with reference to the other Directors and shall be entitled to receive notices of all meetings of the Directors and to attend, speak and vote at any such meeting at which his appointer is not present.
- 115.3 Any appointment or removal of an alternate Director may be made by cable, telegram, facsimile, telex or in any other manner approved by the Directors. Any cable or telegram shall be confirmed as soon as possible by letter but may be acted upon by the Company meanwhile.
- 115.4 If a Director making any such appointment as aforesaid shall cease to be a Director (otherwise than by reason of vacating his office at a meeting of the Company at which he is re-elected), the person appointed by him as an alternative Director shall thereupon cease to be an alternate Director.
- 115.5 An alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote.

Clause 117 - Remuneration of Managing Director

117. The remuneration of a managing director or managing directors shall be fixed by the Directors and may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes but shall not include a commission on or percentage of turnover.

14.1.2 Voting and Borrowing Powers of Directors

The provisions in our Company's Constitution in respect of the voting and borrowing powers of Directors, including voting powers on contracts or arrangements in which they are interested in, are as follows:

Clause 96 - General power of the Company vested in Directors

96. The business of the Company shall be managed by the Directors who may, in addition to the powers and authorities by these presents or otherwise expressly conferred upon them, pay all expenses incurred in promoting and registering the Company, and exercise all such powers of the Company as are not by the Act or by this Constitution required to be exercised by the Company in general meeting subject, nevertheless, to any of this Constitution, to the provisions of the Act, and to such regulations, not being inconsistent with this Constitution or provisions of the Act as may be prescribed by the Company in general meeting but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made or passed.

Clause 97 – Limitation on Directors' powers

97. The Directors shall not without the prior approval of the Company in general meeting:
- (a) exercise any power of the Company to issue shares unless otherwise permitted under the Act;
 - (b) carry into effect any proposal or execute any transaction for the acquisition of an undertaking or property of a substantial value, or the disposal of a substantial portion of the Company's undertaking or property; and
 - (c) subject to the Act, enter into any arrangement or transaction with a Director of the Company or its holding company or with a person connected with such a Director, to acquire from or dispose to such a Director or person, any shares or non-cash assets of the requisite value.

14. ADDITIONAL INFORMATION (Cont'd)Clause 98 - Directors' borrowing powers

98. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or subsidiary company subject to the law including but not limited to the provisions of the Act and the Listing Requirements, as they may think fit.

Clause 111 - Chairman to have a casting vote

- 111.1 Subject to this Constitution any question arising at any meeting of the Directors shall be decided by a majority of votes, each Director having one (1) vote and a determination by a majority of the Directors shall for all purposes be deemed a determination of the Directors.
- 111.2 In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote EXCEPT where only two (2) of the Directors form a quorum and only such Directors are present at the meeting or where only two (2) of the Directors are competent to vote on the question in issue, whereupon the resolution shall be deemed not to have been passed, without affecting any other businesses at the meeting.

Clause 113 - Disclosure of interest and restriction on discussion and voting

113. Every Director shall declare his interest in the Company and his interest in any contract or proposed contract with the Company as may be required by law. Subject to Section 221 of the Act, a Director shall not participate in any discussion or vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly an interest and if he shall do so his vote shall not be counted. A Director shall, notwithstanding his interest, be counted in the quorum for any meeting where a decision is to be taken upon any contract or proposed contract or arrangement in which he is in any way interested.

Clause 114 - Power to vote

114. Without prejudice to the provisions of any other Constitution, the Act and the Listing Requirements, a Director may vote in respect of:
- 114.1 any arrangement for giving the Director himself or any other Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; or
- 114.2 any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of security.

14.1.3 Changes in capital or variation of class right

The provisions in our Company's Constitution in respect of the changes in capital and variation of class rights, which are no less stringent than those required by law, are as follows:

Clause 8 - Issue of Shares

8. Without prejudice to any special rights previously conferred on the holders of any existing Shares or class of Shares, but subject to the Act, the Listing Requirements, any other statutory requirements, and to conditions, restrictions and limitations expressed in this Constitution, the Directors may allot, issue or grant rights to subscribe for or otherwise dispose of unissued shares in the Company to such persons, at such time and at such time and on such terms and conditions, with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as they deem proper, but the Directors in making any such issue of shares shall comply with the following conditions:

14. ADDITIONAL INFORMATION (Cont'd)

- 8.1 No Shares shall be issued at a discount except in compliance with the provisions of the Act.
- 8.2 The rights attaching to shares of a class other than ordinary shares, shall be expressed in this Constitution, the respective term sheets and/or subscription agreement.
- 8.3 No issue of Shares shall be made without the prior approval of the members of the Company in general meeting.
- 8.4 No Director shall participate in a scheme that involves a new issuance of Shares or other convertible securities to employees unless the Members in a general meeting have approved the specific allotment to be made to such Director.

Clause 9 - Rights of preference shareholders

- 9.1 Subject to the Act, the Listing Requirements and term sheet and/or subscription agreement, any other relevant authority for the time being in force, and the conditions, restrictions and limitations expressed in this Constitution, any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are or at the option of the Company are liable to be redeemed and the Company has the power to issue such preference capital ranking equally with, or in priority to preference shares already issued.
- 9.2 Subject to the Act, the Listing Requirements and term sheet and/or subscription agreement, a holder of preference shares must have a right to vote in each of the following circumstances:
- (a) when the dividend or part of the dividend on the share is in arrears for more than six (6) months;
 - (b) on a proposal to reduce the Company's share capital;
 - (c) on a proposal for the disposal of the whole of the Company's property, business and undertaking;
 - (d) on a proposal that affects the rights attached to the preference shares;
 - (e) on a proposal to wind up the Company;
 - (f) during the winding up of the Company; and
 - (g) the Company shall not, without the consent of the existing preference members at a class meeting, issue further preference capital ranking in priority above preference share already issued.
- 9.3 Subject to this Constitution and/or term sheet and/or subscription agreement, a holder of preference shares shall be entitled to the same rights as a holder of ordinary shares in relation to receiving notices, reports, audited financial statements, and attending general meetings.
- 9.4 The Company shall not allot any preference shares or convert any issued shares into preference shares unless in accordance with the right of the Members with respect to repayment of capital, participation in surplus assets and profits, cumulative or non-cumulative dividends, voting and priority of payment of capital and dividend in relation to other Shares and other classes of preference shares as set out in this Constitution and/or term sheet and/or subscription agreement.

14. ADDITIONAL INFORMATION (Cont'd)Clause 11 - Modification of class rights

11. Subject to the provisions of the Act, if at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of three-fourths (3/4) of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of this Constitution relating to general meetings shall mutatis mutandis apply so that the necessary quorum shall be two (2) persons at least holding or representing by proxy one-third (1/3) of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution the provisions of Section 292 of the Act shall apply with such adaptations as are necessary.

Clause 12 - Alteration of rights by issuance of new Shares

12. The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

Clause 52 - Power to increase capital

52. Subject to the Act, this Constitution, the Central Depositories Act, the Rules, the Listing Requirements, any other relevant authority for the time being in force, and the conditions, restrictions and limitations expressed in this Constitution, the Company may from time to time, whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully called up or not, by Ordinary Resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company by the resolution authorising such increase may direct.

Clause 53 - Offer of new Shares to the Member

53. Subject to any direction to the contrary that may be given by the Company in general meeting, any new Shares or other convertible securities of whatever kind for the time being unissued and not allotted and any new Shares or securities from time to time to be created shall, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing Shares or securities to which they are entitled. The offer shall be made by notice specifying the number of Shares or securities offered and limiting a time within which the offer, if not accepted shall be deemed to be declined and after the expiration of that time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the Shares or securities offered, the Directors may dispose of those Shares or securities in such manner as they think most beneficial to the Company. The Directors may also dispose of any new Shares or securities which (by reason of the ratio which the new Shares or securities bear to Shares or securities held by persons entitled to an offer of new Shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution.

Clause 54 - Ranking of new Shares

54. Except so far as otherwise provided by the conditions of issue in this Constitution, any share capital raised by the creation of new Shares shall be considered as part of the original share capital of the Company and shall be subject to the same provisions with reference to the allotments, the payment of calls and instalments, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

14. ADDITIONAL INFORMATION (Cont'd)Clause 55 - Power to alter capital

55. The Company may by ordinary resolution and subject to the Act, the Central Depositories Act, the Rules, the Listing Requirements, any other relevant authority for the time being in force, and the conditions, restrictions and limitations expressed in this Constitution:
- 55.1 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- 55.2 subdivide its share capital or any part thereof into shares of smaller amount, subject nevertheless to the provisions of the Act and so that as between the resulting shares, one (1) or more of such shares may, by the resolution by which such subdivision is effected, be given any preference or advantage as regards dividend, return of capital, voting or otherwise over the others or any other of such shares;
- 55.3 cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled; or
- 55.4 convert and/or reconvert and/or re-classify any class of shares into any other class of shares.

Clause 56 - Power to reduce capital

56. The Company may by special resolution, subject to the Act, the Central Depositories Act, the Rules, the Listing Requirements, any other relevant authority for the time being in force, and the conditions, restrictions and limitations expressed in this Constitution, reduce its share capital, any capital redemption reserve fund or any reserve account in any manner authorised by the Act and subject to any consent required by law.

14.1.4 Transfer of securities

The provision in our Constitution dealing in respect of the transfer of securities of our Company are as follows:

Clause 31 – Transfer of Deposited Securities

- 31.1 Subject to the restriction imposed by this Constitution, the Listing Requirements, the Central Depositories Act and the Rules (with respect to transfer of Deposited Security), the transfer of any listed security or class of listed security of the Company, shall be by way of book entry by the Depository in accordance with the Rules and, notwithstanding Sections 105, 106 or 110 of the Act, but subject to subsection 148(2) of the Act and any exemption that may be made from compliance with subsection 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the listed securities.
- 31.2 The Depository may, in its absolute discretion, refuse to register any transfer Deposited Security where the reason for transfer does not fall within any approved reasons provided for in the Rules or does not comply with the Rules.
- 31.3 Subject to provisions of the Act, the Listing Requirements and the Rules, there shall be no restriction on the transfer of fully paid securities except where required by law or transfer is in respect of the partly paid Shares in respect of which a call has been made and is unpaid.

Clause 32 – Transfer of Shares (Non-Deposited Securities)

- 32.1 Subject to the provisions of the Act and this Constitution, any Member may transfer all or any of his Shares (which as not Deposited Securities) by a duly executed and stamped instrument in writing. The instrument shall be executed by or on behalf of the transferor and the transferor shall remain the holder of the Shares transferred until the transfer is registered and the name of the transferee is entered in the Register of Members in respect thereof.

14. ADDITIONAL INFORMATION (Cont'd)

- 32.2 The instrument of transfer must be left for registration at the Office of the Company together with such fee not exceeding RM1.00 as the Directors from time to time may require accompanied by the certificate of the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, and thereupon the Company shall subject to the powers vested in the Directors by this Constitution register the transferee as a shareholder and retain the instrument of transfer.
- 32.3 Subject to the Act, the Directors may in their discretion through passing of a resolution to decline or delay registering any transfer of Shares (which is non Deposited Security) to a person of whom they do not approve, whether or not being fully paid Shares or Shares on which the Company has a lien, within thirty (30) days from the date of receipt the instrument of transfer.
- 32.4 Neither the Company nor its Directors nor any of its officers shall incur any liability for any transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers be legally inoperative or insufficient to pass the property in the Shares proposed or professed to be transferred and although transferred, the transfer may, as between the transferor and transferee be liable to be set aside and notwithstanding that the Company may have notice of such transfer. And in every such case, the transferee, his executors, administrators and assignees alone shall be entitled to be recognised as the holder of such Shares and the previous holder shall so far as the Company is concerned, be deemed to have transferred his whole title hereto.
- 32.5 Subject to any written law, no Shares shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.
- 32.6 Subject to the provisions of this Constitution, the Directors may recognise a renunciation of any Shares by the allottee thereof in favour of some other persons.
- 32.7 All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline or refuse to register shall on demand be returned to the person depositing the same. All powers of attorney granted by members for purpose (inter-alia) of transferring Shares which may be lodged produced or exhibited to the Company or any of its proper officers shall as between the Company and the grantor of such powers be taken and deemed to continue and remain in full force and effect and the same may be acted upon until such time as express notice in writing of the revocation of the same shall have been given and lodged at the registered office of the Company.

14.1.5 Rights, preferences and restrictions attached to each class of shares relating to voting, dividend, liquidation and any special rights

The provisions in our Constitution in respect of the rights, preferences and restrictions attached to each class of shares relating to voting, dividend, liquidation and any special rights are as follows:

Clause 8 - Issue of Shares

8. Without prejudice to any special rights previously conferred on the holders of any existing Shares or class of Shares, but subject to the Act, the Listing Requirements, any other statutory requirements, and to conditions, restrictions and limitations expressed in this Constitution, the Directors may allot, issue or grant rights to subscribe for or otherwise dispose of unissued shares in the Company to such persons, at such time and at such time and on such terms and conditions, with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as they deem proper, but the Directors in making any such issue of shares shall comply with the following conditions:

14. ADDITIONAL INFORMATION (Cont'd)

- 8.1 No Shares shall be issued at a discount except in compliance with the provisions of the Act.
- 8.2 The rights attaching to shares of a class other than ordinary shares, shall be expressed in this Constitution, the respective term sheets and/or subscription agreement.
- 8.3 No issue of Shares shall be made without the prior approval of the members of the Company in general meeting.
- 8.4 No Director shall participate in a scheme that involves a new issuance of Shares or other convertible securities to employees unless the Members in a general meeting have approved the specific allotment to be made to such Director.

Clause 9 - Rights of preference shareholders

- 9.1 Subject to the Act, the Listing Requirements and term sheet and/or subscription agreement, any other relevant authority for the time being in force, and the conditions, restrictions and limitations expressed in this Constitution, any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are or at the option of the Company are liable to be redeemed and the Company has the power to issue such preference capital ranking equally with, or in priority to preference shares already issued.
- 9.2 Subject to the Act, the Listing Requirements and term sheet and/or subscription agreement, a holder of preference shares must have a right to vote in each of the following circumstances:
 - (a) when the dividend or part of the dividend on the share is in arrears for more than six (6) months;
 - (b) on a proposal to reduce the Company's share capital;
 - (c) on a proposal for the disposal of the whole of the Company's property, business and undertaking;
 - (d) on a proposal that affects the rights attached to the preference shares;
 - (e) on a proposal to wind up the Company;
 - (f) during the winding up of the Company; and
 - (g) the Company shall not, without the consent of the existing preference members at a class meeting, issue further preference capital ranking in priority above preference share already issued.
- 9.3 Subject to this Constitution and/or term sheet and/or subscription agreement, a holder of preference shares shall be entitled to the same rights as a holder of ordinary shares in relation to receiving notices, reports, audited financial statements, and attending general meetings.
- 9.4 The Company shall not allot any preference shares or convert any issued shares into preference shares unless in accordance with the right of the Members with respect to repayment of capital, participation in surplus assets and profits, cumulative or non-cumulative dividends, voting and priority of payment of capital and dividend in relation to other Shares and other classes of preference shares as set out in this Constitution and/or term sheet and/or subscription agreement.

14. ADDITIONAL INFORMATION (Cont'd)Clause 11 - Modification of class rights

11. Subject to the provisions of the Act, if at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of three-fourths (3/4) of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of this Constitution relating to general meetings shall mutatis mutandis apply so that the necessary quorum shall be two (2) persons at least holding or representing by proxy one-third (1/3) of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution the provisions of Section 292 of the Act shall apply with such adaptations as are necessary.

14.2 SHARE CAPITAL

- (i) As at the date of this Prospectus, we only have 1 class of shares namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.
- (ii) None of our Group's capital is under any option or agreed conditionally or unconditionally to be put under any option as at the date of this Prospectus.
- (iii) No person has been or is entitled to be given an option to subscribe for any share, stock, debenture or other security of our Group, except for the Pink Form Allocation.
- (iv) As at the date of this Prospectus, there is no scheme involving our Directors and employees in the share capital of our Group, except for the Pink Form Allocation.
- (v) As at the date of this Prospectus, save as disclosed in **Sections 4,2,6, 6.1.1 and 6.1.2** of this Prospectus, there is no shares, outstanding warrants, options, convertible securities or uncalled capital of our Group which have been or are proposed to be issued as fully or partly paid-up, in cash or otherwise than in cash, within the 2 years preceding the date of this Prospectus.
- (vi) As at the date of this Prospectus, our Group does not have any outstanding convertible debt securities, options, warrants or uncalled capital.
- (vii) Save as disclosed in this Prospectus, no securities will be allotted or issued on the basis of this Prospectus later than 6 months after the date of issue of this Prospectus.
- (viii) Save as disclosed in this Prospectus and save as provided under our Constitution and the Act, there are no other restrictions upon the holding or voting or transfer of our Shares.

14.3 DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS

As our Shares are proposed for quotation on the Official List, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of our Shares must deposit his Shares with Bursa Depository on or before the date fixed, failing which our Share Registrar will be required to transfer his Shares to the Minister of Finance, Inc. and such Shares may not be traded on Bursa Securities.

Dealing in our Shares deposited with Bursa Depository may only be affected by a person having a securities account with Bursa Depository ("**Depositor**") by means of entries in the securities account of that Depositor.

14. ADDITIONAL INFORMATION (Cont'd)

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares will be deemed to be a shareholder of our Company and will be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

14.4 LIMITATION ON THE RIGHT TO OWN SECURITIES

Subject to **Section 14.3** above, there is no limitation on the right to own our Shares, including any limitation on the right of a non-resident or non-Malaysian shareholder to hold or exercise voting rights on our Shares which is imposed by Malaysian law or by our Constitution.

14.5 EXCHANGE CONTROLS**(i) Malaysia**

The principal legislations which govern exchange control in Malaysia are the Financial Services Act 2013 and Islamic Financial Services Act 2013. The governing authority for Foreign Exchange Administration in Malaysia is Bank Negara Malaysia ("**BNM**").

Pursuant to Notice 4 of the current foreign exchange notice ("**FE**") issued by BNM, a resident is allowed to make or receive payment in RM in Malaysia to or from a non-resident for, amongst others, settlement of trade in goods and services.

In relation to payment in foreign currency, Notice 4 of the FE allows a resident to make or receive payment to or from a non-resident for any purposes excluding the transactions listed as follows:

- (a) a foreign currency denominated derivative or Islamic derivative offered by a resident unless approved by BNM under Part B of Notice 5 of the FE or otherwise approved in writing by BNM;
- (b) a derivative or Islamic derivative which is referenced to RM unless approved by BNM under Part B of Notice 5 of the FE or otherwise approved in writing by BNM; or
- (c) an exchange rate derivative offered by a non-resident unless approved by BNM under Notice 1 or otherwise approved in writing by BNM.

As at the LPD, we comply with the exchange control requirement in relation to our settlement of payments with foreign customers and suppliers. In view of the above, foreign exchange control does not have an impact on the ability of cash and cash equivalents for us by our Group and the remittance of dividends, interest or other payments to our shareholders.

(ii) Singapore

Currently, there are no Singapore governmental laws, decrees, regulations and other legislation that may affect the following:

- (i) the repatriation or export of capital, including the availability of cash and cash equivalents for use by Cape Singapore; and
- (ii) the remittance of dividends, interest or other payments to non-resident holders of Cape Singapore's securities.

14. ADDITIONAL INFORMATION (Cont'd)

As Cape Singapore is tax resident in Singapore, dividends paid by Cape Singapore will be considered as sourced in Singapore. Under current Singapore income tax law, dividends paid by Cape Singapore will not be subject to Singapore withholding tax, regardless of whether the shareholders receiving the dividends are resident or non-resident in Singapore for income tax purposes.

Currently, Singapore operates a "One-Tier" Corporate Income Tax System ("**One-Tier System**"). Under this One-Tier System, the income tax payable in respect of taxable corporate profits is the final tax and SG Co can pay tax exempt (one-tier) dividends which are tax exempt in the hands of the shareholder, regardless of the tax residence status or the legal form of the shareholder.

14.6 MATERIAL LITIGATION, CLAIMS AND ARBITRATION

As at the LPD, we are not engaged in any material litigation, claims and/or arbitration, either as plaintiff or defendant, which has a material effect on our financial position, and our Directors confirm that there are no proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect our financial position or business.

14.7 MATERIAL CONTRACTS

Save as disclosed below, we have not entered into any contracts which are material (not being contracts entered into in the ordinary course of business) within the period covered by the Period Under Review as disclosed in this Prospectus up to the date of this Prospectus:

- (i) The sale and purchase agreement dated 27 March 2019 between Public Bank Berhad (as vendor) and our Company (as purchaser) to purchase the registered lease for a period commencing from 31 May 1996 and expire on 30 May 2056 of PLO 103 for a cash consideration of RM6,000,000.00, the transfer of which was completed on 3 December 2019;
- (ii) The loan agreement dated 22 April 2019 between Wu Jung Wai (as lender) and our Company (as borrower) for a total amount of RMB3,000,000.00, which is fully paid by our Company as at the LPD;
- (iii) The trust deed dated 1 January 2020 between Tee Kim Chin and Alex Miranda Juntado (collectively, "**Trustees**") and our Company where the Trustees confirmed and agreed that the entire paid-up capital of Cape Singapore are held on trust for our Company, the transfer of which was completed on 8 January 2021;
- (iv) The trust deed dated 1 January 2020 between Tee Kim Chin and Alex Miranda Juntado (collectively, "**Trustees**") and our Company where the Trustees confirmed and agreed that the entire paid-up capital of Cape Manufacturing are held on trust for our Company, the transfer of which was completed on 3 May 2021;
- (v) The loan agreement dated 1 March 2020 between Wu Jung Wai (as lender) and our Company (as borrower) for a total amount of RMB3,000,000.00, which is fully paid by our Company as at the LPD;
- (vi) The loan agreement dated 16 March 2020 between Changhuat Plastic (as lender) and our Company (as borrower) for a total amount of RM3,000,000.00, which is fully paid by our Company as at the LPD;
- (vii) The loan agreement dated 31 December 2020 between our Company (as lender) and Changhuat Plastic (as borrower) for a total amount of RM25,132,166.48. Changhuat Plastic issued a letter dated 31 December 2021 to request for an extension for this loan agreement for the remaining owing amount of RM7,555,881.98, which is proposed to be fully paid by Changhuat Plastic as at the LPD;

14. ADDITIONAL INFORMATION (Cont'd)

- (viii) The sale and purchase agreement dated 12 March 2021 between Flextronics Shah Alam Sdn Bhd (as vendor) and our Company (as purchaser) to purchase PLO 226B & PLO 227B for a cash consideration of RM15,651,160.00, the transfer of which were completed on 1 November 2021;
- (ix) The memorandum dated 30 April 2021 in relation to the sale of all the shares in Cape Manufacturing and Cape Singapore by Tee Kim Chin and Alex Miranda Juntado (as sellers) to our Company (as purchaser) at the consideration of RM5,574,588.00 based on the NTA of Cape Manufacturing and SGD521,092.00 based on the NTA of Cape Singapore respectively;
- (x) The sale and purchase agreement dated 31 May 2021 between Lim Chen Kim and Tee Kim Chin (as vendors) and Cape Manufacturing (as purchaser) to purchase the Temenggong 22 Factory for a cash consideration of RM6,000,000.00, the transfer of which was completed on 10 October 2021;
- (xi) The share subscription agreement dated 28 June 2021 entered into between our Company, Tee Kim Chin, Tee Kim Yok (as promoters), Alex Miranda Juntado and Fortress (as investor), and the share subscription agreement (co-investor) dated 28 September 2021 entered into between AOF (as co-investor), our Company, Tee Kim Chin, Tee Kim Yok, and Fortress, pursuant to which our Company issued 57,000,000 ICPS to Fortress and 3,000,000 ICPS to AOF at the subscription price of RM60,000,000.00. Fortress and AOF had on 20 April 2022 converted all of its existing ICPS into new ordinary shares in our Company. Upon completion of the conversion of all ICPS, our Company's resultant issued share capital had changed from RM40,000,000.00 comprising 40,000,000 ordinary shares to RM100,000,000.00 comprising 50,000,000 ordinary shares;
- (xii) The sale and purchase agreement dated 1 July 2021 between Tee Kim Chin (as vendor) and our Company (as purchaser) to purchase the Kempas 6 Factory for a cash consideration of RM6,000,000.00, the transfer of which was completed on 28 October 2021;
- (xiii) The sale and purchase agreement dated 17 February 2022 entered into between Cape Manufacturing (as purchaser) and Venice Tulip Sdn Bhd (as vendor) to purchase the lease over three pieces of land held under PTD 53893, PTD 53894 and PTD 53895, all in the Mukim of Tebrau, District of Johor Bahru, State of Johor together with a detached factory erected thereon with a postal address of No. 6, Jalan Firma 1/5, Kawasan Perindustrian Tebrau, 81100 Johor Bahru, Johor for a purchase consideration of RM16,800,000.00; and
- (xiv) The underwriting agreement dated [●] entered into between our Company and the Joint Underwriters for the underwriting of 54,200,000 IPO Shares as set out in **Section 4.8.1** of this Prospectus. Please refer to **Section 4.8.1** of this Prospectus for the salient terms of the Underwriting Agreement.

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14. ADDITIONAL INFORMATION (*Cont'd*)

14.8 CONSENTS

- (i) The written consents of the Principal Adviser, Joint Bookrunners and Underwriter, Company Secretaries, Financial Adviser, Legal Advisers, Share Registrar and Issuing House for the inclusion in this Prospectus of their names in the form and context in which their names appear in this Prospectus have been given before the issue of this Prospectus, and have not subsequently been withdrawn.
- (ii) The written consent of the Auditors and Reporting Accountants for the inclusion in this Prospectus of their name, the Accountants' Report and the Reporting Accountants' Report on the Pro Forma Statements of Financial Position in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus, and has not subsequently been withdrawn.
- (iii) The written consent of the Independent Business and Market Research Consultant for the inclusion in this Prospectus of its name and Industry Overview in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus, and has not subsequently been withdrawn.

14.9 RESPONSIBILITY STATEMENTS

- (i) The Principal Adviser acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts relating to our IPO.
- (ii) This Prospectus has been seen and approved by our Directors and Promoter and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

14.10 DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at our registered office during office hours for a period of 6 months from the date of this Prospectus:

- (i) our Constitution;
- (ii) the Industry Overview referred to in **Section 8** of this Prospectus;
- (iii) audited financial statements of each of our Company and Subsidiaries for the Period Under Review;
- (iv) Reporting Accountants' Report on the Pro Forma Statements of Financial Position as included in **Section 12.8** of this Prospectus;
- (v) Accountants' Report as included in **Section 13** of this Prospectus;
- (vi) the material contracts referred to in **Section 14.7** of this Prospectus; and
- (vii) the letters of consent referred to in **Section 14.8** of this Prospectus.