

Unless stated otherwise, all terms and abbreviations used herein shall have the same meanings as those defined in the “Definitions” section of this Abridged Prospectus.

No securities will be allotted or issued based on this Abridged Prospectus after 6 months from the date of this Abridged Prospectus.

**THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF IN DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.** All enquiries concerning the Rights Issue of ICPS, which is the subject matter of this Abridged Prospectus, should be addressed to our Share Registrar, Boardroom Share Registrars Sdn Bhd at 11<sup>th</sup> Floor, Menara Symphony, No. 5 Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia.

This Abridged Prospectus has been registered by the SC. The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue of ICPS or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Abridged Prospectus. The SC has not, in any way, considered the merits of the Rights Issue of ICPS. A copy of this Abridged Prospectus together with the NPA and RSF (collectively referred to as “Documents”) has also been lodged with the Registrar of Companies who takes no responsibility for its contents.

The approval for the Rights Issue of ICPS has been obtained from our shareholders at our EGM held on 28 June 2021. Approvals have been obtained from Bursa Securities via its letter dated 20 May 2021 for the admission of the ICPS to the Official List of the Main Market of Bursa Securities as well as the listing of and quotation for the ICPS and new Shares to be issued upon conversion of the ICPS on the Main Market of Bursa Securities. However, such admission, listing and quotation are not an indication that Bursa Securities recommends the Rights Issue of ICPS and are not to be taken as an indication of the merits of the Rights Issue of ICPS. Bursa Securities takes no responsibility for the correctness of any statement made or opinion expressed in the Documents.

The Documents are only despatched to our Entitled Shareholders whose names appear in our Record of Depositors as at 5.00 p.m. on 23 September 2021 at their registered addresses in Malaysia. Entitled Shareholders who do not have a registered address in Malaysia and wish to provide their Malaysian address, should inform their respective stockbrokers or our Share Registrar to effect the change of address by 5.00 p.m. on 23 September 2021. The Documents are not intended to be (and will not be) issued, circulated or distributed in any countries or jurisdictions other than Malaysia. No action has been or will be taken to ensure that the Rights Issue of ICPS or the Documents comply with the laws of any countries or jurisdictions other than the laws of Malaysia. The Documents do not constitute an offer, solicitation or invitation to subscribe for the Rights Issue of ICPS in any jurisdiction other than Malaysia or to any person to whom it may be unlawful to make such an offer, solicitation or invitation. It shall be the sole responsibility of the Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia to consult their legal and/or other professional adviser as to whether their acceptance and/or renunciation/ transfer (as the case may be) of their entitlement to the Rights Issue of ICPS would result in the contravention of any laws of such countries or jurisdictions. Such Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) should note the additional terms and restrictions as set out in Section 9 of this Abridged Prospectus. Neither our Company, TA Securities nor any other professional advisers to the Rights Issue of ICPS shall accept any responsibility or liability whatsoever to any party in the event that any acceptance and/or renunciation/ transfer (as the case may be) made by the Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in any such countries or jurisdictions in which the said Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) are residents.

The SC is not liable for any non-disclosure on the part of the Company and takes no responsibility for the contents of this Abridged Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Abridged Prospectus.

**FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, PLEASE REFER TO “RISK FACTORS” AS SET OUT IN SECTION 5 OF THIS ABRIDGED PROSPECTUS.**



**MINETECH RESOURCES BERHAD**  
(Registration No. 200201007880 (575543-X))  
(Incorporated in Malaysia)

**RENOUNCEABLE RIGHTS ISSUE OF UP TO 582,664,400 NEW IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES (“ICPS”) IN MINETECH RESOURCES BERHAD AT AN ISSUE PRICE OF RM0.03 PER ICPS ON THE BASIS OF 1 ICPS FOR EVERY 2 EXISTING ORDINARY SHARES IN OUR COMPANY HELD BY OUR ENTITLED SHAREHOLDERS AS AT 5.00 P.M. ON THURSDAY, 23 SEPTEMBER 2021**

*Principal Adviser*



AN UNWAVERING COMMITMENT

**TA SECURITIES HOLDINGS BERHAD**  
(Registration No.: 197301001467 (14948-M))  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

**IMPORTANT RELEVANT DATES AND TIMES**

Entitlement date	: Thursday, 23 September 2021 at 5.00 p.m.
<b>Last date and time for:</b>	
Sale of Provisional Allotments	: Thursday, 30 September 2021 at 5.00 p.m.
Transfer of Provisional Allotments	: Monday, 4 October 2021 at 4.30 p.m.
Acceptance and payment	: Friday, 8 October 2021 at 5.00 p.m.
Excess application and payment	: Friday, 8 October 2021 at 5.00 p.m.

**This Abridged Prospectus is dated 23 September 2021**

**UNLESS STATED OTHERWISE, ALL TERMS AND ABBREVIATIONS USED HEREIN SHALL HAVE THE SAME MEANINGS AS THOSE DEFINED IN THE “DEFINITIONS” SECTION OF THIS ABRIDGED PROSPECTUS.**

**OUR BOARD HAS SEEN AND APPROVED ALL THE DOCUMENTATION RELATING TO THE RIGHTS ISSUE OF ICPS. OUR BOARD COLLECTIVELY AND INDIVIDUALLY ACCEPTS FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION. HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, OUR BOARD CONFIRMS THAT THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS WHICH IF OMITTED, WOULD MAKE ANY STATEMENT IN THIS ABRIDGED PROSPECTUS FALSE OR MISLEADING.**

**TA SECURITIES, BEING THE PRINCIPAL ADVISER FOR THE RIGHTS ISSUE OF ICPS, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS ABRIDGED PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE RIGHTS ISSUE OF ICPS.**

**YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.**

**YOU SHOULD NOTE THAT YOU MAY SEEK RECOURSE UNDER SECTIONS 248, 249 AND 357 OF THE CMSA FOR BREACHES OF SECURITIES LAWS INCLUDING ANY STATEMENT IN THE ABRIDGED PROSPECTUS THAT IS FALSE, MISLEADING, OR FROM WHICH THERE IS A MATERIAL OMISSION, OR FOR ANY MISLEADING OR DECEPTIVE ACT IN RELATION TO THIS ABRIDGED PROSPECTUS OR THE CONDUCT OF ANY OTHER PERSON IN RELATION TO OUR COMPANY.**

**SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC ON THE PREMISE OF FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE OF ICPS, FOR WHICH ANY PERSON SET OUT IN SECTION 236 OF THE CMSA, IS RESPONSIBLE.**

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

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

## DEFINITIONS

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

### COMPANIES:

“Bursa Depository”	:	Bursa Malaysia Depository Sdn Bhd
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“Coral Power”	:	Coral Power Sdn Bhd, a 70%-owned subsidiary of our Company
“Minetech Group” or the “Group”	:	Minetech and its subsidiaries, collectively
“Minetech” or the “Company”	:	Minetech Resources Berhad
“Share Registrar”	:	Boardroom Share Registrars Sdn Bhd
“TA Securities”	:	TA Securities Holdings Berhad

### GENERAL:

“5D-VWAP”	:	5-day volume weighted average market price
“Act”	:	Companies Act 2016
“Announcement”	:	Announcement dated 15 March 2021 in relation to the Corporate Exercises
“ATM”	:	Automated teller machine
“Authorised Nominee”	:	A person who is authorised to act as a nominee as defined under the Rules of Bursa Depository
“Board”	:	Board of Directors of Minetech
“Bursa Anywhere”	:	Bursa Anywhere mobile application operated by Bursa Depository to enable depositors to perform their CDS transactions electronically from their mobile phones
“Cash Conversion”	:	Combination of 1 ICPS and cash payment of the difference between the Conversion Price and the issue price of 1 ICPS, for 1 new Minetech Share
“Cashless Conversion”	:	Surrender of 4 ICPS for conversion into 1 new Minetech Share
“CDS”	:	Central Depository System
“Closing Date”	:	Friday, 8 October 2021 at 5.00 p.m., being the last date and time for the acceptance of and payment for the ICPS
“CMSA”	:	Capital Markets and Services Act, 2007
“Code”	:	Malaysian Code on Take-Overs and Mergers 2016
“Constitution”	:	Constitution of our Company
“Conversion Price”	:	Conversion price for ICPS, being RM0.12 per Minetech Share
“Conversion Ratio”	:	Conversion ratio of the ICPS
“Corporate Exercises”	:	Share Capital Reduction, Private Placement, Rights Issue of ICPS, SIS and Diversification, collectively
“Court”	:	High Court of Malaya

## DEFINITIONS (*CONT'D*)

“Director”	:	A natural person who holds a directorship in our Company, whether in an executive or non-executive capacity, and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the CMSA
“Diversification”	:	Diversification into Renewable Energy and Diversification into O&G, collectively
“Diversification into O&G”	:	Diversification of the existing businesses of our Group to include O&G business which was approved during the EGM on 28 June 2021
“Diversification into Renewable Energy”	:	Diversification of the existing businesses of our Group to include renewable energy business which was approved during the EGM on 28 June 2021
“eDividend Bank Account”	:	The bank account nominated to receive dividends of the securities deposited in the CDS account
“EGM”	:	Extraordinary general meeting of Minetech
“Electronic Application”	:	Application for the ICPS and/or Excess ICPS through the ATMs of Participating Financial Institutions
“Entitlement Date”	:	Thursday, 23 September 2021 at 5.00 p.m., being the date and time on which the names of the Entitled Shareholders must appear in the Record of Depositors of our Company in order to be entitled to participate in the Rights Issue of ICPS
“Entitled Shareholders”	:	Our shareholders whose names appear on the Record of Depositors of our Company on the Entitlement Date
“EPS”	:	Earnings per share
“Excess ICPS”	:	ICPS which are not taken up or not validly taken up by our Entitled Shareholders and/or their transferee(s) and/or their renouncee(s) before the Closing Date
“Excess ICPS Application”	:	Application for additional ICPS in excess of the Provisional Allotments by the Entitled Shareholders and/or their transferee(s) and/or their renouncee(s) (if applicable)
“Foreign Addressed Shareholders”	:	Entitled Shareholders who have not provided an address in Malaysia for the service of the Abridged Prospectus together with the NPA and RSF
“FYE”	:	Financial year ended/ending
“ICPS”	:	Up to 582,664,400 new irredeemable convertible preference shares in Minetech to be allotted and issued pursuant to the Rights Issue of ICPS
“ICPS Entitlement File”	:	An electronic file forwarded by Bursa Depository to an Authorised Nominee who has subscribed for NRS, containing information of such Authorised Nominee’s entitlement under the Rights Issue of ICPS as at the Entitlement Date
“ICPS Subscription File”	:	An electronic file submitted by an Authorised Nominee who has subscribed for NRS, to Bursa Depository containing information pertaining to such Authorised Nominee’s subscription of the ICPS and/or Excess ICPS
“ICPS Undertaking”	:	Written undertakings dated 15 March 2021 provided by the Undertaking Shareholders to our Company in respect of the Rights Issue of ICPS
“Internet Application”	:	Application for the ICPS and/or Excess ICPS through an Internet Participating Financial Institution
“Internet Participating Financial Institution”	:	Internet participating financial institutions for Internet Application as referred to in Section 9.4 of this Abridged Prospectus
“Issue Price”	:	Issue price of RM0.03 per ICPS

## DEFINITIONS (*CONT'D*)

“LAT”	:	Loss after tax attributable to the owners of our Company
“LBT”	:	Loss before tax
“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities
“LPD”	:	30 August 2021, being the latest practicable date prior to the printing of this Abridged Prospectus
“LPS”	:	Loss per share
“Market Day”	:	Any day between Monday to Friday (inclusive of both days) (excluding Saturday, Sunday and public holiday) and a day on which Bursa Securities is open for trading in securities
“Maximum Scenario”	:	Up to 582,664,400 ICPS to be issued, based on the following: <ul style="list-style-type: none"> <li>(i) all Entitled Shareholders subscribe in full to their entitlements under the Rights Issue of ICPS;</li> <li>(ii) all ICPS are converted into new Minetech Shares based on the Conversion Price of RM0.12 and the Cash Conversion mode of 1 ICPS together with cash payment of RM0.09 for 1 new Minetech Share; and</li> <li>(iii) the Private Placement and the SIS are implemented after the completion of Rights Issue of ICPS.</li> </ul>
“MCO”	:	Movement control order issued by the Malaysian government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967
“Minetech Shares” or “Shares”	:	Ordinary shares in our Company
“Minimum Scenario”	:	256,201,310 ICPS to be issued, based on the following: <ul style="list-style-type: none"> <li>(i) Minimum Subscription Level for the Rights Issue of ICPS;</li> <li>(ii) all ICPS are converted into new Minetech Shares based on the Conversion Price of RM0.12 and the Cashless Conversion mode of 4 ICPS for 1 new Minetech Share; and</li> <li>(iii) the Private Placement and the SIS are implemented after the completion of Rights Issue of ICPS.</li> </ul>
“Minimum Subscription Level”	:	Subscription by the Undertaking Shareholders to raise minimum gross proceeds of approximately RM7.7 million from the Rights Issue of ICPS (representing the entire issue size of the Rights Issue of ICPS under the Minimum Scenario)
“NA”	:	Net assets attributable to the owners of our Company
“NPA”	:	Notice of provisional allotment in relation to the Rights Issue of ICPS
“NRS”	:	Nominee rights subscription service offered by Bursa Depository, at the request of the Company, to Authorised Nominees for electronic subscription of ICPS through Bursa Depository’s existing network facility with the Authorised Nominees
“O&G”	:	Oil and gas
“Official List”	:	The list specifying all securities listed on Main Market of Bursa Securities
“Participating Financial Institution”	:	Participating financial institutions for Electronic Application as referred to in Section 9.4 of this Abridged Prospectus
“PAT”	:	Profit after tax attributable to the owners of our Company
“PBT”	:	Profit before tax
“Placement Shares”	:	Up to 349,598,600 new Minetech Shares to be issued pursuant to the Private Placement

## DEFINITIONS (*CONT'D*)

“Private Placement”	:	Private placement of Placement Shares, representing up to 30% of our Company’s existing number of issued Shares (excluding any treasury shares) at an issue price to be determined later
“Provisional Allotments”	:	The ICPS provisionally allotted to Entitled Shareholders
“Record of Depositors”	:	A record of depositors maintained by Bursa Depository
“Rights Issue of ICPS”	:	Renounceable rights issue of up to 582,664,400 ICPS at the Issue Price on the basis of 1 ICPS for every 2 existing Minetech Shares held on the Entitlement Date
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“RSF”	:	Rights subscription form in relation to the Rights Issue of ICPS
“Rules”	:	Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the SC
“Rules of Bursa Depository”	:	Rules of Bursa Depository as issued pursuant to the SICDA
“SC”	:	Securities Commission Malaysia
“Share Capital Reduction”	:	Reduction of the issued capital of our Company by RM90.0 million pursuant to Section 116 of the Act which was approved during the EGM on 28 June 2021
“SICDA”	:	Securities Industry (Central Depositories) Act, 1991
“Solar Power Plant”	:	A 9.99-megawatt AC solar power plant located on a 75-acre de-commissioned mining pond at Pantai Remis, Perak currently being developed by Coral Power
“TEAP”	:	Theoretical ex-all price
“Undertaking Shareholders”	:	Dato’ (Dr). Ts. Awang Daud Bin Awang Putera, Choy Sen @ Chin Kim Sang and Chin Leong Choy, collectively
“VWAP”	:	Volume weighted average market price

## SHARE ISSUANCE SCHEME:

“By-Laws”	:	By-Laws governing the SIS, as amended, modified and supplemented from time to time
“Eligible Persons”	:	Directors or employees of the Company and its non-dormant subsidiaries who meet the criteria of eligibility for participation in the SIS as set out in the By-Laws
“Grantee”	:	An Eligible Person who has accepted the Offer, in accordance with the By-Laws
“Offer”	:	A written offer made by the SIS Committee from time to time to an Eligible Person to participate in the SIS in the manner provided in the By-Laws
“SIS”	:	Establishment of share issuance scheme of up to 15% of the total number of issued Minetech Shares (excluding any treasury shares) at any one time during the duration of the share issuance scheme which was approved during the EGM on 28 June 2021
“SIS Committee”	:	A committee duly authorised and appointed by the Board to administer the SIS, in accordance with the provisions of the By-Laws
“SIS Options” or “Options”	:	Right of a Grantee to subscribe for new Minetech Shares pursuant to the contract constituted by the acceptance of an Offer by an Eligible Person in the manner provided in the By-Laws

---

**DEFINITIONS (*CONT'D*)**

---

All references to “our Company” and/or “Minetech” in this Abridged Prospectus are to Minetech. References to “our Group” and/or “Minetech Group” are to Minetech and our subsidiaries and references to “we”, “us” “our” and “ourselves” are to Minetech and where the context does require, shall include our subsidiaries.

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

Words incorporating the singular shall, where applicable, include the plural and vice versa. Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

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

**[The rest of this page has been intentionally left blank]**

## TABLE OF CONTENTS

	<b>PAGE</b>
<b>ADVISERS' DIRECTORY</b>	<b>1</b>
<b>SUMMARY OF RIGHTS ISSUE OF ICPS</b>	<b>2</b>
<b>LETTER TO OUR ENTITLED SHAREHOLDERS CONTAINING:</b>	
<b>1. INTRODUCTION</b>	<b>4</b>
<b>2. PARTICULARS OF THE RIGHTS ISSUE OF ICPS</b>	<b>5</b>
2.1 Details of the Rights Issue of ICPS	5
2.2 Basis of determining the Issue Price and Conversion Price of the ICPS	6
2.3 Ranking of the ICPS and the new Shares arising from the conversion of the ICPS	7
2.4 Minimum Subscription Level and ICPS Undertaking	7
2.5 Take-over implications	8
2.6 Details of other corporate exercises	8
<b>3. RATIONALE FOR THE RIGHTS ISSUE OF ICPS AND PRIVATE PLACEMENT</b>	<b>9</b>
<b>4. UTILISATION OF PROCEEDS</b>	<b>9</b>
<b>5. RISK FACTORS</b>	<b>14</b>
5.1 Risks relating to our Group	14
5.2 Risks relating to our quarry and bituminous businesses	16
5.3 Risks relating to our civil engineering (including construction) business	17
5.4 Risk relating to our O&G business	18
5.5 Risk relating to our renewable energy business	19
5.6 Risk factors relating to the Rights Issue of ICPS	19
<b>6. INDUSTRY OUTLOOK AND FUTURE PROSPECTS OF OUR GROUP</b>	<b>21</b>
6.1 Overview and outlook of the Malaysian economy	21
6.2 Overview and outlook of the renewable energy sector in Malaysia	22
6.3 Overview and outlook of the oil and gas sector in Malaysia	23
6.4 Overview and outlook of the construction and property development sectors in Malaysia	24
6.5 Overview and outlook of the mining and quarry sectors in Malaysia	26
6.6 Overview and outlook of the bituminous related sectors in Asia Pacific (including Malaysia)	26
6.7 Prospects of our Group	27
<b>7. EFFECTS OF THE RIGHTS ISSUE OF ICPS</b>	<b>29</b>
7.1 Share capital	29
7.2 NA and gearing	30
7.3 Earnings and EPS	32
7.4 Convertible securities	33



---

**TABLE OF CONTENTS (*CONT'D*)**

---

<b>8.</b>	<b>WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES, MATERIAL COMMITMENTS AND MATERIAL TRANSACTIONS</b>	<b>33</b>
8.1	Working capital and sources of liquidity	33
8.2	Borrowings	33
8.3	Contingent liabilities	34
8.4	Material commitments	34
8.5	Material transactions	34
<b>9.</b>	<b>INSTRUCTIONS FOR ACCEPTANCE, SALE OR TRANSFER, EXCESS APPLICATION AND PAYMENT</b>	<b>35</b>
9.1	General	35
9.2	NPA	35
9.3	Last date and time for acceptance and payment	35
9.4	Methods of acceptance and application	35
9.5	Procedure for full acceptance and payment	36
9.6	Procedure for part acceptance by Entitled Shareholders	48
9.7	Procedure for sale or transfer of the Provisional Allotments	49
9.8	Procedure for acceptance by renouncee(s)/ transferee(s)	49
9.9	Procedure for application of Excess ICPS	49
9.10	Form of issuance	52
9.11	Laws of foreign jurisdiction	52
<b>10.</b>	<b>TERMS AND CONDITIONS</b>	<b>54</b>
<b>11.</b>	<b>FURTHER INFORMATION</b>	<b>54</b>
 <b>APPENDICES</b>		
APPENDIX I	INFORMATION ON OUR GROUP	55
APPENDIX II	ADDITIONAL INFORMATION	67
APPENDIX III	SALIENT TERMS OF THE ICPS	68

---

**ADVISERS' DIRECTORY**

---

<b>PRINCIPAL ADVISER</b>	:	TA Securities Holdings Berhad 32 <sup>nd</sup> Floor, Menara TA One 22, Jalan P. Ramlee 50250 Kuala Lumpur  Tel : 03-2072 1277
<b>COMPANY SECRETARIES</b>	:	Tai Yit Chan (MAICSA 7009143) (SSM PRACTISING NO. 202008001023) Tan Ai Ning (MAICSA 7015852) (SSM PRACTISING NO. 202008000067)  Boardroom Corporate Services Sdn Bhd 12 <sup>th</sup> Floor, Menara Symphony No. 5, Jalan Professor Khoo Kay Kim Seksyen 13 46200 Petaling Jaya Selangor  Tel : 03-7890 4800
<b>DUE DILIGENCE SOLICITORS FOR THE RIGHTS ISSUE OF ICPS</b>	:	Peter Ling & van Geyzel B-19-4, Tower B, Northpoint Office Suites Mid Valley City No. 1 Medan Syed Putra Utara 59200 Kuala Lumpur  Tel : 03-2282 3080
<b>SHARE REGISTRAR</b>	:	Boardroom Share Registrars Sdn Bhd 11 <sup>th</sup> Floor, Menara Symphony No. 5, Jalan Professor Khoo Kay Kim Seksyen 13 46200 Petaling Jaya Selangor  Tel : 03-7890 4700
<b>STOCK EXCHANGE</b>	:	Main Market of Bursa Securities

## SUMMARY OF RIGHTS ISSUE OF ICPS

**THIS SUMMARY OF RIGHTS ISSUE OF ICPS ONLY HIGHLIGHTS THE KEY INFORMATION FROM OTHER PARTS OF THIS ABRIDGED PROSPECTUS. AS THIS SUMMARY DOES NOT CONTAIN ALL INFORMATION THAT MAY BE IMPORTANT TO YOU, YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE ENTIRE ABRIDGED PROSPECTUS.**

<b>Issue size and basis of allotment</b>	<p>: Up to 582,664,400 ICPS on the basis of 1 ICPS for every 2 existing Shares held by the Entitled Shareholders on the Entitlement Date.</p> <p>Any unsubscribed ICPS will be made available for excess applications by Entitled Shareholders and /or their renouncee(s)/transferee(s), if applicable.</p> <p>Please refer to Section 2.1 of this Abridged Prospectus for further information.</p> <p>It is our Board’s intention to allot any Excess ICPS in a fair and equitable manner.</p> <p>Please refer to Section 9.9 of this Abridged Prospectus for further information.</p>																		
<b>Issue price and Conversion Price of the ICPS</b>	<p>: Issue Price: RM0.03 per ICPS</p> <p>Conversion Price: RM0.12 per Minetech Share</p> <p>Please refer to Section 2.2 of this Abridged Prospectus for further information.</p>																		
<b>Minimum Subscription Level and ICPS Undertaking</b>	<p>: The Undertaking Shareholders who have provided their ICPS Undertaking are as follows:</p> <table><tr><th></th><th><b>ICPS Undertaking</b></th><th><b>Amount to be raised</b></th></tr><tr><th><b>Undertaking Shareholders</b></th><th><b>No. of ICPS</b></th><th><b>RM</b></th></tr><tr><td>Dato’ (Dr). Ts. Awang Daud Bin Awang Putera</td><td>148,924,750</td><td>4,467,742.50</td></tr><tr><td>Choy Sen @ Chin Kim Sang</td><td>83,548,510</td><td>2,506,455.30</td></tr><tr><td>Chin Leong Choy</td><td>23,728,050</td><td>711,841.50</td></tr><tr><td><b>Total</b></td><td><b>256,201,310</b></td><td><b>7,686,039.30</b></td></tr></table> <p>Please refer to Section 2.4 of this Abridged Prospectus for further information.</p>		<b>ICPS Undertaking</b>	<b>Amount to be raised</b>	<b>Undertaking Shareholders</b>	<b>No. of ICPS</b>	<b>RM</b>	Dato’ (Dr). Ts. Awang Daud Bin Awang Putera	148,924,750	4,467,742.50	Choy Sen @ Chin Kim Sang	83,548,510	2,506,455.30	Chin Leong Choy	23,728,050	711,841.50	<b>Total</b>	<b>256,201,310</b>	<b>7,686,039.30</b>
	<b>ICPS Undertaking</b>	<b>Amount to be raised</b>																	
<b>Undertaking Shareholders</b>	<b>No. of ICPS</b>	<b>RM</b>																	
Dato’ (Dr). Ts. Awang Daud Bin Awang Putera	148,924,750	4,467,742.50																	
Choy Sen @ Chin Kim Sang	83,548,510	2,506,455.30																	
Chin Leong Choy	23,728,050	711,841.50																	
<b>Total</b>	<b>256,201,310</b>	<b>7,686,039.30</b>																	
<b>Rationale for the Rights Issue of ICPS</b>	<p>: The Rights Issue of ICPS is primarily to raise funds required by Minetech for the purposes as set out in Section 4 of this Abridged Prospectus.</p> <p>Please refer to Section 3 of this Abridged Prospectus for further information.</p>																		
<b>Utilisation of proceeds</b>	<p>: Our Company expects to raise the following proceeds from the Rights Issue of ICPS and Private Placement:</p> <table><tr><th></th><th><b>Minimum Scenario (RM’000)</b></th><th><b>Maximum Scenario (RM’000)</b></th></tr><tr><td>Issuance of Placement Shares (at indicative RM0.16 each)</td><td>55,936</td><td>55,936</td></tr><tr><td>Issuance of ICPS (at RM0.03 each)</td><td>7,686</td><td>17,480</td></tr><tr><td><b>Total gross proceeds</b></td><td><b>63,622</b></td><td><b>73,416</b></td></tr></table>		<b>Minimum Scenario (RM’000)</b>	<b>Maximum Scenario (RM’000)</b>	Issuance of Placement Shares (at indicative RM0.16 each)	55,936	55,936	Issuance of ICPS (at RM0.03 each)	7,686	17,480	<b>Total gross proceeds</b>	<b>63,622</b>	<b>73,416</b>						
	<b>Minimum Scenario (RM’000)</b>	<b>Maximum Scenario (RM’000)</b>																	
Issuance of Placement Shares (at indicative RM0.16 each)	55,936	55,936																	
Issuance of ICPS (at RM0.03 each)	7,686	17,480																	
<b>Total gross proceeds</b>	<b>63,622</b>	<b>73,416</b>																	

**SUMMARY OF RIGHTS ISSUE OF ICPS (CONT'D)**

**Utilisation of proceeds (cont'd)** : The gross proceeds expected to be raised from the Rights Issue of ICPS and Private Placement will be utilised in the following manner:

<b>Purposes</b>	<b>Minimum Scenario (RM'000)</b>	<b>Maximum Scenario (RM'000)</b>	<b>Expected time frame for use of proceeds*</b>
Expenditure for construction projects	22,000	25,000	Within 24 months
Repayment of borrowings	14,000	14,000	Within 24 months
Development cost for Solar Power Plant	8,000	8,000	Within 6 months
Future business investments and/or acquisitions	7,000	12,000	Within 24 months
Expansion of quarry division	3,000	3,000	Within 24 months
Funding for Diversification into O&G	3,000	3,000	Within 24 months
Expansion of bituminous products division	3,000	4,000	Within 24 months
Working capital	2,752	3,546	Within 24 months
Expenses for the Corporate Exercises	870	870	Within 1 month
<b>Total proceeds</b>	<b>63,622</b>	<b>73,416</b>	

*Note:*

\* From the dates of listing of the ICPS and Placement Shares.

Please refer to Section 4 of this Abridged Prospectus for further information.

**Key risk factors** : You should carefully consider the following key risk factors before subscribing for the Rights Issue of ICPS:

- (i) the continuing impact of the COVID-19 virus which may result in future containment and lockdown measures by the Malaysian government as well as disruption to our Group's operations;
- (ii) our Group's quarry and bituminous business faces competition amongst industry players as well as fluctuations in raw material prices, both of which may materially affect our profit margins;
- (iii) our Group's civil engineering (including construction) business is subject to the risk of cost overruns as well as dependence on the support and performance of third-party contractors / subcontractors. Failure by our Group to monitor the cost and quality of the construction projects may have a material adverse impact on our financial performance;
- (iv) our Group's O&G business is dependent on the fluctuation in oil prices which influences the levels of activities within the O&G industry; and
- (v) our Group's renewable energy business is dependent on favourable weather conditions for the efficiency of our Solar Power Plant.

Please refer to Section 5 of this Abridged Prospectus for further information.

**Procedures for acceptance and payment** : Acceptance of and payment for the Provisional Allotments must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF and must conform to the terms and conditions contained therein.

The last day, date and time for acceptance of and payment for the Provisional Allotments is on **Friday, 8 October 2021 at 5.00 p.m.**

Please refer to Section 9 of this Abridged Prospectus for further information.



**MINETECH RESOURCES BERHAD**  
(Registration No. 200201007880 (575543-X))  
(Incorporated in Malaysia)

**Registered Office:**

12<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Professor Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor

23 September 2021

**Board of Directors**

Dato' (Dr). Ts. Awang Daud Bin Awang Putera (*Executive Chairman*)  
Choy Sen @ Chin Kim Sang (*Executive Director*)  
Chin Leong Choy (*Executive Director*)  
Awgku Mohd Reza Farzak Bin Awg Daud (*Executive Director*)  
Azlan Shah Bin Zainal Arif (*Executive Director*)  
Ahmad Rahizal bin Dato' Ahmad Rasidi (*Executive Director*)  
Ahmad Ruslan Zahari bin Zakaria (*Independent Non-Executive Director*)  
Datin Feridah Binti Bujang Ismail (*Independent Non-Executive Director*)  
Siti Aishah Binti Othman (*Independent Non-Executive Director*)

**To: Entitled Shareholders**

Dear Sir/Madam,

**RENOUNCEABLE RIGHTS ISSUE OF UP TO 582,664,400 ICPS AT AN ISSUE PRICE OF RM0.03 PER ICPS ON THE BASIS OF 1 ICPS FOR EVERY 2 EXISTING SHARES HELD BY OUR ENTITLED SHAREHOLDERS AS AT 5.00 P.M. ON THURSDAY, 23 SEPTEMBER 2021**

---

**1. INTRODUCTION**

On 15 March 2021, TA Securities announced, on behalf of our Board, that our Company had proposed to undertake the Corporate Exercises. On 22 April 2021, TA Securities announced, on behalf of our Board, additional information in relation to the Corporate Exercises.

On 20 May 2021, TA Securities announced, on behalf of our Board, that Bursa Securities had through its letter on even date, approved the following:

- (i) admission to the Official List and the listing of and quotation for up to 582,664,400 ICPS to be issued pursuant to the Rights Issue of ICPS on the Main Market of Bursa Securities;
- (ii) listing of and quotation for up to 349,598,600 Placement Shares on the Main Market of Bursa Securities;
- (iii) listing of and quotation for up to 582,664,400 new Minetech Shares to be issued pursuant to the conversion of the ICPS on the Main Market of Bursa Securities; and
- (iv) listing of and quotation for the new Minetech Shares to be issued pursuant to the exercise of the SIS Options on the Main Market of Bursa Securities.

The approval of Bursa Securities is subject to the following conditions:

	Conditions	Status of compliance
(a)	Our Company and TA Securities must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Corporate Exercises;	To be complied.
(b)	Our Company and TA Securities to inform Bursa Securities upon the completion of the Corporate Exercises respectively;	To be complied.
(c)	Our Company and TA Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Corporate Exercises are completed respectively;	To be complied.
(d)	Our Company to furnish Bursa Securities with a certified true copy of the resolutions passed by the shareholders in general meeting approving the Corporate Exercises;	Complied.
(e)	Our Company to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the conversion of the ICPS and issuance of new Shares under the SIS as at the end of each quarter together with a detailed computation of listing fees payable; and	To be complied.
(f)	TA Securities is required to submit a confirmation to Bursa Securities of full compliance of the SIS pursuant to Paragraph 6.43(1) of the Listing Requirements and stating the effective date of implementation.	To be complied.

On 28 June 2021, our shareholders approved the Corporate Exercises at our EGM.

On 8 September 2021, TA Securities announced, on behalf of our Board, that our Board had resolved to fix the issue price of the ICPS at RM0.03 per ICPS. On the same day, TA Securities announced, on behalf of our Board, the Entitlement Date along with other relevant dates pertaining to the Rights Issue of ICPS.

No person is authorised to give any information or to make any representation not contained in this Abridged Prospectus in connection with the Rights Issue of ICPS and if given or made, such information or representation must not be relied upon as having been authorised by TA Securities or our Company.

## 2. PARTICULARS OF THE RIGHTS ISSUE OF ICPS

### 2.1 Details of the Rights Issue of ICPS

The Rights Issue of ICPS entails a renounceable rights issue of up to 582,664,400 ICPS at the Issue Price of RM0.03 each, on the basis of 1 ICPS for every 2 existing Shares held by our Entitled Shareholders on the Entitlement Date. The tenure of the ICPS is 5 years commencing from and inclusive of the date of the issuance of the ICPS. Please refer to Appendix III of this Abridged Prospectus for the salient terms of the ICPS.

The actual number of ICPS to be issued will depend on the eventual subscription level for the Rights Issue of ICPS. As at the date of this Abridged Prospectus, the total number of issued shares of the Company is 1,165,613,800 Shares (inclusive of 285,000 treasury shares) and the Company does not have any outstanding convertible securities. Excluding 285,000 treasury shares held as at the LPD, our Company has a total of 1,165,328,800 issued Shares.

The Rights Issue of ICPS will be undertaken on the Minimum Subscription Level basis to raise minimum gross proceeds of approximately RM7.7 million for our Group's intended usage as set out in Section 4 of this Abridged Prospectus.

The Rights Issue of ICPS is renounceable in full or in part. Accordingly, our Entitled Shareholders may fully or partially renounce their entitlements under the Rights Issue of ICPS.

Any ICPS which are not taken up or not validly taken up by our Entitled Shareholders and/or their transferee(s) and/or their renouncee(s) before the Closing Date shall be made available for Excess ICPS Application in the manner set out in Section 9.9 of this Abridged Prospectus. Any fractional entitlements under the Rights Issue of ICPS will be disregarded and shall be dealt with in such manner as our Board shall in its absolute discretion deem fit or expedient to minimise the incidence of odd lots and in the best interest of our Company.

As you are an Entitled Shareholder, you will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such number of Provisional Allotment into your CDS Account, and the RSF to enable you to subscribe for such Provisional Allotments as well as to apply for the Excess ICPS if you choose to do so. However, only our Entitled Shareholders who have an address in Malaysia as stated in our Record of Depositors will receive this Abridged Prospectus, together with the NPA and RSF.

Any dealings in our Company's securities will be subject to, amongst others, the provisions of SICDA, Rules of Bursa Depository and any other relevant legislation. Accordingly, the ICPS will be credited directly into the respective CDS Accounts of successful applicants. No physical certificates will be issued to the successful applicants of the ICPS.

Notices of allotment will be despatched to the successful applicants of the ICPS within 8 Market Days from the Closing Date or such other period as may be prescribed by Bursa Securities.

The ICPS will be admitted to the Official List and the listing and quotation of these securities will commence 2 Market Days upon the receipt by Bursa Securities of an application for quotation for these securities as specified under the Listing Requirements, which will include amongst others, confirmation that all notices of allotment have been despatched to the successful applicants, and after receipt of confirmation from Bursa Depository that all CDS Accounts of successful applicants are ready to be credited with the ICPS.

## 2.2 Basis of determining the Issue Price and Conversion Price of the ICPS

Our Board has fixed the issue price of the ICPS at RM0.03 each and Conversion Price of the ICPS at RM0.12 after taking into consideration the following:

- (i) the rationale for the Rights Issue of ICPS, as set out in Section 3 of this Abridged Prospectus;
- (ii) the amount of proceeds that our Group wishes to raise for its funding requirements as set out in Section 4 of this Abridged Prospectus; and
- (iii) the Conversion Price of the ICPS being no lower than at a maximum discount of 20% to the TEAP of Minetech Shares based on the 5D-VWAP up to and including the last trading day prior to the price fixing date. The Conversion Price of RM0.12 is at a discount of RM0.0243 or 16.8% to the TEAP of RM0.1443 based on the 5D-VWAP of Minetech Shares up to and including 7 September 2021 (being the last trading day prior to the price-fixing date for the ICPS) of RM0.1473.

Based on the Conversion Price of RM0.12 and issue price of the ICPS of RM0.03 each, the ICPS can be converted into new Minetech Shares by way of the following conversion modes:

- (i) Cashless Conversion - by surrendering 4 ICPS for conversion into 1 new Minetech Share; or
- (ii) Cash Conversion - by surrendering 1 ICPS and cash payment of RM0.09 for conversion into 1 new Minetech Share.

The ICPS can be converted into new Minetech Shares at any time from the date of issuance of the ICPS up to the last market day immediately preceding the 5<sup>th</sup> anniversary from the date of issuance of the ICPS ("**Maturity Date**"). Any ICPS that are not converted would be mandatorily converted into new Minetech Shares on the Maturity Date.

Any fractional new Minetech Shares arising from the mandatory conversion of the ICPS on the Maturity Date will be disregarded and will be dealt with by our Board as it may deem fit and expedient in the best interests of our Company.

### 2.3 Ranking of the ICPS and the new Shares arising from the conversion of the ICPS

The ICPS shall rank equally amongst themselves and shall rank in priority to any other class of shares in the capital of Minetech.

The new Shares to be issued arising from the conversion of the ICPS shall, upon allotment and issuance, rank equally in all respects with the then existing Shares, save and except that the new Shares shall not be entitled to any dividends, rights, allotments and/or other forms of distributions, the entitlement date of which is prior to the date of allotment and issuance of the new Shares arising from the conversion of the ICPS.

### 2.4 Minimum Subscription Level and ICPS Undertaking

The Rights Issue of ICPS will be undertaken on Minimum Subscription Level to raise minimum gross proceeds of approximately RM7.7 million based on the Issue Price. The Minimum Subscription Level has taken into consideration the amount of ICPS Undertaking that our Company is able to obtain and also the funding requirements of our Group as set out in Section 4 of this Abridged Prospectus. Therefore, no underwriting is arranged for the ICPS. The Undertaking Shareholders will apply and subscribe in full for their respective entitlements under the Rights Issue of ICPS based on their shareholdings in our Company as at 12 March 2021 (being the latest practicable date prior to the Announcement).

Our Company has obtained separate ICPS Undertaking dated 15 March 2021 from its Undertaking Shareholders that they:

- (i) will subscribe in full for their entitlement of the ICPS;
- (ii) have sufficient financial resources to fulfil their ICPS Undertaking; and
- (iii) will not sell, dispose or transfer their existing shareholding of Shares from the date of the ICPS Undertaking until the Entitlement Date of the Rights Issue.

TA Securities, as the Adviser for the Rights Issue of ICPS, has verified that the Undertaking Shareholders have sufficient financial resources to fulfil their respective ICPS Undertaking.

Details of the ICPS Undertaking are as follows:

Undertaking Shareholders	Shareholding based on the Record of Depositors as at 6 September 2021		Entitlement No. of ICPS <sup>(2)</sup>	ICPS Undertaking No. of ICPS <sup>(3)</sup>	Amount to be raised RM
	No. of Shares	% <sup>(1)</sup>			
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	311,582,800	26.74	155,791,400	148,924,750	4,467,742.50
Choy Sen @ Chin Kim Sang	167,097,020	14.34	83,548,510	83,548,510	2,506,455.30
Chin Leong Choy	47,456,100	4.07	23,728,050	23,728,050	711,841.50
<b>Total</b>	<b>526,135,920</b>	<b>45.15</b>	<b>263,067,960</b>	<b>256,201,310</b>	<b>7,686,039.30</b>

Notes:

(1) Based on the issued shares of 1,165,328,800 Shares (excluding 285,000 treasury shares).

(2) Based on their shareholdings as at 6 September 2021.

(3) Based on their respective shareholdings as at the date of their ICPS Undertaking dated 15 March 2021.



## 2.5 Take-over implications

The conversion of the ICPS into new Shares by the Undertaking Shareholders, if any, pursuant to the ICPS Undertaking will not give rise to any consequences of mandatory general offer obligations pursuant to the Code and the Rules. The Undertaking Shareholders have undertaken to observe and comply at all times with the provisions of the Code and the Rules and will seek from the SC the necessary exemptions from undertaking such mandatory take-over offer, if required.

In the event the Minimum Scenario materialises, our Company's pro forma public shareholding spread would be approximately 56.3% and as such, our Company is not expected to breach the public shareholding spread requirement pursuant to Paragraph 8.02(1) of the Listing Requirements, which stipulates that a listed corporation must ensure at least 25% of its total listed shares (excluding any treasury shares) are in the hands of public shareholders. For illustrative purposes, our pro forma public shareholding spread under the Minimum Scenario is as follows:

	Shareholding based on the Record of Depositors as at 6 September 2021		Assuming the Minimum Scenario	
	No. of Shares	%	No. of Shares	%
Share capital	1,165,613,800	100.0	1,579,262,727*	100.0
Less: Treasury shares	(285,000)	<i>Negligible</i>	(285,000)	<i>Negligible</i>
Less: Directors', substantial shareholders' and associates' shareholdings	(532,847,920)	(45.7)	(689,398,246)	(43.7)
<b>Public shareholdings</b>	<b>632,480,880</b>	<b>54.3</b>	<b>889,579,481</b>	<b>56.3</b>

Note:

\* After including 349,598,600 maximum number of Placement Shares and 64,050,327 new Shares arising from the conversion of 256,201,310 ICPS (under Minimum Subscription Level) by way of 4 ICPS for 1 new Share.

## 2.6 Details of other corporate exercises

As at the date of this Abridged Prospectus, our Board has confirmed that there are no other corporate exercises which have been approved by the regulatory authorities but pending completion, save for the Rights Issue of ICPS and as disclosed below:

- (i) On 28 June 2021, our shareholders approved the Share Capital Reduction. As at the LPD, the court documents in relation to the Share Capital Reduction had been filed to the High Court and the proceedings for the Share Capital Reduction is currently ongoing at the High Court.
- (ii) On 28 June 2021, our shareholders approved the Private Placement. As part of the placement arrangement, our Company intends to allocate the Placement Shares to the following parties:

	No. of Placement Shares	%
Dato' (Dr). Ts. Awang Daud Bin Awang Putera*	30,000,000	8.58
Choy Sen @ Chin Kim Sang*	25,000,000	7.15
Awgku Mohd Reza Farzak Bin Awg Daud*	12,500,000	3.58
Chin Leong Choy*	12,500,000	3.58
Azlan Shah Bin Zainal Arif*	12,500,000	3.58
Independent third party investors to be identified	257,098,600	73.53
<b>Total</b>	<b>349,598,600</b>	<b>100.00</b>

Note:

\* Directors of Minetech.

In accordance with the Minimum Scenario and the Maximum Scenario, the Private Placement will only be implemented after the completion of the Rights Issue of ICPS.

- (iii) On 28 June 2021, our shareholders approved the establishment of the SIS, which is intended to reward the eligible Directors and employees of our Company as well as non-dormant subsidiaries for their contribution and services. As at the LPD, our Company has yet to implement the SIS and the SIS will only be implemented after the completion of the Rights Issue of ICPS. The SIS shall be in force for a period of 5 years from its commencement, and may be extended for a further period of up to 5 years, subject to an aggregate of 10 years.

### 3. RATIONALE FOR THE RIGHTS ISSUE OF ICPS AND PRIVATE PLACEMENT

After consideration of various methods of fund raising, our Board is of the opinion that the Rights Issue of ICPS and Private Placement are appropriate avenues to raise required funds without incurring interest costs associated with bank borrowings or the issuance of debt instruments, thereby minimising any potential cash outflow arising from interest servicing costs. As the recent COVID-19 pandemic and resulting business interruptions are expected to have an adverse effect on a global economic scale in the immediate and long term, our Group is of the view that the ability to raise funds expeditiously is crucial as the additional working capital will help to finance our Group's operations by providing more flexibility and financial buffer in terms of cash flow management. In addition, the funds will also be raised for the purposes related to the Diversification to be undertaken by our Group.

The ICPS Undertaking from the Undertaking Shareholders provides certainty in respect of the sources of funding. The Rights Issue of ICPS and Private Placement are expected to strengthen our Company's capital base as well as improve our Group's financial position and future earnings when the economic and financial benefits from the use of proceeds are realised.

Our Board also considered the following:

- (i) the issuance of ICPS will not have an immediate dilutive effect on our Company's EPS as the ICPS can be converted over the 5-year tenure of the ICPS, compared to a rights issue of ordinary shares which will have an immediate dilutive effect on the EPS;
- (ii) subscription to the ICPS also provides an opportunity for the existing shareholders of Minetech to increase their equity participation in our Company when converting their ICPS into new Minetech Shares; and
- (iii) Minetech's capital base would be strengthened upon conversion of the ICPS.

Notwithstanding the above, the Rights Issue of ICPS and Private Placement will dilute our existing shareholders' shareholdings in our Company as a result of the conversion of ICPS pursuant to the Rights Issue of ICPS and issuance of new Shares pursuant to the Private Placement. However, the ICPS are expected to be converted over a period of time during the conversion period while our Company has the flexibility to implement the Private Placement in multiple tranches to raise funds only when required and as such, avoid immediate dilution of our existing shareholders' shareholdings in our Company.

### 4. UTILISATION OF PROCEEDS

Our Company expects to raise the following proceeds from the Rights Issue of ICPS and Private Placement:

	<b>Minimum Scenario (RM'000)</b>	<b>Maximum Scenario (RM'000)</b>
Issuance of Placement Shares (at indicative RM0.16 each)	55,936	55,936
Issuance of ICPS (at RM0.03 each)	7,686	17,480
<b>Total gross proceeds</b>	<b>63,622</b>	<b>73,416</b>

The proceeds are intended to be used by the Minetech Group as follows:

Purposes	Notes	Minimum Scenario		Maximum Scenario		Expected time frame for use of proceeds*
		(RM'000)	(%)	(RM'000)	(%)	
Expenditure for construction projects	(1)	22,000	34.6	25,000	34.1	Within 24 months
Repayment of borrowings	(2)	14,000	22.0	14,000	19.1	Within 24 months
Development cost for Solar Power Plant	(3)	8,000	12.6	8,000	10.9	Within 6 months
Future business investments and/or acquisitions	(4)	7,000	11.0	12,000	16.3	Within 24 months
Expansion of quarry division	(5)	3,000	4.7	3,000	4.1	Within 24 months
Funding for Diversification into O&G	(6)	3,000	4.7	3,000	4.1	Within 24 months
Expansion of bituminous products division	(7)	3,000	4.7	4,000	5.4	Within 24 months
Working capital	(8)	2,752	4.3	3,546	4.8	Within 24 months
Expenses for the Corporate Exercises	(9)	870	1.4	870	1.2	Within 1 month
<b>Total proceeds</b>		<b>63,622</b>	<b>100.0</b>	<b>73,416</b>	<b>100.0</b>	

Notes:

\* From the dates of listing of the ICPS and Placement Shares.

- Up to RM25.0 million of the proceeds will be allocated to partially fund our Group's existing and future construction projects, with the breakdown only to be determined nearer to their commencement dates. Any shortfall in funding for our Group's existing and future construction projects will be funded via project and/or contract financing as well as internally-generated funds. As at the LPD, our Group is in the process of tendering for construction projects (which include land reclamation, infrastructure and drilling and blasting works) in West Malaysia with an aggregate contract sum of RM80.0 million. In the event that no construction projects are successfully tendered by our Group within the 24 months, the proceeds will be re-allocated towards the repayment of bank borrowings as well as borrowings in relation to the construction of the Solar Power Plant, future business investments and / or acquisitions.
- As at the LPD, the total borrowings of our Group are approximately RM44.1 million. Up to RM14.0 million of the proceeds will be allocated for the following:

Purposes	RM'000
Repayment of borrowings secured to partially fund the construction of the Solar Power Plant (expected to result in annual interest savings of approximately RM0.7 million at an average effective interest rate of 12.0% per annum as governed under the Moneylenders Act 1951). The maturity date of the borrowings is 20 October 2028.	10,000
Repayment of bank borrowings inclusive of term loans secured to purchase office building in Kelana Jaya as well as bankers' acceptance and trust receipts for our Group's operation (expected to result in annual interest savings of approximately RM0.7 million at an average effective interest rate of 5.9% per annum based on the respective base lending/financing rates of the banks). The maturity date of the term loans is 19 May 2039.	4,000
<b>Total</b>	<b>14,000</b>

- As at the LPD, the development of the Solar Power Plant is 85% completed and our Group intends to allocate RM8.0 million of the proceeds for the following:

Purposes	RM'000
Purchase and installation cost for part of the 36,000 units of photovoltaics modules, mounting structure and floaters	6,000
Interconnection works (i.e. installation of concrete poles and cabling)	2,000
<b>Total</b>	<b>8,000</b>

- (4) Our Group intends to allocate up to RM12.0 million of the proceeds for its future potential business development, investments and/or acquisitions involving the technology industry (e.g. financial technology (“**Fintech**”), cyber security and 5G related services). Such investments and/or acquisitions may be carried out via merger or acquisition of business, joint venture or formation of key partnership with companies involved in the Fintech, cyber security and 5G related services. On 12 March 2021, Techmile Resources Sdn Bhd (“**Techmile**”) (a wholly-owned subsidiary of Minetech) had entered into a shares sales agreement to acquire 300,000 ordinary shares of Uniq (M) Sdn Bhd (“**Uniq**”) (further details as set out in Section 6.7 of this Abridged Prospectus). Uniq is involved in the business of information technology, software and application development as well as e-commerce. If and when our Group enters into any agreement, announcements will be made and approvals will be sought from shareholders, if required. If such opportunities do not materialise within the expected timeframe, our Group intends to use the allocated proceeds for its working capital.
- (5) Our Group’s revenue from the quarry segment decreased from RM68.9 million in FYE 31 March 2019 to RM3.8 million in FYE 31 March 2021 mainly due to the disposal of Gebeng Quarry Sdn Bhd and Minetech PQ Sdn Bhd in FYE 31 March 2020 as well as increased competition and competitive operation margins. Despite the disposal of these subsidiaries, our Group remains committed to our existing quarry operations and intends to enhance the efficiency and capacity of our quarry’s operation to improve our operation margins. Currently, our Group conducts its existing quarry operations at Bidor, Perak namely the extraction, production and sale of granite quarry products of various sizes (referred to as aggregates).

Our Group intends to allocate RM3.0 million of the proceeds to expand its quarry operations, as follows:

Purposes	RM’000
Capital expenditure to construct manufacturing plant for industrial explosives products <sup>(a)</sup>	2,000
Building costs (i.e. building materials, consultation fees for engineering and architectural services, earthwork and labour costs) for the upgrade of secondary and tertiary crushing plant to improve crushing capacity from 35,000 metric tonnes per month to 70,000 metric tonnes per month	1,000
<b>Total</b>	<b>3,000</b>

Sub-notes:

- (a) Currently, our Group purchases explosives for their quarry activities. Our Group intends to allocate RM2.0 million to construct its own explosives manufacturing plant to mitigate reliance on third-party suppliers as well as to diversify its income stream to include the sale of industrial explosives products to quarries, metal/coal mines and infrastructure works as demand exists for industrial explosives throughout West Malaysia. The construction of the explosives manufacturing plant is expected to cost approximately RM13.0 million and therefore the remaining balance of RM11.0 million is intended to be funded via internally-generated funds and/or bank borrowings. The manufacturing plant is expected to be constructed on a piece of vacant land located in our Company’s existing quarry site in Bidor, Perak with the following breakdown of costs:

Purposes	RM’000
Building costs for the new manufacturing plant (i.e. building materials, consultation fees for engineering and architectural services as well as labour costs) to build facilities (i.e. bulk emulsion plant, depot, gassing station, weighbridge and washing facilities) as well as purchase of equipment and machineries (i.e. magazines, trucks and forklifts) with the breakdown to be determined in the future	1,500
Associated costs for site preparation and earthwork (i.e. land clearing costs, land infrastructure and utilities’ infrastructure works)	500
<b>Total</b>	<b>2,000</b>

The new production line of industrial explosives is expected to enhance and complement our Group’s existing quarry division with an estimated production capacity of 20,000 metric tonnes per month. The construction of the manufacturing plant is expected to commence by December 2021 and be completed within a year.

- (6) Our Group intends to allocate RM3.0 million of the proceeds to fund activities related to its Diversification into O&G. This may include capital expenditure for the set-up of facilities and equipment (i.e. maintenance repair and overhaul workshop) as well as working capital requirements (i.e. salaries and statutory contributions, technical fees and profession fees) to fund daily operations in the field of O&G. The exact breakdown of these expenditures cannot be determined at this juncture. In the event these expenditures do not materialise, our Group intends to use the proceeds for other future O&G related projects to be identified.
- (7) Our Group's existing manufacturing plant for its bituminous products division is located in Ulu Yam, Selangor for production of bituminous products for pipe coating, water proofing and sealing mainly for concrete structures and building works as well as bituminous pre-mix for road construction. Our Group intends to expand its bituminous products division by improving its current manufacturing plant to enhance quality as well as increase efficiency and yield. The expansion of our Group's manufacturing plant is expected to commence in early 2022 and be completed within a year.

A total outlay of up to RM4.0 million is required for these following purposes:

<b>Purposes</b>	<b>Minimum Scenario (RM'000)</b>	<b>Maximum Scenario (RM'000)</b>
Building costs (i.e. building materials, consultation fees for engineering and architectural services, additional bitumen storage tanks, hoisting structure, piping and valves, hot oil heating system and labour costs) to expand and build new manufacturing facilities for its bitumen production process <sup>(a)</sup> (i.e. upgrade of emulsion plant and bitumen storage tanks capacity as well as addition of decanting facility)	1,000	1,200
Upgrade of warehouse storage facility features (i.e. expansion of roof and structure, racking system to improve security as well as addition of end-product storage capacity)	400	500
Purchase of equipment for research and development facilities to develop new liquid-based products, chemical / synthetic-based waterproofing products as well as testing equipment for emulsion and cold mix quality testing	600	800
Capital expenditure to construct new production plant to manufacture liquid and synthetic-based products (e.g. waterproofing membrane and liquid road crack sealants) <sup>(b)</sup>	1,000	1,500
<b>Total</b>	<b>3,000</b>	<b>4,000</b>

Sub-notes:

- (a) Our Group intends to expand the production capacity of the emulsion plant from 300 metric tonnes per month to 500 metric tonnes per month to increase its monthly bitumen production capacity from 1,800 drums to 3,000 drums.

In order to manage its production costs, our Group targets to purchase material through bulk purchase of semi-solid bitumen. This would require expansion of its bitumen storage tanks to a total capacity of 400 metric tonnes, in order to facilitate the production expansion and to provide additional storage for the bulk purchase of materials. In addition, our Group intends to build a decanting facility, mainly to melt solid bitumen from jumbo bags via thermal oil circulating and transferring heat.

- (b) A total cost outlay of up to RM1.5 million is required to construct a new production plant to manufacture liquid and synthetic-based products, as follows:

<b>Purposes</b>	<b>Minimum Scenario (RM'000)</b>	<b>Maximum Scenario (RM'000)</b>
Building costs for new manufacturing plant (e.g. building materials, consultation fees for engineering and architectural services as well as labour costs) to build facilities (e.g. chemical mixing tanks, piping / valves and control software) as well as purchase of equipment and machineries (e.g. forklift)	1,000	1,000
Associated costs for site preparation including plant extension on wall and roofing structures	-	500
<b>Total</b>	<b>1,000</b>	<b>1,500</b>

The construction of the new production plant to manufacture liquid and synthetic-based products is expected to cost approximately RM1.5 million and this amount will be fully funded by the proceeds (based on the Maximum Scenario), with any shortfall to be funded via internally-generated funds and/or bank borrowings.

- (8) As at the LPD, our Group has approximately RM12.9 million in cash and bank balances which after excluding operation-related overdraft amount of approximately RM2.7 million would result in a net cash and cash equivalent balance of approximately only RM10.2 million.

In view of the above, our Group intends to allocate up to approximately RM3.5 million of the proceeds for the following working capital:

<b>Purposes</b>	<b>Minimum Scenario (RM'000)</b>	<b>Maximum Scenario (RM'000)</b>
Payroll, allowances and statutory contributions	1,852	2,646
Rental and administrative expenses	550	550
Legal, professional and consultant fees	350	350
<b>Total</b>	<b>2,752</b>	<b>3,546</b>

Our Group had allocated up to RM2.6 million for payroll, allowances and statutory contributions in anticipation of the additional staff required to oversee the Solar Power Plant (which is expected to be commissioned in the 1<sup>st</sup> quarter of 2022) as well as for the development of e-wallet and remittance application under Techmile (a wholly-owned subsidiary of Minetech) (which is expected to begin in the 4<sup>th</sup> quarter of 2021).

- (9) The breakdown of the estimated expenses in relation to the Corporate Exercises are as follows:

<b>Purposes</b>	<b>Amount (RM'000)</b>
Professional fees	531
Fees to relevant authorities	111
Other incidental expenses in relation to the Corporate Exercises such as placement fee, expenses to convene the EGM, printing, advertising and other miscellaneous expenses	228
<b>Total</b>	<b>870</b>

Any surplus or shortfall to the amount allocated for the expenses for the Corporate Exercises, will be adjusted against the amount allocated for our Group's working capital.

The actual proceeds to be raised from the Rights Issue of ICPS and Private Placement are dependent on the actual number of ICPS and Placement Shares to be issued. Any variation in the actual proceeds raised will be adjusted against the proceeds allocated for Minetech Group's working capital requirements.

If the actual expenses incurred for the Corporate Exercises are higher than allocated, the deficit will be funded from the proceeds allocated for working capital requirements. Conversely, any surplus of funds following payment of expenses will be utilised for working capital requirements.

Pending usage of the proceeds, the money will be placed in deposits with financial institutions or short-term money market instruments as our Board may deem fit. The interests derived from the deposits with the financial institutions or any gain arising from the short-term money market instruments will be used for Minetech Group's working capital requirements.

The amount of proceeds that may be raised from the conversion of the ICPS will depend upon the actual number of ICPS converted during the conversion period and the Conversion Ratio. The proceeds to be raised from the conversion of the ICPS will be used for our Group's working capital, with the exact timeframe and breakdown to be determined in the future. If all ICPS are converted by way of Cashless Conversion, no proceeds will be raised.

Pursuant to Paragraph 8.22 of the Listing Requirements, our Company will seek its shareholders' approval if our Company proposes to make a material change (i.e. 25% or more of the total proceeds raised) to the use of proceeds raised from the Rights Issue of ICPS and Private Placement.

## 5. RISK FACTORS

In addition to other information contained in this Abridged Prospectus, you and/or your renounee(s)/ transferee(s) (if applicable) should carefully consider the following risk factors which may have an impact on the future performance of our Group before making decision on whether to subscribe for the ICPS.

### 5.1 Risks relating to our Group

#### (a) Impact of containment measures to curb the COVID-19 virus on our Group's business and operations

Over the last financial quarters, the COVID-19 pandemic has spread across the world resulting in lockdown or similar measures imposed by governments worldwide to curb the spread of the virus. These have resulted in adverse impact to the performance of the world's economies including Malaysia. Even with the gradual relaxation of lockdown measures, consumer sentiment is expected to remain dampened in the near future as consumers stay cautious in their spending.

Our Group has taken appropriate steps to comply with the standard operating procedures that are in line with the National Security Council and the Ministry of Health's specifications in relation to the COVID-19 infection control measures which include, among others, daily body temperature measurements and symptom screening for employees and clients, registration with the MySejahtera application, practice of social distancing, mandatory mask policy and provision of personal protective equipment to employees according to their work needs. As at the LPD, our Group had incurred approximately RM0.1 million in order to comply with the standard operating procedures imposed by the Malaysian Government. As at the LPD, our Group has not been compounded for any non-compliance with standard operating procedures in relation to MCO measures by the Government of Malaysia.

With the recent resurgence of COVID-19 infections across the world, lockdown or similar measures may be re-imposed by governments worldwide to curb the spread of the virus. The government of Malaysia imposed MCO since March 2020 followed by the 2<sup>nd</sup> MCO imposed from 13 January 2021 as well as the 3<sup>rd</sup> MCO imposed from 1 June 2021 to contain the COVID-19 pandemic. Our Group's operations, specifically in relation to our bituminous products segment, were disrupted as production activity was suspended for approximately 2 months in 2020 with the resulting impact of lowering our Group's revenue from its bituminous products segment by approximately RM3.8 million for the audited FYE 31 March 2021 to RM11.4 million. The lockdowns or similar measures to curb the COVID-19 pandemic may continue to have a material adverse impact on the industries in which our Group operates.

Despite the challenging economic environment, our Group's revenue increased by RM12.8 million (or 15.6%) to RM95.0 million for the audited FYE 31 March 2021 (audited FYE 31 March 2020: RM82.2 million), mainly due to the higher revenue from the civil engineering segment as a result of the new projects undertaken (i.e., YTL Electrified Double Track and Cheras – Kajang Expressway).

The vaccination programs across the globe should pave the way for gradual recovery. Nevertheless, the trajectory towards normalcy could still be punctuated by the lingering effects of the pandemic. Against the challenging operating backdrop due to the COVID-19 pandemic, our Group endeavours to strengthen our business segments and execute our growth strategies which include among others, diversification into renewable energy and O&G, expansion of our quarry division to include manufacturing of industrial explosives products as well as expansion of our bituminous products set out in Section 4 of this Abridged Prospectus.

The outbreak of COVID-19 is a force majeure event beyond the control of our Group. The COVID-19 pandemic and any new movement restrictions that may be imposed by the governments of Malaysia may have additional material adverse impact on the market conditions and industries in which our Group operates. If the COVID-19 pandemic outbreak continues over a prolonged period, it may materially affect our Group's anticipated growth in our existing businesses as well as future businesses (i.e. renewable energy and O&G businesses) due to the restrictions and challenges in carrying out business operations as a result of the COVID-19 outbreak, which in turn could adversely affect the results of our Group's operations and profitability.

**(b) Political, economic and regulatory considerations**

Our Group conducts business locally in Malaysia. Any adverse changes in political, economic and regulatory conditions or developments, vulnerabilities and volatility of emerging market economies and currencies and severe fluctuation in interest rate, can affect investors' confidence in the financial and stock markets which, in turn, may have a material adverse impact on our Group's business, results of operations, financial condition and prospects. As a result of globalisation, economic or market instability in a single country or region are increasingly affecting other markets in general. A continuation of these situations could adversely affect global economic conditions and world markets, and in turn, could cause a chain reaction effect and thus may adversely affect our Group's business and financial performance.

Most of the above changes may be beyond our control and may materially and adversely affect the performance of our Group. As a prime example, the COVID-19 pandemic and the resulting movement restriction measures by governments worldwide have caused disruptions to our operations and revenue generation.

**(c) Dependency on key personnel**

Our Group's business sustainability depends largely on the abilities, skills and experience as well as continued efforts of our existing Executive Directors and key management personnel. The loss of any Executive Director and/or key management personnel without suitable and timely replacement, or the inability of our Group to attract and retain other qualified personnel, may adversely affect our Group's revenue and profitability. Our Group may not be able to identify, attract and retain skilled personnel from time to time in the future, and any loss of key personnel may not be easily and quickly replaced without major disruption to our Group's operations.

**(d) Financial risk**

Our Group's working capital and capital expenditure requirements are funded by internally-generated funds and/or bank borrowings. As at the LPD, our Group's total borrowings amounted to approximately RM44.1 million. All our bank borrowings are interest-bearing based on variable rates. As such, any fluctuation in interest rates could have a material effect on our finance costs. As at the LPD, our Group enjoys good credit standing with our bankers as our Group has never defaulted on payments of either interest or principal sums, in respect of any borrowings during the FYE 31 March 2021 and the subsequent period up to the LPD. Our Group also has adequate credit facilities.



Our Board is confident of our ability to meet our financial obligations when they become due and payable, after taking into consideration the banking facilities currently available to us and the usage of proceeds to be raised from the Rights Issue of ICPS and Private Placement. Nevertheless, if significant future fluctuations in interest rates occur, they may adversely and materially affect our Group's performance and profitability.

**(e) Non-renewal and/or revocation of permits and/or business licenses**

We have obtained certain permits and licenses from various governmental authorities in Malaysia. Some of these permits, approvals, business licenses and accreditations are subject to periodic inspection, changes and/or fulfilment of certain conditions imposed by the relevant authorities. Failure to comply with the conditions imposed by the relevant authorities may cause our Group's permits and business licenses to be revoked/not renewed.

Revocation or non-renewal of our permits, approvals and business licenses may have an adverse effect on our operations, business and reputation as we may lose certain customers and/or projects. This may result in substantial monetary losses, which would materially and adversely impact our Group's profitability.

Notwithstanding the above, our Group has not experienced any other non-renewal and/or revocation of permits, approvals and business licenses which will have an adverse impact on our future business operation.

**5.2 Risks relating to our quarry and bituminous businesses**

**(a) Failure to comply with laws and regulations relating to environment as well as health and safety**

Whilst the environmental aspects of quarry operation are governed by various statutes and regulation including the Environmental Quality Act, 1974, the nature of quarrying is such that it will ultimately have an adverse impact on the environment. This adverse impact does also include the removal of "overburden" which refers to the vegetation and topsoil that has to be removed in order for rock to be exposed before drilling and blasting operations can commence. This effectively generates dust, waste and noise pollution. We are required to comply with various environmental laws and regulations relating to water, air, noise pollution and the disposal of waste materials as well as health and safety laws. Our failure to comply with such environmental, health and safety laws and regulations may result in penalties and in serious cases, closure of quarries which in turn may adversely affect our operating profits. Our operating expenses could also be higher due to the cost of complying with existing and future environment as well as health and safety laws and regulations.

However, as at the LPD, there has not been any non-compliance of applicable laws and regulations relating to the environmental as well as health and safety that have had adverse impact on our Group's operation and financial performance.

**(b) Competition risk**

Due to the bulky nature of aggregates (i.e. granite quarry products), our Group does not face substantial competition from importers of aggregates. Our main competition therefore stems from domestic industry players. There are substantial number of quarries in Malaysia which are able to provide an ample supply of aggregates but the barriers to entry is considered to be high due to the high capital investment and technical expertise that is required by a quarry operator.

Notwithstanding the above, our Group's strategy is to constantly meet and improve on fulfilling customers' requirements as well as to utilise resources efficiently to remain competitive in this industry. In addition to the many years of experience which our Group has in these areas, our management is of the view that we will continue to remain competitive in these areas.

**(c) Fluctuation in raw material prices**

One of the principal raw materials used in the production of our products is bitumen. The price of bitumen generally follows the price trend of, and varies with market conditions for crude petroleum price, which is a commodity and its price fluctuates over time. Bitumen price increases are not always of the same magnitude or directions as the prices that our Group receives for our products. Consequently, any fluctuations in global crude petroleum prices will have an impact on the cost of our raw materials.

In any event, all players in our industry will be similarly affected by price increases of bitumen or other raw materials. Hence this risk is not specific to our Group and no player will have a sustainable advantage over other players in the industry. In addition, our Group seeks to limit the adverse impacts arising from material costs fluctuations by constantly monitoring the market trend of raw materials' prices and plan our purchases of raw materials accordingly.

However, there is no assurance that we will be able to pass on the increases in the prices of our raw materials, whether partially or entirely, to our customers. We will only increase our selling price if we are able to maintain our competitiveness in the market. Therefore, any material increases in the prices of our raw materials will inevitably affect our profit margins, which may in turn affect our financial performance.

**5.3 Risks relating to our civil engineering (including construction) business**

**(a) Dependency on third-party contractors / subcontractors**

Our civil engineering business depends on the support of third-party contractors / subcontractors to ensure satisfactory performance in fulfilling the quality level expected by our Group. Our third-party contractors / subcontractors may also experience financial and/or other difficulties which may affect their ability to fulfil the contracted work, leading to possible delays in completion of projects as well as cost overruns. Any unsatisfactory performance of our appointed third-party contractors / subcontractors and their inability to supply sufficient labour (skilled or unskilled) and quality building materials will inevitably disrupt the progress and/or quality of our operations and will have an adverse effect on our financial performance. However, we have not experienced any past instances where any delay or non-performance by our third-party contractors / subcontractors have had a material adverse impact on our Group's financial performance.

**(b) Risk of cost overruns**

Our Group conducts internal cost and budgeting estimates which includes contract cost, capital expenditure forecast and overheads based on the indicative pricing provided by our suppliers and subcontractors as well as our own estimates of cost for our civil engineering projects.

The actual costs incurred by our Group may be higher than our budgeting estimates due to unforeseen circumstances such as unfavourable weather conditions or unanticipated construction constraints at the worksite as well as additional costs which were not factored into the costing. In such instances, our financial performance may be adversely affected. As at the LPD, we have not experienced any cost overruns which have resulted in a material adverse effect on our profitability.

**(c) Business risk**

Our financial performance is dependent on the performance of the general economy and construction sector in Malaysia. Any material developments affecting the market such as changes in demographic trends, increase in cost of operations, business and credit conditions, employment and income level, economic uncertainties, changes in government policies, the deterioration in demand for consumer spending and construction activities may have an impact on our business operations and financial performance.

## **5.4 Risk relating to our O&G business**

### **(a) Fluctuation in oil prices**

The performance of our Group's future O&G business will be dependent on the level of capital spending, exploration, development and production activities in the O&G industry which are influenced by the fluctuation of oil prices. Prolonged periods of lower oil prices may reduce the level of activities in the O&G industry as spending on exploration, development and production activities is scaled back, which may significantly affect the performance of our Group's future O&G business operations and financial position.

Conversely, during periods of upward movement in oil prices, it is expected that there may be an increase in exploration, development and production activities as the potential return from the O&G activities increases. As such, the level of maintenance activities in the O&G industry may increase, resulting in a higher demand for our Company's O&G maintenance services.

Our Group will continuously monitor oil prices and proactively undertake measures such as maintaining low cost operations, where possible to prepare for any adverse fluctuations in oil prices as well as deferment of maintenance activities by the O&G exploration companies. However, there can be no assurance that any fluctuations in oil prices will not materially affect our Company's O&G business performance, revenue and profits.

### **(b) Operational, health and safety risks**

The O&G and petrochemical industries are subject to disruption by a variety of risks and hazards, which are beyond our Company's control, including fires, explosions, leakages, energy crisis and other accidents. If these risks materialise, they can result in personal injury, business interruptions and potential legal liabilities. Our Group believes that these risks are mitigated through periodic audit of its health and safety procedures and practices, scheduled and/or unscheduled maintenance, drills, health and safety meetings and reviews, training and other measures. Whilst our Group places emphasis on health and safety throughout all levels of its operations and undertakes continuous health and safety training for employees, there is no assurance that incidents and damages will not occur.

### **(c) Compliance with laws and regulations for the O&G industries**

The O&G industry is subject to various laws and regulations administered by local, national and overseas governmental authorities. These laws and regulations also address occupational safety and health of employees and other aspects of the operations of the O&G industry. Our Group must obtain various licences, permits and approvals to operate its O&G business before they commence. Failure to comply with the laws and regulations, as well as injuries or other harm caused by such failure, may result in financial penalties, administrative or legal action against our Group, including the termination or suspension of its O&G business. As at the LPD, our Group is in the midst of applying the relevant licences, permits and seeking the necessary approvals from the relevant authorities to operate in the O&G industry.

### **(d) Dependency on the level of O&G offshore activities**

Our potential customers operate mainly in the offshore O&G industry and as such, we are dependent on the level of activities in the offshore O&G activities which are affected by, amongst others, the level of exploration which, in turn, is influenced by the crude oil prices. Prolonged low crude oil prices may reduce the level of activities in the offshore O&G industry as spending on exploration, development, production activities and maintenance and overhaul would be scaled back which may result in a reduced demand for our services.

## **5.5 Risk relating to our renewable energy business**

### **(a) Compliance with laws and regulations for the renewable energy industry**

The renewable energy industry is subject to various laws and regulations administered by local and national governmental authorities. These laws and regulations also address occupational safety and health of employees and other aspects of the operations of the renewable energy industry. Our Group must obtain various licences, permits and approvals to operate its renewable energy business before they commence. Failure to comply with the laws and regulations, as well as injuries or other harm caused by such failure, may result in financial penalties, administrative or legal action against our Group, including the termination or suspension of its renewable energy business. As at the LPD, our Group is in the midst of applying the relevant licences, permits and seeking the necessary approvals from the relevant authorities to operate in the renewable energy industry.

### **(b) Dependency on weather condition**

On 24 April 2018, Coral Power accepted a letter of award from the Energy Commission to develop the Solar Power Plant. The development of the Solar Power Plant commenced in November 2020 and was expected to take up to 9 months, subject to delays caused by the MCO measures/national recovery plan announced by the Government of Malaysia on June 2021. As at the LPD, the development is approximately 85% completed. The Solar Power Plant is expected to be commissioned in the 1<sup>st</sup> quarter of 2022. The operation of the Solar Power Plant is mainly dependent on favourable weather condition (i.e. clear and sunny weather) as the solar photovoltaic modules installed on the Solar Power Plant would be able to capture maximum sunlight and generates energy at higher efficiency. Unfavourable weather conditions (i.e. rainy and monsoon season) would decrease the efficiency of our Solar Power Plant. In such instances, our financial performance may be adversely affected.

## **5.6 Risk factors relating to the Rights Issue of ICPS**

### **(a) Delay or failure to implement the Rights Issue of ICPS**

The Rights Issue of ICPS is exposed to the risk that they may be delayed or not implemented due to the occurrence of force majeure events or circumstances which are beyond the control of our Company and Principal Adviser arising prior to the implementation of the Rights Issue of ICPS. Such events or circumstances include, epidemics or pandemics, natural disasters, adverse developments in political, economic and government policies in Malaysia, including changes in inflation and interest rates, global economic downturn, acts of war, acts of terrorism, riots, expropriations and changes in political leadership.

There can be no assurance that the abovementioned events will not occur and cause a delay or failure to implement the Rights Issue of ICPS. If not implemented, all monies received from the Rights Issue of ICPS will be refunded without interest to the Entitled Shareholders/subscribers and/or the renounee(s)/transferee(s) (if applicable).

If such monies are not repaid within 14 days after our Company becomes liable, our Company will repay such monies with interest at the rate of 10% per annum or such other rate as may be prescribed by the SC in accordance with Section 243(2) of the CMSA.

In the event that the Rights Issue of ICPS and/or new Shares to be issued pursuant to the conversion of the ICPS have been allotted to the successful Entitled Shareholders/subscribers and/or the renounee(s)/transferee(s) (if applicable) and the Rights Issue of ICPS is subsequently cancelled or terminated, a return of monies to the shareholders can only be achieved by way of cancellation of Minetech's share capital as provided under the Act. Such cancellation requires the approval of the shareholders of our Company by way of special resolution in a general meeting, consent of the creditors of our Company (where applicable) and may require the confirmation of the High Court of Malaya (where applicable). There can be no assurance that such monies can be returned within a short period of time or at all under such circumstances.

Our Company has procured the ICPS Undertaking in order to meet the Minimum Subscription Level. The successful implementation of the Rights Issue of ICPS is dependent on the fulfilment of the ICPS Undertaking. In addition, our Company will endeavour to obtain the requisite approvals and take all reasonable and necessary steps to ensure completion of the Rights Issue of ICPS.

**(b) No prior market for the Rights Issue of ICPS**

The ICPS is a new instrument to be issued by our Company, for which there is currently no public market. No assurance can be given that an active market for these new instruments will develop upon or subsequent to the listing of and quotation for this instrument on the Main Market of Bursa Securities or, if developed, that such a market will be sustainable or adequately liquid during the tenure of the Rights Issue of ICPS.

The market price of the ICPS, like other securities traded on Bursa Securities, is subject to fluctuations and will be influenced by, amongst others, prevailing market sentiments, volatility of the share market, economic and political condition in Malaysia and overseas, the market price of the underlying Shares, interest rate movements, trades of substantial amounts of the ICPS on Bursa Securities in the future, corporate developments as well as the future prospects of the industries in which our Group operates.

While most of the factors as mentioned above are beyond our Group's control, our Group will endeavour to improve our operational performance and profitability, leading to a likely positive reflection in the market price of our Shares and potentially increase the trading liquidity of the ICPS.

**(c) Investment and capital market risk**

The market price of the ICPS is influenced by, amongst others, the prevailing market sentiments, the volatility of equity markets, the liquidity of our Shares, the outlook of the industries in which our Group operates, changes in regulatory requirements or market conditions, as well as the financial performance and fluctuations in our Group's operating results.

In addition, the performance of the Malaysian share market (where our Shares are listed) is dependent on the economic and political conditions in Malaysia and overseas as well as external factors such as, amongst others, the performance of the world bourses and flows of foreign funds. In view of this, there can be no assurance that the ICPS will trade above the issue prices or TEAP upon or subsequent to its listing on the Main Market of Bursa Securities.

Our Group will endeavour to improve its revenue and earnings thereby increasing the likelihood of a positive reflection in the market price of our Shares.

**(d) Potential dilution of existing shareholders' shareholdings**

Entitled Shareholders who do not subscribe for their entitlements under the Rights Issue of ICPS will experience dilution of their shareholding percentages as a result of the conversion of ICPS into new Shares. Consequently, their proportionate entitlements to any dividends, rights, allotments and/or other distributions that our Company may declare, make or pay after completion of the Rights Issue of ICPS will be correspondingly diluted.

In order to attract the Entitled Shareholders to subscribe for the Rights Issue of ICPS and mitigate the risk of potential dilution of their shareholdings, our Board has fixed the Conversion Price of the ICPS at a discount to the TEAP as set out in Section 2.2 of this Abridged Prospectus.

**(e) Forward-looking statements**

Certain statements in this Abridged Prospectus are based on historical information, which may not be reflective of the future results, and others are forward-looking in nature, which are subject to uncertainties and contingencies. All statements, other than statements of historical data, included in this Abridged Prospectus, including without limitation, those regarding the financial position, risk factors, prospects and future plans of our Group are forward-looking statements.

Such forward-looking statements contained in this Abridged Prospectus are based on estimates and assumptions made by our Company, unless stated otherwise. Although our Board believes that these forward-looking statements are reasonable at this point in time given the prevailing circumstances, the statements are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. In view of the above, the inclusion of any forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by our Company, the Principal Adviser and/or other advisers in relation to the Rights Issue of ICPS that the plans and objectives of our Group will be achieved.

## 6. INDUSTRY OUTLOOK AND FUTURE PROSPECTS OF OUR GROUP

### 6.1 Overview and outlook of the Malaysian economy

Overall, Malaysia's real gross domestic product growth ("GDP") contracted by 5.6% in 2020 (2019: +4.3%). Meanwhile, inflationary pressures were muted with average headline inflation turning negative for the year at -1.2% (2019: +0.7%) due mainly to the substantially lower global oil prices during the year.

*(Source: Annual Report 2020, Bank Negara Malaysia)*

The Malaysian economy expanded by 16.1% in the second quarter of 2021 (1Q 2021: -0.5%). Growth was supported mainly by the improvement in domestic demand and continued robust exports performance. The strong growth also reflected continued policy support and the low base from the significant decline in activity during the second quarter of 2020. Economic activity picked up at the start of the second quarter but slowed following the re-imposition of stricter nationwide containment measures, particularly under Phase 1 of the Full Movement Control Order (FMCO). For the second quarter as a whole, all economic sectors registered an improvement, particularly the manufacturing sector. On the expenditure side, growth was driven by higher private sector spending and strong trade activity. On a quarter-on-quarter seasonally adjusted basis, the economy registered a decline of 2.0% (1Q 2021: 2.7%), due to the containment measures.

On the sectoral front, double-digit growth was recorded across most economic sectors in the second quarter of 2021. The services sector expanded by 13.4% (1Q 2020: -2.3%). Growth was supported by a nascent recovery in consumer related activities in April and May 2021. This was, however, partially reversed by the re-imposition of restrictions on non-essential retail activities, dine-ins and inter-district and inter-state travel. Meanwhile, the information and communication sub-sector continued to benefit from rising demand for e-commerce and e-payment activity, as well as remote working and learning arrangements. Additionally, strong double-digit growth was recorded in the finance and insurance subsector, attributed to higher fee income, sustained loan and deposit growth, and higher net insurance premiums less claims.

Growth in the manufacturing sector expanded by 26.6% (1Q 21: 6.6%). On a seasonally adjusted, quarter-on-quarter basis however, manufacturing growth declined by 1.5%. This was a result of the imposition of MCO 3.0 which impacted demand domestically for products in the consumer- and construction-related clusters. Demand conditions for export-oriented industry remained resilient amid the continued global tech upcycle and recovery in global growth. Manufacturing growth was further impacted by the FMCO Phase 1, which limited operations to only essential sectors and those in the global value chain.

*(Source: 2<sup>nd</sup> quarter 2021, Quarterly Bulletin, Bank Negara Malaysia)*

Malaysia's economy is projected to grow by 4.5 percent in 2021 amid a dramatic resurgence of the COVID-19 virus beginning in mid-April 2021.

*(Source: The World Bank)*



## 6.2 Overview and outlook of the renewable energy sector in Malaysia

There are currently 20 gas-fired power plants in Malaysia, accounting for about half the power needs of the country, and making gas the main source of energy. Population growth and environmental considerations are likely to have a positive impact on gas demand for power generation in the future. Malaysia's population, at 32 million in 2017 is forecast to grow to 45 million in 2050, with almost 90% expected to live in cities. Rapid urbanisation will trigger increased demand for energy to sustain city dwellers and satisfy urban lifestyle needs. While cost remains a key consideration with regards to fuel choices – the removal of gas subsidies may make it a relatively costly option - countries are also mindful of their international commitments to reduce carbon emissions. Malaysia is a signatory to the 2016 Paris Agreement that commits countries to reducing their carbon emissions. With this, renewable energy has gained traction as the fuel of the future. In Malaysia, the target is for renewable energy to make up 20% of the capacity mix by 2025.

Energy efficiency and renewable energy are the main pillars of the energy transition, and together they can provide over 90% of the energy-related carbon emissions reduction that is required, by using technologies that are safe, reliable, affordable and widely available. As one of the fastest developing regions in the world, the countries of South East Asia could see a 40% rise in regional primary energy demand up to 2040, according to the International Energy Agency. To meet this sizeable increase in demand, The Association of South East Asian Nations (ASEAN) countries are rapidly scaling up their generation capacity with large renewable projects making it well positioned to become a renewable energy hub.

In 2018, Malaysia received 16GWh of power from Lao PDR via the Laos-Thailand-Malaysia (“LTM”) interconnection. The LTM interconnection showed the feasibility of multilateral power trading under the ASEAN Power Grid. This is the outcome of an Energy Purchase and Wheeling Agreement signed in 2017 between the public utility companies of Malaysia, Lao PDR and Thailand.

The agreement covered technical operating procedures and commercial terms of power transfer. The deal sees Malaysia purchasing up to 100MW of hydro power from Lao PDR, to be transported via Thailand's existing transmission grid. The purchase benefits Malaysia because of its competitive pricing while boosting its renewable energy target. Phase 2 of the agreement is scheduled to commence after 2020.

A 2019 report published by the global auditing firm, KPMG entitled “The Renewable Energy Transition” states that there are still about 70 million people in ASEAN without access to reliable electricity supply, which has presented opportunities for these governments to tap into the region's vast renewable energy resources. In the past, the high cost of producing renewable energy discouraged governments from tapping this resource. However, with increasing public awareness of sustainable energy and a newfound openness to pay higher rates for clean energy, ASEAN governments are being motivated to invest more state funds into renewable energy projects. ASEAN member states are now focused on increasing their share of renewable energy in their energy mix as part of their sustainable energy growth and climate change commitments. As a region, ASEAN has also set a target for member countries to increase the component of renewable energy in the ASEAN energy mix to 23% by 2025, up from 9% in 2014. These targets are becoming more achievable with declining production costs and technological innovations such as better solar power efficiency and floating solar panels.

Malaysia harbours a wealth of resources capable of generating renewable energy. In 2019, the country taps into about 2%, which the Government targets to increase to 20% by the year 2025. The key objective is to transform our current energy mix into one that comprises more renewable energy sources, not only for the continuity of supply but for the pressing environmental concerns that come with a dependency on fossil fuels. With the threat of climate change and fossil fuels being a finite resource, new ways of generating and supplying energy are needed to secure a sustainable future for the global energy ecosystem. For Malaysia, the energy transition is already underway, and it is focused on expanding the renewable energy capacity in the national energy mix and improving energy efficiency.

Technology advancements in recent years have led to the steady decline in the overall cost of wind and solar energy production, making renewable energy an increasingly viable option for public and private sector decision makers. In line with the government's target to achieve 20% renewable energy in the capacity mix, the Energy Commission is implementing renewable energy related programmes such as LSS, Net Energy Metering and Self Consumption for solar installations. The current opportunities are in the solar industry. Malaysia wants to develop a skilled workforce in solar photovoltaic (PV) installation and services. In Malaysia, the new solar average capacity factor is at 17%, compared to 14% previously because of more efficient and cost-effective technologies.

The Energy Commission, being Malaysia's energy regulatory authority works closely with Sustainable Energy Development Authority to develop a renewable energy transformation roadmap up to 2035, where it intends to explore other types of renewable energy and the potential capacity Malaysia can achieve. Besides, solar energy, the Energy Commission also licenses biogas, biomass and mini hydro projects in the country. In 2019, Malaysia have generated 393G watt-hour (Wh) of energy from LSS out of the national capacity of 24,132 megawatt (MW).

To commit to the adoption of renewable energy on a global scale, Malaysia has aligned its targets with the United Nations Framework Convention on Climate Change (UNFCCC) 21<sup>st</sup> Conference of Parties (COP21). This aims at cutting down emission intensity by 35 percent to 45 percent based on 2005 GDP, by the year 2030.

Electricity demand fell by 5% for the first ten months of 2020, according to the latest International Energy Agency report," says de Oliviera, assistant professor of Business and Society at the Asia School of Business. In ASEAN as a whole, the drop was expected to be 1%, so Malaysia was more negatively impacted. An estimate by Fitch expects coal to have contracted by 2.4% and natural gas by 2.6% but renewables growing by 4.2%

*(Source: Energy Commission Malaysia, Suruhanjaya Tenaga, Volume 18, 19, 20 and 21)*

The COVID-19 pandemic and the collapse in oil prices have hastened the transition towards a low-carbon economy, spurring policy intervention and global collaboration across industries. Investments in clean energy is estimated to have increased by 5% in the first half of 2020 as opposed to 2019. This is further supported by the rapidly falling costs of renewable energy, which is now half of the cost of coal-fired generation, making it a favourable source of cleaner power. The Malaysian government has aggressive climate change targets in place. By 2025, 20% of the country's electricity is to be generated by renewable sources, which currently is only at 2%.

Oil and gas will continue to account for around 50% of global energy demand over the next 10 years. However, renewable energy, led by wind and solar power, will be the fastest growing source of energy. Oil and gas companies, including traditional Oil and Gas Services and Equipment (OGSE) players are now venturing into providing solutions in the renewable sector, in an effort to future-proof their portfolios to remain resilient in the low-carbon world.

*(Source: PETRONAS Activity Outlook 2021 – 2023, PETRONAS)*

### **6.3 Overview and outlook of the oil and gas sector in Malaysia**

The mining sector is defined as activities involved in locating, excavating, and processing metals, minerals, and other geological resources that are needed in the economy. The industry contains five main segments, which are oil and gas extraction, coal mining, metal ore mining, non-metallic mineral mining as well as mining support activities (e.g. quarrying or wide-range mineral extraction).

*(Source: Extract from article entitled "Mining, Minerals, Metals: Background", <https://globaledege.msu.edu/industries/mining--minerals--metals/background> )*

The mining sector continued to register a contraction in 2019 (-1.5%; 2018: -2.6%), as crude oil output was weighed down mainly by maintenance works and voluntary supply adjustments by Petroliaam Nasional Berhad ("PETRONAS"). Nevertheless, the pace of the contraction in the sector eased, following the recovery in natural gas production from the pipeline disruptions in 2018.



Apart from the health crisis, the Malaysian economy is expected to be affected by the sharp decline and volatile shifts in crude oil prices. While this is partially a consequence of significantly softer global demand, crude oil prices are also weighed by the Organisation of Petroleum Exporting Countries and its allies (“OPEC+”) decision of not pursuing additional voluntary output adjustments. Prolonged low global oil prices will impact the income, employment and investment prospects in the mining-related sectors directly. Nonetheless, lower oil prices may alleviate cost pressures on consumers and businesses. Prices of other major commodities are projected to be lower. The price of Liquefied Natural Gas (“LNG”) is forecasted to moderate, weighed mainly by slower demand from Japan and People’s Republic of China following further progress in the restart of nuclear plants and production disruptions due to COVID-19, respectively. The price of crude palm oil is projected to be relatively sustained, as weaker external demand is offset by the decline in crude palm oil production.

*(Source: Economic and Monetary Review 2019, Bank Negara Malaysia)*

Contraction in the mining sector eased considerably ((6.8)%; 2Q 2020: (20.0)%) as oil and natural gas production improved amid gradual recovery in external demand. The improvement is also supported by a smaller decline in the other mining segment as production resumed after the MCO period.

*(Source: Economic and Financial Developments in the Malaysian Economy in the Third Quarter of 2020, Bank Negara Malaysia)*

The mining sector recorded a double-digit contraction of 11% in the first half of 2020, affected by the slump in global demand due to business closures as well as the reduction in travel and transport activities. The sector was further weighed down by the temporary shutdowns of several oil and gas facilities for maintenance purposes. With the COVID-19 pandemic crushing demand, storage facilities filled rapidly, and Brent crude oil price fell to its lowest level at USD17.32 per barrel (“pb”) on 21 April 2020 before stabilising at about USD40 pb. Nonetheless, the sector is expected to rebound by 4.1% in 2021, supported by the recovery in global demand for crude oil and condensate as well as LNG) Brent crude oil price is expected to improve in 2021 to an average of USD42 pb and recover to pre-pandemic level in the medium-term.

*(Source: Chapter 3, Macroeconomic Outlook, Economic Outlook 2021, Ministry of Finance Malaysia)*

The oil market has always been exposed to market volatilities and uncertainties. This is driven not only by geopolitical events but also structural shifts in the oil market, such as the surge in unconventional oil supply from the United States (US) which impacted the market in 2016 and the recent unprecedented demand destruction from COVID-19. The impact from COVID-19 was further exacerbated by the fallout between Russia and Saudi Arabia that triggered the oil producers’ move to maximise production to capture a bigger market share. The unrestrained production amid weak demand resulted in US West Texas Intermediate (WTI) prices falling into negative territory for the first time in history. Brent prices fell to a two-decade low of USD13 per barrel on 21 April 2020.

The outlook for the industry remains challenging due to emerging fresh waves in the number of COVID-19 cases and prevailing uncertainties over OPEC+ production cuts in 2021. The effects of the pandemic are difficult to estimate, while the impact cannot be overstated as the industry continues to face the dual impact of demand destruction combined with an oil price rout due to the supply glut.

*(Source: PETRONAS Activity Outlook 2021 – 2023, PETRONAS)*

#### **6.4 Overview and outlook of the construction and property development sectors in Malaysia**

The construction sector registered a strong positive growth of 40.3% (1Q 2021: -10.4%). Growth was supported by the continuation of construction works in large infrastructure projects and on-going implementation of small-scale projects under the 2021 Budget, PEMERKASA and PEMERKASA+ stimulus packages. However, on a seasonally adjusted, quarter-on-quarter basis, construction growth declined by 3.2%. Activity was disrupted by the restrictions under Phase 1 of the FMCO, where only essential construction projects<sup>1</sup> were allowed to operate, albeit at a reduced capacity.

*(Source: Economic and Financial Developments in the Malaysian Economy in the 2<sup>nd</sup> quarter of 2021, BNM)*

The construction sector is expected to shrink by 11.8% in the second half with all segments declining significantly. At the same time, prolonged property overhangs continue to weigh down the performance of the sector. However, civil engineering and specialised construction activities subsectors are expected to improve gradually, cushioned by various measures under the economic stimulus packages. Overall, the sector is projected to contract by 18.7% in 2020.

The construction sector is expected to rebound by 13.9% in 2021 on account of the acceleration and revival of major infrastructure projects, coupled with affordable housing projects. The civil engineering subsector will continue to be the main driver of the construction sector.

The residential subsector is anticipated to improve, supported by various measures taken by the Government to address the property overhang situation. Among the measures include the extension of Home Ownership Campaign, exemption of Real Property Gains Tax, the introduction of rent-to-own scheme as well as reduction of foreign ownership threshold. The performance of the non-residential subsector is expected to recover marginally, supported by on-going commercial projects including Bukit Bintang City Centre, Cyberjaya City Centre, Forest City and Malaysia Vision Valley 2.0.

*(Source: Chapter 3, Macroeconomic Outlook, Economic Outlook 2021, Ministry of Finance)*

The property market performance recorded a sharp decline in the first half of 2020 compared to the same period last year. The property sector recorded 115,476 transactions worth RM46.94 billion in the first half of 2020, a decrease by 27.9% in volume and 31.5% in value compared to the first half of 2019, which recorded 160,165 transactions worth RM68.53 billion.

For residential properties, there were 75,318 transactions worth RM25.61 billion recorded in the first half of 2020, decreased by 24.6% in volume and 26.1% in value compared to the first half of 2019. The slow market absorption of the primary market led to the increase in residential overhang. There were 31,661 overhang units worth RM20.03 billion, increased by 3.3% in volume (H2 2019: 30,664 units) and 6.4% in value against the preceding half (H2 2019: RM18.82 billion). As at second quarter of 2020, the Malaysian House Price Index stood at 198.3 points (at base year 2010), up by 0.4% on annual basis, the lowest annual growth recorded since year 2010.

The commercial properties recorded 8,118 transactions worth RM8.51 billion in the first half of 2020, declined by 37.4% in volume and 33.2% in value (H1 2019: 12,962 transactions worth RM12.75 billion). Market performance of shop sub-sector recorded a significant decrease of 39.4% in volume and 38.8% in value (H1 2019: 6,937 transactions worth RM5.80 billion). Shop sub-sector overhang continued to increase but at slower pace, recording a total of 6,187 units worth RM5.03 billion, up by 2.7% in volume and 3.3% in value against the preceding half (H2 2019: 6,024 units worth RM4.87 billion).

The sharp decline of the property market performance was in consonant with the Malaysian economic performance, which contracted by 17.1% in the second quarter of 2020 (Q1 2020: 0.7%). Notwithstanding the upturn of market activity and the proposed measures under the National Economic Recovery Plan (“PENJANA”), the property market is more than likely to remain soft for the rest of the second half of 2020. The pace of improvement will depend on both domestic and external factors such as political stability, global oil and commodity prices as well as the COVID-19 pandemic development.

*(Source: Overview of the Property Market Report First Half of 2020, Valuation and Property Services Department, Ministry of Finance)*

The manufacturing sector contracted by 8.7% during the first half of 2020, as almost all industry operations were temporarily halted, following supply chain disruptions amid the MCO. Domestic-oriented industries also recorded sluggish growth, with transport equipment; and non-metallic mineral products, basic metal and fabricated metal products segments registering a double-digit contraction.

*(Source: Chapter 3, Macroeconomic Outlook, Economic Outlook 2021, Ministry of Finance)*

Malaysia’s manufacturing sales in December 2020 stood at RM124.6 billion, grew at 4.5% as compared to previous year. The rise in sales value in December 2020 was driven by the increase in transport, equipment and other manufactures products (20.5%), food, beverage and tobacco products (7.9%), and electrical and electronic products (4.2%). Meanwhile, sales value of non-metallic mineral products, basic metal and fabricated metal products (-2.7%), wood, furniture, paper products and printing (-1.1%) declined in December 2020.

*(Source: Monthly Manufacturing Statistics, December 2020, Department of Statistics Malaysia)*

## **6.5 Overview and outlook of the mining and quarry sectors in Malaysia**

The mining & quarrying sector recorded a double-digit growth of 13.9 per cent (Q1 2021: -5.0%) in the second quarter of 2021. The increase was supported by the improvement in natural gas and crude oil & condensate sub-sectors which registered a growth of 21.9 per cent and 4.9 per cent respectively. Meanwhile, the quarter-on-quarter performance recorded a decrease of 0.5 per cent.

*(Source: Malaysia Economic Performance Second Quarter 2021, Department of Statistics Malaysia)*

Malaysia is set to become an important hub for the development of the mineral industry in the future for having a variety of mineral resources that have the potential to be produced optimally, said Energy and Natural Resources Minister Datuk Seri Dr Shamsul Anuar Nasarah.

He said the initial study conducted by the Minerals and Geoscience Department (JMG) estimated the value of the country's mineral resources at RM4.11 trillion, comprising metallic minerals worth RM1.03 trillion, non-metallic minerals (RM2.96 trillion) and energy minerals (RM120 billion).

According to Shamsul Anuar, the ministry was allocated RM87.2 million to carry out works related to the development of the country's mineral industry under the 12<sup>th</sup> Malaysia Plan's (12MP) development expenditure for JMG.

They comprise activities such as the assessment of the country's mineral resources, the development of an integrated mining and quarry monitoring system, the sustainability rating of the mining and quarrying industry using the sustainable development indicator (SDI) method, and the innovation and commercialisation of the country's mineral products, he said.

*(Source: <https://www.theedgemarkets.com/article/malaysia-become-important-hub-mineral-industry-development-says-minister>)*

## **6.6 Overview and outlook of the bituminous related sectors in Asia Pacific (including Malaysia)**

Global bitumen market is expected to grow at a compound annual growth rate of 3.57% over the forecast period of 2020 to 2027. Bitumen is a mixture obtained from distillation of crude, a significant component to build roads and other infrastructure. It is also known as asphalt, as its production through distillation clear all the crude oil components very light in nature, leaving the heavy bitumen beyond. Asia Pacific played a dominant role in bitumen market due to the volume growth of constructions in regions like India, China, Thailand and Vietnam.

*(Source: <https://www.databridgemarketresearch.com/reports/global-bitumen-market#>)*

Asia Pacific bitumen market size was over USD 45 billion in 2020 and is poised to expand at a compound annual growth rate of more than 4.6% between 2021 and 2027.

*(Source: <https://www.graphicalresearch.com/industry-insights/1771/asia-pacific-bitumen-market>)*

Asia Pacific is projected to account for a volume share of around 31% of the global bitumen market by the end of the 2025 owing to rising construction projects in India, China, Thailand, and Vietnam. On the basis of product, polymer modified bitumen market size is projected to dominate the bitumen market while paving bitumen market is forecast to witness gains of more than 2.25% compound annual growth rate over the estimated period. In Asia Pacific, India is the promising market, with a recommencing emphasis on infrastructure by the government and USD 162 billion were spent on roads and bridges between 2012 and 2017, deeming for over 17% of India's total infrastructure expenditure. Nearly two-thirds of total worldwide bitumen consumption is attributed to China making it the largest consumer of Asia Pacific as well as global bitumen market.

*(Source: <https://www.goldsteinresearch.com/report/asia-pacific-bitumen-market-outlook-2024-regional-opportunity-assessment-and-demand-analysis-market-forecast-2016-2024>)*

To achieve their economic goals, governments of emerging economies in the Asia Pacific are focusing on strengthening their infrastructure and road network by building new roads and refurbishing existing ones. With an ever increasing sum of vehicles over the globe, especially in the emerging economies of Asia Pacific and Latin America, the requirement for road expansion will witness a notable rise in the coming years. It will mainly include countries such as China, Malaysia, India, Indonesia and Thailand, where the number of vehicles is increasing on account of rising urbanization and growing middle-class spending. As per Asia Development Bank, in the Asia Pacific, China has the highest number of vehicles on the road, while Malaysia has higher quality roads. Additionally, China, India, Japan and South Korea have the highest density of roads per 1,000 square kilometer area, thereby projecting the substantial growth of the bitumen market over the forecast period to maintain this density at an optimum scale.

(Source: <https://www.prnewswire.com/news-releases/bitumen-market-value-to-hit-116-billion-by-2026-global-market-insights-inc-300967401.html>)

## 6.7 Prospects of our Group

Our Group is mainly involved in the production of quarry products and bituminous products, civil engineering works as well as providing goods and services to the property and infrastructure construction industry sector. The summary of the revenue and loss before tax of our Group for the past 3 audited FYE 31 March 2019 to 31 March 2021 is as follows:

	<b>FYE 31 March 2019 RM</b>	<b>(Restated) FYE 31 March 2020 RM</b>	<b>FYE 31 March 2021 RM</b>
<b><u>Revenue</u></b>			
Quarry products and contract	68,912,905	23,187,402	3,768,201
Civil engineering	49,310,612	43,711,449	54,935,555
Asphalt premix products	395,499	39,912	-
Bituminous products	14,152,660	15,199,244	11,400,019
Property development	2,151,798	-	-
Services	-	-	24,332,231
Others	83,800	98,100	584,824
<b>Total</b>	<b>135,007,274</b>	<b>82,236,107</b>	<b>95,020,830</b>
(LAT)/PAT	(15,072,844)	(20,434,102)	923,818

Our Group had recorded losses for the past few years from its existing operations due to high operating costs and downward pressure on pricing and profit margin as a result of increased competition for its quarry and bituminous products. Furthermore, the overall stagnation of the property development and construction industry in Malaysia had affected the progress on our Group's ongoing construction projects.

In light of current economic sentiments, our Group has been facing challenges in its existing businesses especially in the quarry segment and civil engineering segment which have negatively affected the financial performance of our Group. Taking cognisance of these, our Group has been continuously monitoring its cost and cash flow management for each segment, maintaining its presence in the market and improving on its product delivery and customer satisfaction. Our Group had made efforts to reduce its costs and expenses through optimising the allocation of current human resources, recruitment of additional staff when required and enhancement of management expertise.

As part of our Group's long-term strategy to grow its earnings through recurring income, our Group has identified the renewable energy segment as a potentially stable source of recurring income. As such, on 24 April 2018, Coral Power accepted a letter of award from the Energy Commission to develop a 9.99-megawatt AC solar power plant in Perak. The Solar Power Plant is expected to be commissioned in the 1<sup>st</sup> quarter of 2022. Furthermore, as a Registered Solar PV Investor, Minetech Construction is now allowed by SEDA to sell electricity via the renewable power purchase agreement under the net-energy metering programme to government agencies, businesses and individuals which is expected to contribute positively to our Group's income.

Our Group has also identified Fintech as a potential business to expand our Group's revenue and earnings to avoid over dependency on its current operation. In view of such, Techmile (a wholly-owned subsidiary of our Company) had, on 1 March 2021, entered into a memorandum of understanding with Ahmad Rahizal Bin Dato' Ahmad Rasidi, Jamaluddin Bin Mann and Lui Soik Teng ("**Vendors**") to negotiate on the proposed acquisition of 300,000 ordinary shares of Uniqua from the Vendors. Uniqua is involved in the business of information technology, software and application development as well as e-commerce. Currently, Uniqua's system which focuses mainly on cross-border remittance payments are being used by 2 local Malaysian banks. On 12 March 2021, Techmile entered into a shares sales agreement with the Vendors for the proposed acquisition of 300,000 ordinary shares of Uniqua for a purchase consideration of RM2,829,472 and was completed on 20 August 2021. The acquisition of Uniqua represents a strategic opportunity for the Group to expand into the Fintech industry and is expected to transform Techmile into a Fintech solutions provider as well as create additional opportunities for Techmile to provide additional Fintech-related products.

Our Group foresees that while it will continue with the existing business, it would be challenging going forward given the industries' dynamic and fluctuating landscape. It is therefore imperative that the Diversification be undertaken to mitigate the risk of overdependence on its current businesses. The renewable energy sector in Malaysia has been steadily growing and considering the Government's support in providing an economically viable platform for investments in the power and energy sector (as highlighted in Section 6.2 of the Abridged Prospectus), our Board expects the renewable energy industry to continue its robust, resilient and sustainable growth. The Diversification into Renewable Energy is expected to expand our Group's earnings base by providing additional stable stream of revenue and cash flow upon the implementation of the renewable energy project, given that currently the main revenue contributor to our Group is the civil engineering and services business.

The solar power plant in Perak, when operational, is expected to expand our Group's earnings base by providing a stable stream of revenue and cash flow, given that currently the main revenue contributor to our Group is the quarry products and contract as well as civil engineering business.

Despite the volatility in the O&G industry, Minetech believes that the maintenance services carried out by its operations and maintenance division are still required by industry participants in the O&G industry as well as the power generation and water utility industries to ensure the seamless operations of their plants.

**[The rest of this page has been intentionally left blank]**



## 7. EFFECTS OF THE RIGHTS ISSUE OF ICPS

### 7.1 Share capital

The SIS is not expected to have an immediate effect on our Company's share capital until such time when the SIS Options are granted and exercised. Our Company's share capital will increase progressively depending on the number of new Shares which are issued pursuant to the exercise of the SIS Options and the exercise price. The Diversification will not have any effect on the share capital of our Company.

The proforma effects of the Share Capital Reduction, Private Placement and Rights Issue of ICPS on the share capital of Minetech are as follows:

	Minimum Scenario			Maximum Scenario		
	No. of Shares	RM	No. of ICPS	RM	No. of ICPS	RM
Issued share capital as at the LPD (excluding treasury shares)	1,165,328,800	166,764,702	-	-	-	-
Rights Issue of ICPS	-	-	256,201,310	7,686,039 <sup>(2)</sup>	582,664,400	17,479,932 <sup>(2)</sup>
Private Placement	1,165,328,800	166,764,702	256,201,310	7,686,039	582,664,400	17,479,932
	349,598,600	55,935,776 <sup>(1)</sup>	-	-	-	-
Share Capital Reduction	1,514,927,400	222,700,478	256,201,310	7,686,039	582,664,400	17,479,932
	-	(90,000,000)	-	-	-	-
Full exercise of ICPS	1,514,927,400	132,700,478	256,201,310	7,686,039	582,664,400	17,479,932
	64,050,327	7,686,039 <sup>(3)</sup>	(256,201,310)	(7,686,039)	(582,664,400)	(17,479,932)
Issuance of new Shares pursuant to full exercise of SIS Options	1,578,977,727	140,386,517	-	-	-	-
	236,846,600	31,974,291 <sup>(5)</sup>	-	-	-	-
<b>Enlarged share capital</b>	<b>1,815,824,327</b>	<b>172,360,808</b>	<b>-</b>	<b>-</b>	<b>2,412,230,500</b>	<b>245,096,431</b>

Notes:

- (1) Based on the indicative issue price of RM0.16 per Placement Share.
- (2) Based on the issue price of RM0.03 per ICPS.
- (3) Assuming conversion of 256,201,310 ICPS by way of 4 ICPS for 1 new Minetech Share.
- (4) Assuming conversion of 582,664,400 ICPS by way of 1 ICPS and RM0.09 in cash for 1 new Minetech Share.
- (5) Based on the indicative exercise price of RM0.135 per SIS Option (calculated based on approximately 10% discount to the 5D-IWAP of Minetech Shares up to and including the LPD of RM0.1499).

## 7.2 NA and gearing

The Diversification are not expected to have any material effect on the NA and gearing of our Group. However, the future contribution from the renewable energy and O&G businesses may have a positive impact on our Group's NA once the potential benefits from the renewable energy and O&G businesses materialise. The proforma effects of the Share Capital Reduction, Rights Issue of ICPS and Private Placement on the NA and gearing of our Group, based on its audited FYE 31 March 2021, are as follows:

### Minimum Scenario

	(Audited) As at 31 March 2021 RM	(I) After Rights Issue of ICPS RM	(II) After (I) and Private Placement RM	(III) After (II) and Share Capital Reduction RM	(IV) After (III) and assuming full conversion of ICPS RM
Share capital	166,812,692	166,812,692 <sup>(1)</sup>	222,748,468 <sup>(2)</sup>	132,748,468	140,434,507 <sup>(3)</sup>
Treasury shares	(47,990)	(47,990)	(47,990)	(47,990)	(47,990)
Foreign currency translation reserve	39,933	39,933	39,933	39,933	39,933
Equity component of ICPS	-	7,686,039	7,686,039	7,686,039	-
(Accumulated losses) / Retained earnings	(76,027,147)	(76,897,147) <sup>(4)</sup>	(76,897,147)	13,102,853	13,102,853
<b>Shareholders' funds / NA</b>	<b>90,777,488</b>	<b>97,593,527</b>	<b>153,529,303</b>	<b>153,529,303</b>	<b>153,529,303</b>
No. of Shares in issue (excluding treasury shares)	1,165,328,800	1,165,328,800	1,514,927,400	1,514,927,400	1,578,977,727
NA per Share (sen)	7.79	8.37	10.13	10.13	9.72
Total borrowings (RM)	37,132,140	37,132,140	23,132,140 <sup>(5)</sup>	23,132,140	23,132,140
Gearing (times)	0.41	0.38	0.15	0.15	0.15

Notes:

- (1) Based on the issue price of RM0.03 per ICPS.
- (2) Based on the indicative issue price of RM0.16 per Placement Share.
- (3) Assuming conversion of 256,201,310 ICPS by way of 4 ICPS for 1 new Minetech Share.
- (4) After deducting estimated expenses of RM870,000 for the Corporate Exercises.
- (5) After accounting for the use of proceeds to repay borrowings (as set out in Section 4 of this Abridged Prospectus).

**Maximum Scenario**

	(Audited) As at 31 March 2021 RM	(I) After Rights Issue of ICPS RM	(II) After (I) and Private Placement RM	(III) After (II) and Share Capital Reduction RM	(IV) After (III) and assuming full conversion of ICPS RM
Share capital	166,812,692	166,812,692 <sup>(1)</sup>	222,748,468 <sup>(2)</sup>	132,748,468	202,668,196 <sup>(3)</sup>
Treasury shares	(47,990)	(47,990)	(47,990)	(47,990)	(47,990)
Foreign currency translation reserve	39,933	39,933	39,933	39,933	39,933
Equity component of ICPS	-	17,479,932	17,479,932	17,479,932	-
(Accumulated losses) / Retained earnings	(76,027,147)	(76,897,147) <sup>(4)</sup>	(76,897,147)	13,102,853	13,102,853
<b>Shareholders' funds / NA</b>	<b>90,777,488</b>	<b>107,387,420</b>	<b>163,323,196</b>	<b>163,323,196</b>	<b>215,762,992</b>
No. of Shares in issue (excluding treasury shares)	1,165,328,800	1,165,328,800	1,514,927,400	1,514,927,400	2,097,591,800
NA per Share (sen)	7.79	9.22	10.78	10.78	10.29
Total borrowings (RM)	37,132,140	37,132,140	23,132,140 <sup>(5)</sup>	23,132,140	23,132,140
Gearing (times)	0.41	0.35	0.14	0.14	0.11

**Notes:**

- (1) Based on the indicative issue price of RM0.16 per Placement Share.
- (2) Based on the issue price of RM0.03 per ICPS.
- (3) Assuming conversion of 582,664,400 ICPS by way of 1 ICPS and RM0.09 in cash for 1 new Minetech Share.
- (4) After deducting estimated expenses of RM870,000 for the Corporate Exercises.
- (5) After accounting for the use of proceeds to repay borrowings (as set out in Section 4 of this Abridged Prospectus).

The effects of the SIS on our Group's NA would depend on factors such as the number of SIS Options granted and the fair value of the SIS Options after taking into account, inter alia, the Exercise Price as well as any vesting conditions. Whilst the granting of the SIS Options under the SIS is expected to result in recognition of a charge in the statement of comprehensive income of our Group pursuant to the *Malaysian Financial Reporting Standard 2 – Share-based Payment*, as issued by the Malaysian Accounting Standards Board ("MFRS 2"), the recognition of such MFRS 2 charge would not affect the NA of our Group as the corresponding amount will be classified as an equity compensation reserve which forms part of the shareholders' equity.



If none of the granted SIS Options are exercised within the duration of the SIS, the amount outstanding in the said equity reserve would be transferred into our Company's retained earnings. On the other hand, if the granted SIS Options are exercised, the amount outstanding in the said equity reserve would be transferred into the share capital account of our Company.

The SIS will not have any immediate effect on the consolidated NA per Share until such time when the SIS Options granted under the SIS are exercised. The consolidated NA per Share following the exercise of the SIS Options will increase if the Exercise Price exceeds the consolidated NA per Share at the point of exercise of the SIS Options and conversely will decrease if the Exercise Price is below the consolidated NA per Share at the point of the exercise of the SIS Options.

The SIS is not expected to have an immediate effect on our Group's gearing level until such time when the SIS Options granted are exercised. The effect on the gearing will depend on the change in the NA, which in turn will depend on the actual number of new Minetech Shares pursuant to the exercise of the SIS Options to be issued as well as the Exercise Price payable upon the exercise of the SIS Options

### **7.3 Earnings and EPS**

The Share Capital Reduction will not have any effect on the earnings and EPS of our Group.

The Rights Issue of ICPS and Private Placement are not expected to have any material effect on our Group's earnings and our Company's EPS for the FYE 31 March 2022 as the proceeds to be raised are expected to be used over a period of up to 24 months from the dates of listing of the ICPS and Placement Shares.

Our Company's EPS will be diluted as a result of the increased number of issued Minetech Shares arising from the conversion of the ICPS in the future and issuance of the Placement Shares. The effects of any conversion of the ICPS on the consolidated EPS of our Group would depend on the Conversion Ratio and conversion mode of the ICPS and the returns generated by our Group from the use of proceeds arising from the Rights Issue of ICPS or conversion of the ICPS with cash option. However, the Rights Issue of ICPS and Private Placement are expected to contribute positively to the future earnings and EPS of Minetech when the economic and financial benefits from the use of proceeds are realised.

The SIS is not expected to have any immediate material effect on the earnings and EPS of our Group until such time when the SIS Options are granted and exercised. Any potential effect on the EPS of our Group in the future will depend on the number of SIS Options granted and exercised, the Exercise Price and the non-cash expenses arising from the granting of the SIS Options under MFRS 2.

The quantum of such impact cannot be determined at this juncture as it will be measured at the date of granting the SIS Options based on, amongst others, the share price volatility, risk-free interest rate and pricing model. The fair value of the SIS Options will be recognised as an expense over the vesting period of such SIS Options. However, it should be noted that the estimated cost does not represent a cash outflow by our Group as it is merely an accounting treatment. Our Board takes note of the potential impact of MFRS 2 on our Group's future earnings and shall take into consideration such impact in the allocation and granting of SIS Options to the Eligible Persons.

#### 7.4 Convertible securities

As at the LPD, our Company does not have any outstanding options, warrants or convertible securities except for the share issuance scheme which was approved by our shareholders on 16 March 2016 and became effective on 3 August 2016 for a period of 5 years. On 8 August 2019, our Company granted 138,100,000 SIS Options, with an exercise price of RM0.05 each. As at the LPD, there are no outstanding SIS Options granted but not yet exercised.

On 28 June 2021, our shareholders had approved the establishment of the SIS. As at the LPD, our Company has yet to implement the SIS, which is intended to be implemented after the completion of the Rights Issue of ICPS.

### 8. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES, MATERIAL COMMITMENTS AND MATERIAL TRANSACTIONS

#### 8.1 Working capital and sources of liquidity

Our business has been financed by a combination of internal and external sources of funds. The internal sources are funds from shareholders and cash generated from our operations. As at the LPD, our Group has cash and bank balances of RM12.9 million as well as unutilised bank facilities for both term loans and bankers' acceptances with a limit of RM2.7 million. The external sources are from bank borrowings from local banks (i.e., term loans and bankers' acceptance) which bear average annual interest rates ranging from 3.29% to 8.70%, licenced money-lenders which bear average annual interest rates of 12.00% (as governed under the Moneylenders Act 1951) and credit terms granted by our suppliers. The credit period granted by our suppliers to our Group ranges from 30 to 150 days. Our Group has also obtained finance lease facilities from financial institutions for our machineries (i.e. drilling machines).

Apart from the above-mentioned sources of liquidity, our Group does not have access to other material unused sources of liquidity as at the LPD.

Our Board is of the opinion that our Group will have sufficient working capital for our operations in the next 12 months commencing from the date of this Abridged Prospectus after taking into consideration the proceeds from the Rights Issue of ICPS and Private Placement, cash in hand, funds generated from our operations and available banking facilities as well as the potential impact of COVID-19 on the operations to our Group (as set out in Section 4 of this Abridged Prospectus).

#### 8.2 Borrowings

As at the LPD, our Group's total outstanding borrowings (all of which are interest bearing) are as follows:

	<b>Total (RM'000)</b>
<b><u>Long-term borrowings</u></b>	
Term loans	11,145
Lease liabilities	4,105
Hire purchase with financial institutions	208
<b><u>Short-term borrowings</u></b>	
Term loans	23,124
Bank overdrafts	2,743
Bankers' acceptance	2,320
Lease liabilities	201
Hire purchase with financial institutions	225
<b>Total</b>	<b>44,071</b>

There has not been any default on payments of either interest and/or principal sums on any borrowings throughout the past 1 financial year and subsequent financial period up to the LPD.

### 8.3 Contingent liabilities

Save as disclosed below, our Board has confirmed that there are no other contingent liabilities incurred or known to be incurred by our Group, which upon becoming enforceable, may have a material impact on the financial position of our Group as at the LPD:

	<b>Company level As at the LPD (RM'000)</b>
Corporate guarantee given to financial institution for credit facilities granted to subsidiary companies	38,364
Corporate guarantee given to suppliers of subsidiary companies for credit terms granted to subsidiary companies	14,624
<b>Total</b>	<b>52,988</b>

### 8.4 Material commitments

As at the LPD, our Board has confirmed that there are no material commitments incurred or known to be incurred by our Group, which upon becoming enforceable, may have material impact on the financial position of our Group, save for the following:

	<b>Amount (RM'000)</b>
Property, plant and equipment	17,013
<ul style="list-style-type: none"> <li>• Authorised and contracted for (in relation to the development of the Solar Power Plant)</li> </ul>	
<b>Total</b>	<b>17,013</b>

### 8.5 Material transactions

Save for the Rights Issue of ICPS and Private Placement, our Board has confirmed that there are no other transactions which may have a material effect on our Group's operations, financial position and results since our Group's most recent announced audited financial statements for the FYE 31 March 2021.

**[The rest of this page has been intentionally left blank]**

## 9. INSTRUCTIONS FOR ACCEPTANCE, SALE OR TRANSFER, EXCESS APPLICATION AND PAYMENT

### 9.1 General

As an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Allotments which you are entitled to subscribe for in full or in part under the terms of the Rights Issue of ICPS. You will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such securities into your CDS Account and the RSF to enable you to subscribe for the Provisional Allotments provisionally allotted to you, as well as to apply for Excess ICPS if you choose to do so.

If you are an Authorised Nominee who has subscribed for NRS with Bursa Depository, an electronic copy of this Abridged Prospectus and the ICPS Entitlement File will be transmitted to you electronically by Bursa Depository through its existing network facility with the Authorised Nominees. Please refer to Sections 9.5.3 and 9.9.3 of this Abridged Prospectus for the procedures for acceptance as well as to apply for the ICPS, if you choose to do so.

This Abridged Prospectus and RSF are also available on Bursa Securities' website (<http://www.bursamalaysia.com>).

### 9.2 NPA

The Provisional Allotments are prescribed securities pursuant to Section 14(5) of the SICDA and therefore, all dealings in the Provisional Allotments will be by book entries through the CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository. You and/ or your renouncee(s) and/ or transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making your applications.

### 9.3 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the Provisional Allotments and the Excess ICPS is at **5.00 p.m. on Friday, 8 October 2021**.

We shall make an announcement on the outcome of the Rights Issue of ICPS after the Closing Date.

### 9.4 Methods of acceptance and application

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

Method	Category of Entitled Shareholders
RSF	All Entitled Shareholders
Electronic Application <sup>(1)</sup>	All Entitled Shareholders
Bursa Anywhere <sup>(2)</sup>	All Entitled Shareholders who have registered for Bursa Anywhere
NRS	Authorised Nominee who has subscribed for NRS

#### Note:

(1) The following surcharge per Electronic Application via ATM will be charged by the Participating Financial Institution:

- Public Bank Berhad – RM4.00; and
- Affin Bank Berhad – RM4.00

The following processing fee per Electronic Application via internet financial services website will be charged by the respective Participating Financial Institution:

- Public Bank Berhad (<http://www.pbebank.com>) – RM4.00; and
- Affin Bank Berhad (<https://www.affinbank.com.my>) – RM4.00.

(2) A processing fee of RM2.00 per Electronic Application via Bursa Anywhere will be charged.

## **9.5 Procedure for full acceptance and payment**

### **9.5.1 By way or RSF**

Acceptance of and payment for the Provisional Allotments must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF. Acceptances and/ or payments which do not strictly conform to the terms of this Abridged Prospectus, the RSF or the notes and instructions contained therein or which are illegible may not be accepted at the absolute discretion of our Board.

**FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL ALLOTMENTS, EXCESS ICPS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU AND/ OR YOUR RENOUNCEE(S) AND/ OR TRANSFEREE(S) (IF APPLICABLE) WISH TO SELL/ TRANSFER ALL OR ANY PART OF YOUR PROVISIONAL ALLOTMENTS ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN. IN ACCORDANCE WITH THE CMSA, THE RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THE ABRIDGED PROSPECTUS.**

**YOU AND/ OR YOUR RENOUNCEE(S) AND/ OR TRANSFEREE(S) (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS THEREIN CAREFULLY.**

If you and/ or your renounee(s) and/ or transferee(s) (if applicable) wish to accept either in full or in part of the Provisional Allotments of your entitlement, please complete Parts I(A) and II of the RSF in accordance with the notes and instructions contained in the RSF. Each completed and signed RSF together with the relevant payment must be sent to our Share Registrar using the reply envelope provided (at your own risk) by **ORDINARY POST, COURIER or DELIVERY BY HAND** at the address stated below:

**Boardroom Share Registrars Sdn Bhd (Registration No. 199601006647 (378993-D))**

11<sup>th</sup> Floor, Menara Symphony No.5, Jalan Prof. Khoo Kay Kim Seksyen 13,  
46200 Petaling Jaya, Selangor Darul Ehsan

Tel No.: 03 – 7890 4700

Fax No.: 03 – 7890 4670

so as to arrive **not later than 5.00 p.m. on Friday, 8 October 2021**, being the last date and time for acceptance and payment for the Provisional Allotments.

If you and/ or your renounee(s) and/ or transferee(s) (if applicable) lose, misplace or for any other reasons require another copy of the RSF, you and/ or your renounee(s) and/ or transferee(s) (if applicable) may obtain additional copies from your stockbroker, our Share Registrar at the address stated above, our registered office or the website of Bursa Securities (<https://www.bursamalaysia.com>).

1 RSF can only be used for acceptance of Provisional Allotments standing to the credit of 1 CDS Account belonging. Separate RSF(s) must be used for the acceptance of Provisional Allotments standing to the credit of more than 1 CDS Account(s). If successful, the ICPS subscribed for will be credited into your CDS Account(s) as stated in the completed RSF(s).

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

The minimum number of ICPS that can be subscribed for or accepted is 1 ICPS. However, you and/ or your renouncee(s) and/ or transferee(s) (if applicable) should take note that a trading board lot for the ICPS comprises of 100 ICPS. Fractions of ICPS, if any, shall be disregarded, and dealt with in such manner as our Board shall in their absolute discretion deem fit and expedient, and to be in the best interest of our Company.

If acceptance of and payment for the Provisional Allotment allotted to you and/ or your renouncee(s) and/ or transferee(s) (if applicable) is not received by our Share Registrar by **5.00 p.m. on Friday, 8 October 2021**, being the last date and time for acceptance of and payment for the Provisional Allotments, you and/ or your renouncee(s) and/ or transferee(s) (if applicable) will be deemed to have declined the Provisional Allotments and it will be cancelled. Proof of time of postage shall not constitute proof of time of receipt by our Share Registrar.

In the event that the ICPS are not fully taken up by such applicants, our Board will then have the right to allot such ICPS to the applicants who have applied for the Excess ICPS in the manner as set out in Section 9.9 of this Abridged Prospectus. Our Board reserves the right to accept any application in full or in part only without assigning any reasons.

**EACH COMPLETED RSF MUST BE ACCOMPANIED BY THE APPROPRIATE REMITTANCE MADE IN RM FOR THE FULL AMOUNT PAYABLE FOR THE ICPS ACCEPTED IN THE FORM OF BANKER'S DRAFT(S), CASHIER'S ORDER(S), MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY", MADE PAYABLE TO "MINETECH RIGHTS ICPS ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME IN BLOCK LETTERS AND CDS ACCOUNT NUMBER SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR BY THE CLOSING DATE.**

**APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY OR MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.**

**NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE OF ICPS. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE OF AND PAYMENT FOR THE ICPS OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.**

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

**APPLICANTS SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.**



**WHERE AN APPLICATION IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST AND SHALL BE DESPATCHED TO THE APPLICANT BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.**

**ALL ICPS TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE OF ICPS WILL BE ALLOTTED BY WAY OF CREDITING SUCH ICPS INTO THE CDS ACCOUNTS OF THE ENTITLED SHAREHOLDERS AND/ OR THEIR RENOUNCEE(S) (IF APPLICABLE). NO PHYSICAL SHARE CERTIFICATE WILL BE ISSUED.**

#### **9.5.2 By way of Electronic Application**

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

Please read carefully and follow the terms of this Abridged Prospectus, the procedures, terms and conditions for Electronic Application and the procedures set out at the ATMs and internet financial services website of the Participating Financial Institutions before making an Electronic Application.

The procedures for Electronic Applications at the ATMs and internet financial services website of the Participating Financial Institutions are set out on the ATM screens and internet financial services website of the relevant Participating Financial Institutions (“**Steps**”). For illustration purposes, the procedures for Electronic Applications are set out below. Please read carefully the terms of this Abridged Prospectus, the Steps and the Terms and Conditions of Electronic Applications set out in Section 9.5.2(ii) of this Abridged Prospectus before making an Electronic Application.

You must have an account with a Participating Financial Institution and an ATM card issued by a Participating Financial Institution or with access to internet financial services with **Public Bank Berhad** at <http://www.pbebank.com> or **Affin Bank Berhad** at <https://www.affinbank.com.my>.

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

You shall apply for the Rights Issue of ICPS via the ATM or internet financial services website of the Participating Financial Institutions by choosing the Electronic Application option. Mandatory statements required in the application are as set out in Section 9.5.2(ii) of this Abridged Prospectus “**Terms and Conditions of Electronic Applications**”.

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

For application via internet financial services website, a message from the Participating Financial Institution pertaining to the payment status will appear on the screen of the website through which the online payment for the ICPS is being made. Subsequently, the Participating Financial Institutions shall confirm that the said application has been completed, via the confirmation screen in respect of your application (“**Confirmation Screen**”) on their website. You are advised to print out the Confirmation Screen for your reference and record.

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

**(i) Participating Financial Institutions**

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

- Public Bank Berhad;
- Affin Bank Berhad

**(ii) Terms and Conditions of Electronic Applications**

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

- (a) You are required to confirm the following statements and undertake that the following information given are true and correct:

- (i) You have attained 18 years of age as at the Closing Date;
- (ii) You have read the Abridged Prospectus and understood and agreed with the terms and conditions of the application; and
- (iii) You give consent to our Company, Bursa Depository, our Share Registrar, the relevant Participating Financial Institutions, their respective agents and any third party involved in facilitating the application/refund, to disclose information pertaining to yourself and your account with the Participating Financial Institutions and Bursa Depository to the relevant authorities and any person as may be necessary or expedient to facilitate the making of the application/refund.

Your application will not be successfully completed and cannot be recorded as a completed transaction unless you complete all the steps required by the Participating Financial Institution. By doing so, you shall have confirmed each of the above statements as well as giving consent in accordance with the relevant laws of Malaysia including Section 134(1)(a) of Financial Services Act, 2013 and Section 45(1)(a) of the SICDA, to the disclosures as described above.

- (b) You confirm that you are not applying for the ICPS as a nominee of any other person and that any Electronic Application that you make is made by you as the beneficial owner.
- (c) You must have sufficient funds in your account with the relevant Participating Financial Institutions at the time you make your Electronic Application, failing which your Electronic Application will not be completed. Any Electronic Application, which does not strictly conform to the instructions set out on the ATM or screen of financial services websites of the Participating Financial Institutions through which the Electronic Application is being made, will be rejected.



- (d) You agree and undertake to subscribe for or purchase and to accept the number of ICPS applied for as stated on the Transaction Record in respect of your Electronic Application. Your confirmation (by your action of pressing the pre-designated keys (or buttons)) of the number of ICPS applied for shall signify, and shall be treated as, your acceptance of the number of ICPS that may be allotted to you.

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

- (e) By making and completing your Electronic Application, you, if successful, request and authorise our Company to credit the ICPS allotted to you into your CDS Account.
- (f) You acknowledge that your Electronic Application is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of our Company, our Share Registrar, the Participating Financial Institutions or Bursa Depository and you irrevocably agree that if:
  - (i) Our Company, our Share Registrar or Bursa Depository does not receive your Electronic Application; or
  - (ii) Data relating to your Electronic Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company, our Share Registrar or Bursa Depository,

you shall be deemed not to have made an Electronic Application and you shall not make any claim whatsoever against our Company, our Share Registrar, the Participating Financial Institutions or Bursa Depository for the ICPS applied for or for any compensation, loss or damage relating to the application for the ICPS.

- (g) All of your particulars, including your nationality and place of residence, in the records of the relevant Participating Financial Institutions at the time you make your Electronic Application shall be true and correct, and our Company, our Share Registrar, the relevant Participating Financial Institutions and Bursa Depository shall be entitled to rely on the accuracy thereof.
- (h) You shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institutions are correct and identical. Otherwise, your Electronic Application will be rejected. You must inform Bursa Depository promptly of any change in address failing which the notification letter of successful allocation will be sent to your correspondence address last maintained with Bursa Depository.
  - (i) By making and completing an Electronic Application, you agree that:
    - (i) In consideration of our Company agreeing to allow and accept your application for the ICPS via the Electronic Application facility established by the Participating Financial Institutions at their respective ATMs and financial services websites, your Electronic Application is irrevocable and cannot be subsequently withdrawn;
    - (ii) Our Company, the Participating Financial Institutions, Bursa Depository and our Share Registrar shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Application due to a breakdown or failure of transmission or communication facilities or any cause beyond our control;

- (iii) Notwithstanding the receipt of any payment by or on behalf of our Company, the notice of successful allocation for the ICPS for which your Electronic Application has been successfully completed is the only confirmation for the acceptance of this offer to subscribe for and purchase the said ICPS; and
- (iv) You agree that in relation to any legal action, proceedings or dispute arising out of or in relation to the Electronic Application and/or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (j) Our Share Registrar, on the authority of our Company, reserves the right to reject applications which do not conform to these terms/ instructions.
- (k) Notification on the outcome of your application for the ICPS will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk within the timelines as follows:
  - (i) successful application – a notice of allotment will be despatched within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities; or
  - (ii) unsuccessful/ partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the Closing Date.

The refund will be credited directly into your bank account from which your Electronic Application was made. Kindly take note of the terms and conditions as stated in Section 9.5.2(ii) of this Abridged Prospectus and the required consent in making your Electronic Application.

If the crediting of the refund into your bank account from which your Electronic Application was made is unsuccessful, the refund will then be made via cheque which will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk.

### 9.5.3 By way of Bursa Anywhere

Only Entitled Malaysian shareholders who are individuals, had registered for Bursa Anywhere and had subscribed for eDividend service can apply for the Rights Issue of ICPS by way of Bursa Anywhere mobile application.

Please read carefully and follow the terms of this Abridged Prospectus, the procedures, notices, terms and conditions for Bursa Anywhere mobile application before making an Application.

The procedures for submitting an application at Bursa Anywhere are set out on the Bursa Anywhere mobile application screens. Please read carefully the terms of this Abridged Prospectus, the Steps and the Terms and Conditions as set out in Section 9.5.3(ii) of this Abridged Prospectus before making an Application:

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

Upon the completion of your application transaction via Bursa Anywhere, you will receive a push notification from Bursa Anywhere and a message in your Bursa Anywhere account inbox on the request of your ICPS subscription. The notification message is only a record of the completed transaction at the Bursa Anywhere.

**(i) Procedures for Submitting an Application through Bursa Anywhere**

- (a) Launch the Bursa Anywhere application on your handphone and login using your username and password.
- (b) Upon a successful login, choose the “My Services” at the bottom of the screen and then select ‘eRights”.
- (c) Next, select “Submit Application”, and you will see a screen that informs you to agree with the Terms & Conditions and Notices that governs your rights securities application via Bursa Anywhere.
- (d) Click on the hyperlink of Terms & Conditions and Notices. You must read and understand the Terms & Conditions and Notices before you click “Agree” to proceed to the next page.
- (e) Click “Agree” to proceed to a landing page for you to select the rights securities that you would like to subscribe to.
- (f) Select the rights issue that you want to apply.
- (g) You may click on the hyperlink of the “Prospectus” to view the content of the related abridged prospectus.
- (h) You are also required to click on the hyperlink to the “Declaration”. Read and understand the clauses of the “Declarations”.
- (i) Upon the completion of the above, at the bottom of the Rights Issue of ICPS detail page you are required to swipe the toggle to the right to indicate that you have read and understood the abridged prospectus as well as accepted and made the declarations stated in the “Declaration”.
- (j) Next, select the CDS account for your rights securities subscription and click “NEXT”.
- (k) You will come to a page for you to fill up for entitled and Excess ICPS subscription. You have the options to select either “Entitle only”, “Excess only” and “Entitled & Excess” for your ICPS subscription.
- (l) Select the subscription type, enter the number of units that you would like to subscribe. Click “NEXT” once you complete the required information.
- (m) You will come to a “Preview” page, where it displays the following information of your subscription.
  - units and Ringgit amount of your ICPS subscriptions
  - Subscription Fee (charged by Bursa Malaysia)
  - Tax, if applicable
  - Stamp duty, if applicable
- (n) Check the summary information on the “Preview” page. Click “CONFIRM” at the bottom of the same page, if the information is correct.

- (o) Next, you will receive a six-digit SMS TAC verification code via your mobile phone (the mobile number that you registered with Bursa Anywhere).
  - (p) You are required to key-in and submit the verification code.
  - (q) Upon successful validation of the verification code, you will be led to the Payment Gateway for payment.
  - (r) You are required to select the bank for your ICPS subscription payment. **(IMPORTANT NOTE: You are required to use the bank account that you have registered for Bursa Depository's eDividend service. Your subscription will be rejected if another bank account is used for payment. You will be notified if your subscription is rejected. Your subscription monies will be refunded within 3 working days, to your subscription bank account that you have just subscribed.)**
  - (s) You will be brought to your selected bank login page for payment.
  - (t) Once payment is made successfully via your selected bank, you will be brought to the "Thank You" page, which displays your bank transaction details.
  - (u) Click "DONE" at the bottom, you will be led back to the My Service landing page.
  - (v) You will receive a push notification message in your Bursa Anywhere account inbox.
  - (w) You can made multiple applications during the subscription period subject to the maximum quantity that you are entitled.
- (ii) **Terms and Conditions of Applications via Bursa Anywhere**
- (a) The Electronic Prospectus is available at the Prospectus landing page of Corporate Announcement at Bursa Website and can be accessed via the hyperlink in the Bursa Anywhere. You have read the Prospectus prior to making an investment decision and should make the investment decision based on the Prospectus rather than on advertising or promotional materials. The securities offered are offered by the Issuer solely on the basis of the information contained in the Prospectus.
  - (b) The Issuer has appointed Bursa Malaysia Depository to provide eRights Services via the Bursa Anywhere. Bursa Malaysia Depository is not responsible for, has not authorised and shall not be deemed to have authorised the contents of the Electronic Prospectus and therefore, shall not have any liability in respect of the Electronic Prospectus or the Application submitted.
  - (c) The physical printed copy of the Prospectus is available upon request from the Issuer at the location specified in the Prospectus during the offer period.
  - (d) You may also obtain a physical printed copy of the Prospectus from the participating organization(s) set out in the respective Prospectus.
  - (e) Payment of subscription to the Rights issue via Bursa Anywhere is required to be made from your eDividend Bank Account. Failing which, the request of the eRights Application will be rejected.
  - (f) By submitting an eRights Application from Bursa Anywhere, the you confirm that:
    - You have read and understood the contents of the Prospectus;
    - You have read and agreed to be bound by these Terms and Conditions and Notices for Application of Rights Issues and the terms and conditions of the Bursa Anywhere;

- You are eligible to apply for the securities in Malaysia or in jurisdictions where the securities offering is intended to be available;
  - You irrevocably consent to the receipt of any cash payment or refund in relation to the Application to be made via direct credit into the eDividend Bank Account; and
  - You agree to give irrevocable consent to Bursa Malaysia Depository to disclose your information, including bank account information, which are necessary or expedient to the relevant entities involved in the application process and to the relevant entities involved in facilitating the payment of any cash payments or refunds via direct credit into e-Dividend Bank Account in relation to the Application.
- (g) Applications shall close at the Closing Time and Date or such other time as the Issuer and/or the Share Registrar, may in its absolute discretion decide.
- (h) An Application is deemed to be received by Bursa Anywhere only upon its completion, that is, when you have:
- successfully made full subscription payment via the payment gateway; and
  - received an email indicating that the Application has been submitted to the Issuer and/or the Share Registrar.
- (i) You are advised to print out and retain a copy of the Transaction Records for record purposes. The Transaction Records are only a record of the completed transactions received at the Bursa Anywhere and not a record of the receipt of the Application or any data relating to such an application by the Issuer or the Share Registrar. No application or monies can be accepted electronically in respect of the securities offered once the offer closes on the Closing Date.
- (j) Upon your receipt of the Transaction Record, cancellation of the Application will not be allowed.
- (k) Bursa Malaysia Depository shall not be liable for any applications made through any alternative methods of application.
- (l) If Bursa Malaysia Depository has any reason to believe that the Electronic Prospectus or processes for collection and handling of Applications have been tampered with, Bursa Malaysia Depository may reject the Application and Bursa Malaysia Depository shall not be liable for such rejection.
- (m) No securities will be allotted or issued on the basis of the Prospectus after the Closing Time and Date. Bursa Malaysia Depository, Bursa Malaysia Securities and Bursa Malaysia do not guarantee any allotment of securities as a result of the Application and are not responsible for any non-allotment of securities or part thereof by the Issuer pursuant to the Application.
- (n) Any request for any refunds related to the allotment of securities must be referred to the Issuer.
- (o) No refund of any subscription fee charged by Bursa Malaysia Depository and applicable tax (if any), will be made to you if your subscription is rejected by the Share Registrar.
- (p) Electronic Prospectuses made available on the Bursa Website after the close of any Application period as described in the Terms & Conditions is made available solely for informational and archiving purposes.

(q) Risk of Submitting the Applications from Bursa Anywhere:

- (i) By submitting an Application from Bursa Anywhere, you agree to assume the risks associated with conducting transactions online, including risks of electrical, electronic, technical and mobile-related faults and breakdowns, faults with mobile applications, problems occurring during data transmission, mobile security threats such as viruses, hackers and crackers, fires, acts of God and other events beyond the control of Bursa Malaysia Depository, and/or the Issuer. You acknowledge that the aforementioned events may result in (i) interruption, transmission blackout or delayed transmission; and/or (ii) incorrect data transmission due to the public nature of the Internet and agrees to bear such risks. The Applicant agrees that neither Bursa Malaysia Depository, Bursa Malaysia Securities, Bursa Malaysia, the Issuer nor the Share Registrar shall be liable for any delay, failure or inaccuracy in the recording, storage or transmission or delivery of data, breakdown or failure in communication facilities or due to any cause beyond their control.
- (ii) If, Bursa Malaysia Depository, the Issuer and/or the Share Registrar does not receive your Application and/or the relevant payment, or in the event that any data relating to the Application is lost, corrupted, destroyed or otherwise not accessible, whether wholly or partially and for any reason whatsoever, you shall be deemed not to have made an Application. In such an event, you shall have no claim whatsoever against Bursa Malaysia Depository and/or Bursa Malaysia Securities and/or Bursa Malaysia and/or Issuer and/or the Share Registrar, in relation to the purported Application.
- (r) Instead of submitting an Application via Bursa Anywhere, you may alternatively submit applications through the existing manual paper-based application method as well as other means of application specified in the Prospectus, such as via ATM or internet facilities of financial institutions offering such services within Malaysia and such other methods as may from time to time be permitted by the SC.
- (s) In the event a supplementary Prospectus is issued, you are entitled to revise or withdraw your Application by contacting the Share Registrar directly. Bursa Malaysia Depository or Bursa Anywhere will not be able to facilitate any revision or withdrawal of the Application in such circumstances.
- (t) Bursa Malaysia Depository is committed to protecting the security of the Applicant's personal information. It uses a variety of security technologies and procedures, to help protect the confidentiality and security of an Applicant's personal information provided through the Bursa Anywhere, from unauthorised access, use, or disclosure. In addition, Bursa Malaysia Depository has put in place appropriate measures to minimise the risks of unauthorised access and to maintain the security of the information it collects through Bursa Anywhere.

#### 9.5.4 By way of NRS

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

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

**(i) Steps for applications via NRS**

- (a) If you are an Entitled Shareholder, and who is an Authorised Nominee who has subscribed for NRS with Bursa Depository, you will not be receiving this Abridged Prospectus, the RSF nor the NPA by post.
- (b) Instead, this Abridged Prospectus and the ICPS Entitlement File will be transmitted electronically to you by Bursa Depository through Bursa Depository's existing network facility with the Authorised Nominees in the manner as set out in Bursa Depository's User Guide for NRS, on the next business day after the Entitlement Date.
- (c) A notification of the delivery of the Abridged Prospectus and the ICPS Entitlement File will also be sent to you via email using the details you have provided to Bursa Depository when you subscribed for NRS with Bursa Depository.
- (d) You are advised to read carefully, understand and follow the terms of this Abridged Prospectus, **BEFORE** making the application.
- (e) You may accept, on behalf of your client, partially or fully, their respective allocation under the Rights Issue.
- (f) To apply for the ICPS, you will be required to submit your subscription information via ICPS Subscription File which is to be prepared based on the format as set out in Bursa Depository's User Guide for NRS.
- (g) Once completed, you will need to submit the ICPS Subscription File to Bursa Depository at any time daily before 5.00 p.m., but in any event no later than the last day and time for acceptance and payment.
- (h) Together with the ICPS Subscription File, you will also need to submit a confirmation to Bursa Depository of the following information:
  - (i) Confirmation that you have, prior to making the application via NRS, received and/or had access to the electronic copy of this Abridged Prospectus, the contents of which you have read, understood and agreed; and
  - (ii) Consent to the disclosure of your information to facilitate electronic refunds where applicable.
- (i) With regards to payment for the ICPS which you have applied for, you must transfer the amount payable directly to our bank account, the details of which are as follows:
 

Bank	:	<b>MALAYAN BANKING BERHAD</b>
Account Name	:	<b>MINETECH RIGHTS ICPS ACCOUNT</b>
Bank Account No	:	<b>514012446128</b>
- (j) Upon completion of the transfer/payment, you may receive a transaction slip ("**Transaction Slip**") from the transacting financial institution confirming the details of your transfer/payment. The Transaction Slip is only a record of the completed transaction and not a record of the receipt of the application via NRS or any data relating to such an application by our Company or Bursa Depository. The Transaction Slip is for your record and is not required to be submitted with your application via NRS.



- (k) You will be notified on the outcome of your application for the ICPS electronically within the timelines as stated below. No physical notice of allotment will be mailed to you.

- (i) successful application – an electronic notification will be sent to you within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities; or
- (ii) unsuccessful/ partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the Closing Date.

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

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

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

**(ii) Terms and Conditions for applications via NRS**

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

- (a) For purposes of making the electronic refund, you hereby give consent in accordance with the relevant laws of Malaysia, including Section 134(1)(a) of Financial Services Act, 2013 and Section 45(1)(a) of the SICDA, to the disclosure by our Company, Bursa Depository, our Share Registrar, the relevant financial institution, their respective agents and any third party involved in facilitating the payment of refunds to you as the case may be, of information pertaining to yourself and your account with the relevant financial institution and Bursa Depository, to the relevant authorities and any person as may be necessary or expedient to facilitate the making of refunds or for any other purpose in connection with such payments. You will be required to provide confirmation of your consent in the manner prescribed in Bursa Depository's terms and conditions for NRS.
- (b) You agree and undertake to subscribe for or purchase and to accept the number of ICPS applied for as stated on your ICPS Subscription File in respect of your application via NRS. Your application shall signify, and shall be treated as, your acceptance of the number of ICPS that may be allotted to you.
- (c) You acknowledge that by completing and submitting the ICPS Subscription File to Bursa Depository, you, if successful, requests and authorises our Company to credit the ICPS allotted to you into the respective CDS Account(s) as indicated in the ICPS Subscription File.



(d) You acknowledge that your application via NRS is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of our Company, our Share Registrar, the relevant financial institution or Bursa Depository, and irrevocably agree that if -

- (i) our Company, our Share Registrar or Bursa Depository does not receive your application via NRS; or
- (ii) the data relating to your application via NRS is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company, our Share Registrar or Bursa Depository,

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

(e) By completing and submitting the ICPS Subscription File to Bursa Depository, you agree that:

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

Our Share Registrar and Bursa Depository, on the authority of our Company, reserves the right to reject applications which do not conform to these instructions.

## 9.6 Procedure for part acceptance by Entitled Shareholders

You are entitled to accept part of your Provisional Allotments provided always that the minimum number of ICPS that can be subscribed for or accepted is one 1 ICPS. Fractional of a ICPS shall be disregarded and dealt with in a fair and equitable manner as our Board deems fit and expedient and in the best interests of our Company.

You must complete both Parts I(A) and II of the RSF by specifying the number of ICPS which you are accepting and deliver the completed and signed RSF together with the relevant payment to our Share Registrar in the manner set out in Section 9.5.1 of this Abridged Prospectus.

**YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN.**

The portion of the Provisional Allotments that have not been accepted shall be allotted to any other persons allowed under the law, regulations or rules to accept the transfer of the Provisional Allotments.

**9.7 Procedure for sale or transfer of the Provisional Allotments**

As the Provisional Allotments are prescribed securities, you may dispose or transfer all or part of your entitlement to the Provisional Allotments to 1 or more person(s) through your stockbrokers without first having to request for a split of the Provisional Allotments standing to the credit of your CDS Account. To dispose or transfer all or part of your entitlement to the Provisional Allotments, you may sell such entitlement on the open market or transfer such entitlement to such persons as may be allowed pursuant to the Rules of Bursa Depository. If you have disposed or transferred only part of the Provisional Allotments, you may still accept the balance of the Provisional Allotments by completing Parts I and III of the RSF. Please refer to Sections 9.4 and 9.5 of this Abridged Prospectus for the procedure for acceptance and payment.

In disposing or transferring all or part of your Provisional Allotments, you need not deliver any document including the RSF, to any stockbroker. However, you must ensure that there is sufficient Provisional Allotments standing to the credit of your CDS Account that are available for settlement of the sale or transfer.

Purchaser(s) or transferee(s) of the Provisional Allotments may obtain a copy of this Abridged Prospectus and the RSF from our Share Registrar or at our Registered Office. This Abridged Prospectus and the RSF are also available on the Bursa Securities' website at <http://www.bursamalaysia.com>.

**9.8 Procedure for acceptance by renouncee(s)/ transferee(s)**

Renouncee(s) and/ or transferee(s) (if applicable) who wish to accept the Provisional Allotments must obtain a copy of the RSF from their stockbrokers or our Share Registrar, or at our Registered Office or from Bursa Securities' website at <https://www.bursamalaysia.com> and complete the RSF and submit the same together with the remittance to our Share Registrar at the above-stated address in accordance with the notes and instructions printed therein.

The procedure for acceptance and payment applicable to the Entitled Shareholders as set out in Sections 9.4 and 9.5 of this Abridged Prospectus also applies to renouncee(s) and/ or transferee(s) (if applicable) who wish to accept the Provisional Allotments.

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

**9.9 Procedure for application of Excess ICPS**

**9.9.1 By way of RSF**

You and/ or your renouncee(s) and/ or transferee(s) (if applicable) may apply for the Excess ICPS in excess of your entitlement by completing Part I(B) of the RSF (in addition to Parts I(A) and II) and forward it (together with a **separate remittance made in RM** for the full amount payable in respect of the Excess ICPS applied for) to our Share Registrar **not later than 5.00 p.m. on Friday, 8 October 2021**, being the last date and time for application and payment for the Excess ICPS.

**PAYMENT FOR THE EXCESS ICPS APPLIED FOR SHOULD BE MADE IN THE SAME MANNER AS DESCRIBED IN SECTION 9.4 OF THIS ABRIDGED PROSPECTUS, AND IN THE FORM OF BANKER'S DRAFT(S)/ CASHIER'S ORDER(S)/ MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY" AND MADE PAYABLE TO "MINETECH EXCESS RIGHTS ICPS ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME, ADDRESS AND CDS ACCOUNT NUMBER IN BLOCK LETTERS SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR NOT LATER THAN THE LAST DATE AND TIME FOR EXCESS ICPS AND PAYMENT AS SET OUT IN THE COVER PAGE OF THIS ABRIDGED PROSPECTUS. THE PAYMENT MUST BE MADE FOR THE FULL AND EXACT AMOUNT PAYABLE FOR THE EXCESS ICPS APPLIED FOR ANY EXCESS OR INSUFFICIENT MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD.**

It is the intention of our Board to allot the Excess ICPS, if any, on a fair and equitable basis and in the following priority:

- (i) Firstly, to minimise the incidence of odd lots;
- (ii) Secondly, for allocation to Entitled Shareholders who have applied for the Excess ICPS, on a pro-rata basis and in board lot, calculated based on their respective shareholdings in our Company as at the Entitlement Date;
- (iii) Thirdly, for allocation to Entitled Shareholders who have applied for the Excess ICPS, on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess ICPS applied for; and
- (iv) Finally, for allocation to renouncee(s) and/ or transferee(s) (if applicable) who have applied for the Excess ICPS, on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess ICPS applied for.

In the event there is any remaining balance of the Excess ICPS applied for by the Entitled Shareholders and/ or renouncee(s) who have applied for the Excess ICPS after carrying out steps (i) to (iv) as set out above, steps (ii) to (iv) will be repeated again in the same sequence to allocate the remaining balance of the Excess ICPS to the Entitled Shareholders and/ or renouncee(s) who have applied for the Excess ICPS until such balance is fully allocated.

Nevertheless, our Board reserves the right to allot any Excess ICPS applied for under Part II of the RSF in such manner as our Board deems fit and expedient in the best interest of our Company subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in steps (i)-(iv) above are achieved. Our Board also reserves the rights at its absolute discretion to accept in full or in part any application for the Excess ICPS without assigning any reason thereof.

**NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR EXCESS ICPS MONIES WILL BE ISSUED BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE EXCESS ICPS. HOWEVER, IF YOUR EXCESS ICPS IS SUCCESSFUL, THE ICPS WILL BE CREDITED INTO YOUR CDS ACCOUNT AND A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED OR ALLOWED BY BURSA SECURITIES.**

**APPLICATIONS FOR THE EXCESS ICPS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY SUCH APPLICATION OR TO ACCEPT ANY SUCH APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON THEREOF.**

**WHERE AN APPLICATION FOR THE EXCESS ICPS IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST AND SHALL BE DESPATCHED TO THE APPLICANT BY ORDINARY POST TO THE ADDRESS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.**

#### **9.9.2 By way of Electronic Application**

You and/ or your renouncee(s) and/ or transferee(s) (if applicable) may apply for the Excess ICPS in excess of your entitlement via Electronic Application in addition to your Provisional Allotments. If you wish to do so, you may apply for the Excess ICPS by following the same steps as set out in Section 9.5.2 of this Abridged Prospectus.

The Electronic Application for Excess ICPS will be made on, subject to, the same terms and conditions appearing in Section 9.5.2 of this Abridged Prospectus.

Any ICPS which are not taken up or not validly taken up by you and/ or your renouncee(s) and/ or transferee(s) (if applicable) shall be made available for Excess ICPS. It is the intention of the Board to allot the Excess ICPS, if any, on a fair and equitable basis and in the priority and basis as detailed in Section 9.9.1 above.

#### **9.9.3 By way of Bursa Anywhere mobile application**

You and/ or your renouncee(s) and/ or transferee(s) (if applicable) may apply for the Excess ICPS in excess of your entitlement via Bursa Anywhere Mobile Application in addition to your Provisional Allotments. If you wish to do so, you may apply for the Excess ICPS by following the same steps as set out in Section 9.5.3 of this Abridged Prospectus.

The application for Excess ICPS will be made on, subject to, the same terms and conditions.

Any ICPS which are not taken up or not validly taken up by you and/ or your renouncee(s) and/ or transferee(s) (if applicable) shall be made available for Excess ICPS. It is the intention of the Board to allot the Excess ICPS, if any, on a fair and equitable basis and in the priority and basis as detailed in Section 9.9.1 above.

#### **9.9.4 By way of NRS**

You and/ or your renouncee(s) and/ or transferee(s) (if applicable) may apply for the Excess ICPS in excess of your entitlement via NRS in addition to your Provisional Allotments. If you wish to do so, you may apply for the Excess ICPS by following the same steps as set out in Section 9.5.4 of this Abridged Prospectus save and except for the amount payable to be directed to the following bank account for the Excess ICPS applied and also that you should complete the details for excess rights application at the designated fields for excess applications in the ICPS Subscription File:

Bank	:	<b>MALAYAN BANKING BERHAD</b>
Account Name	:	<b>MINETECH EXCESS RIGHTS ICPS ACCOUNT</b>
Bank Account No	:	<b>514012446135</b>

The NRS for Excess ICPS will be made on, subject to, the same terms and conditions appearing in Section 9.5.4 of this Abridged Prospectus.

Any Provisional Allotments which are not taken up or not validly taken up by you and/ or your renouncee(s) and/ or transferee(s) (if applicable) shall be made available for Excess ICPS. It is the intention of the Board to allot the Excess ICPS, if any, on a fair and equitable basis and in the priority and basis as detailed in Section 9.9.1 above.

## 9.10 Form of issuance

Bursa Securities has already prescribed our ICPS to be listed on the Main Market of Bursa Securities and to be deposited with Bursa Depository. Accordingly, the ICPS are prescribed securities and as such, the SICDA and the Rules of Bursa Depository shall apply to all dealings in the ICPS.

Failure to comply with the specific instructions for applications or inaccuracy in the CDS Account number may result in the application being rejected. No physical share certificate shall be issued to you under the Rights Issue of ICPS. Instead, the ICPS will be credited directly into your CDS Account.

A notice of allotment will be despatched to you and/ or your renounee(s) and/ or transferee(s) (if applicable) by ordinary post to the address shown in our Record of Depositors provided by Bursa Depository at your own risk within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities.

If you are an Authorised Nominee who has subscribed for NRS with Bursa Depository, an electronic notification will be sent to you within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities through Bursa Depository's existing network facility with the Authorised Nominees in the manner as set out in Bursa Depository's User Guide for NRS.

Where the ICPS is provisionally allotted to the Entitled Shareholders in respect of their existing Minetech Shares standing to the credit in their CDS Account as at the Entitlement Date, the acceptance by the Entitled Shareholders of the Provisional Allotments shall mean that they consent to receive such Provisional Allotments as prescribed or deposited securities which will be credited directly into their CDS Account.

Any person who has purchased the Provisional Allotments or to whom the Provisional Allotments have been transferred and intends to subscribe for the ICPS must state his or her CDS Account number in the space provided in the RSF. The ICPS will be credited directly as prescribed or deposited securities into his or her CDS Account upon allotment and issuance.

The Excess ICPS, if allotted to the successful applicant who applied for the Excess ICPS, will be credited directly as prescribed securities into his or her CDS Account. The allocation will be made on a fair and equitable basis in such manner as our Board in its absolute discretion deems fit and expedient and in the best interest of our Company, as disclosed in Section 9.9 of this Abridged Prospectus.

## 9.11 Laws of foreign jurisdiction

This Abridged Prospectus, and the accompanying NPA and RSF have not been (and will not be) made to comply with the laws of any foreign jurisdiction and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) for subscription of any foreign jurisdiction. The Rights Issue of ICPS will not be made or offered for subscription in any foreign jurisdiction.

Accordingly, this Abridged Prospectus, and the accompanying NPA and RSF will not be sent to the Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) who do not have a registered address in Malaysia. However, such Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) may collect this Abridged Prospectus, and the accompanying NPA and RSF from our Share Registrar, in which event our Share Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting these documents relating to the Rights Issue of ICPS.

The Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) may accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue of ICPS only to the extent that it would be lawful to do so. TA Securities, our Share Registrar, our Company, our Directors and officers and other professional advisers would not, in connection with the Rights Issue of ICPS, be in breach of the laws of any jurisdiction to which the Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) are or may be subject. Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) shall solely be responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject to. TA Securities, our Share Registrar, our Company, our Directors and officers and other professional advisers shall not accept any responsibility or liability in the event that any acceptance or renunciation made by any Foreign Entitled Shareholders and/ or renouncee(s) and/ or transferee(s) (if applicable), is or shall become unlawful, unenforceable, voidable or void in any such jurisdiction.

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

By signing the RSF, the Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) TA Securities, our Share Registrar, our Company, our Directors and officers and other professional advisers that:

- (i) we would not, by acting on the acceptance or renunciation in connection with the Rights Issue of ICPS, be in breach of the laws of any jurisdiction to which the Foreign Entitled Shareholders and/ or renouncee(s) (if applicable) are or may be subject to;
- (ii) the Foreign Entitled Shareholders and/ or their renouncee(s) (if applicable) have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation of the Provisional Allotments;
- (iii) the Foreign Entitled Shareholders and/ or their renouncee(s) (if applicable) are not nominees or agents of a person in respect of whom we would, by acting on the acceptance or renunciation of the Provisional Allotments, be in breach of the laws of any jurisdiction to which that person is or may be subject to;
- (iv) the Foreign Entitled Shareholders and/ or their renouncee(s) (if applicable) are aware that the ICPS can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;
- (v) the Foreign Entitled Shareholders and/ or their renouncee(s) (if applicable) have received a copy of this Abridged Prospectus, had access to such financial and other information and have been provided the opportunity to ask such questions to our representatives and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the ICPS; and
- (vi) the Foreign Entitled Shareholders and/ or their renouncee(s) (if applicable) have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the ICPS, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the ICPS.



Persons receiving this Abridged Prospectus, and the accompanying NPA and RSF (including without limitation to custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any country or jurisdiction, where to do so would or might contravene local securities, exchange control or relevant laws or regulations. If this Abridged Prospectus, and the accompanying NPA and RSF are received by any persons in such country or jurisdiction, or by the agent or nominee of such a person, he must not seek to accept the offer unless he has complied with and observed the laws of the relevant country or jurisdiction in connection herewith.

Any person who does forward this Abridged Prospectus and the accompanying NPA and RSF to any foreign country or jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this section and we reserve the right to reject a purported acceptance of the ICPS from any such application by Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) in any jurisdiction other than Malaysia.

We reserve the right, in our absolute discretion, to treat any acceptance of the ICPS as invalid if it believes that such acceptance may violate any applicable legal or regulatory requirements.

#### **10. TERMS AND CONDITIONS**

The issuance of the ICPS pursuant to the Rights Issue of ICPS is governed by the terms and conditions as set out in this Abridged Prospectus and the accompanying NPA and RSF.

#### **11. FURTHER INFORMATION**

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

Yours faithfully,  
For and on behalf of our Board  
**MINETECH RESOURCES BERHAD**



**DATO' (DR). TS. AWANG DAUD BIN AWANG PUTERA**  
Executive Chairman

**INFORMATION ON OUR GROUP****1. SHARE CAPITAL**

As at the LPD, the issued share capital of our Company is RM166,812,692.90 comprising 1,165,613,800 Shares (including 285,000 treasury shares).

**2. BOARD OF DIRECTORS**

The details of our Board as at the LPD are set out in the table below:

<b>Name</b>	<b>Age</b>	<b>Designation</b>	<b>Address</b>	<b>Nationality</b>
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	60	Executive Chairman	No. 453 Taman Sea View Lorong Rambai 3 Tanjung Batu, 97000 Bintulu Sarawak	Malaysian
Choy Sen @ Chin Kim Sang	68	Executive Director	No. 3, Jalan Elitis Bayu Valencia 47000 Sungai Buloh Selangor Darul Ehsan	Malaysian
Chin Leong Choy	38	Executive Director	No. 3, Jalan Elitis Bayu Valencia 47000 Sungai Buloh Selangor Darul Ehsan	Malaysian
Awgku Mohd Reza Farzak Bin Awg Daud	37	Executive Director	3153 Taman Sebieuw Indah 97000 Bintulu Sarawak	Malaysian
Azlan Shah Bin Zainal Arif	39	Executive Director	No. 2, SCI 3/11 Garden Villa, Sunway City 31150 Ipoh Perak	Malaysian
Ahmad Rahizal bin Dato' Ahmad Rasidi	38	Non-Independent Non-Executive Director	2A Kesington Park Jalan Dutamas Anggerik Sri Hartamas 50480 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Malaysian
Ahmad Ruslan Zahari bin Zakaria	60	Independent Non-Executive Director	79 Jalan SS3/43 Seaport 47300 Petaling Jaya Selangor Darul Ehsan	Malaysian
Datin Feridah Binti Bujang Ismail	47	Independent Non-Executive Director	No. 152 Jalan Elektron U16/93 Seksyen U16, Denai Alam 40150 Shah Alam Selangor Darul Ehsan	Malaysian
Siti Aishah Binti Othman	61	Independent Non-Executive Director	No. 9, Lorong 2 Jalan Abang Ali Tanjung Kidurong 97007 Bintulu Sarawak	Malaysian



# APPENDIX I

## INFORMATION ON OUR GROUP (CONT'D)

### 3. DIRECTORS' SHAREHOLDINGS

Save for those disclosed below, none of the other Directors have any direct and/or indirect shareholding in our Company as at the LPD. The pro forma effects of the Corporate Exercises on the shareholdings of our Directors based on the Record of Depositors as at 6 September 2021 are as follows:

#### Minimum Scenario

Name	As at 6 September 2021			(I) After Rights Issue of ICPS		
	Direct		Indirect	Direct		Indirect
	No. of Shares	% <sup>(1)</sup>		No. of Shares	% <sup>(1)</sup>	
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	311,582,800	26.74	642,000 <sup>(2)</sup>	311,582,800	26.74	642,000
Choy Sen @ Chin Kim Sang	167,097,020	14.34	48,056,100 <sup>(3)</sup>	167,097,020	14.34	48,056,100
Chin Leong Choy	47,456,100	4.07	-	47,456,100	4.07	-
Awgku Mohd Reza Farzak Bin Awg Daud	1,150,000	0.10	-	1,150,000	0.10	-
Azlan Shah Bin Zainal Arif	4,170,000	0.36	-	4,170,000	0.36	-
Ahmad Rahizal bin Dato' Ahmad Rasidi	-	-	-	-	-	-
Ahmad Ruslan Zahari bin Zakaria	-	-	-	-	-	-
Datin Feridah Binti Bujang Ismail	150,000	0.01	-	150,000	0.01	-
Siti Aishah Binti Othman	-	-	-	-	-	-

Name	(II) After (I) and Private Placement			(III) After (II) and assuming full conversion of ICPS		
	Direct		Indirect	Direct		Indirect
	No. of Shares	% <sup>(1)</sup>		No. of Shares	% <sup>(1)</sup>	
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	341,582,800 <sup>(4)</sup>	22.55	642,000	378,813,987 <sup>(9)</sup>	23.99	642,000
Choy Sen @ Chin Kim Sang	192,097,020 <sup>(5)</sup>	12.68	60,556,100	212,984,147 <sup>(10)</sup>	13.49	66,488,112
Chin Leong Choy	59,956,100 <sup>(6)</sup>	3.96	-	65,888,112 <sup>(11)</sup>	4.17	-
Awgku Mohd Reza Farzak Bin Awg Daud	13,650,000 <sup>(7)</sup>	0.90	-	13,650,000	0.86	-
Azlan Shah Bin Zainal Arif	16,670,000 <sup>(8)</sup>	1.10	-	16,670,000	1.06	-
Ahmad Rahizal bin Dato' Ahmad Rasidi	-	-	-	-	-	-
Ahmad Ruslan Zahari bin Zakaria	-	-	-	-	-	-
Datin Feridah Binti Bujang Ismail	150,000	0.01	-	150,000	0.01	-
Siti Aishah Binti Othman	-	-	-	-	-	-

**INFORMATION ON OUR GROUP (CONT'D)**

**Notes:**

- (1) *Excluding treasury shares*
- (2) *Deem interested by virtue of his children's shareholding in Minetech.*
- (3) *Deem interested by virtue of his spouse and his son's shareholding in Minetech.*
- (4) *After the issuance of 30,000,000 Placement Shares to him pursuant to the Private Placement.*
- (5) *After the issuance of 25,000,000 Placement Shares to him pursuant to the Private Placement.*
- (6) *After the issuance of 12,500,000 Placement Shares to him pursuant to the Private Placement.*
- (7) *After the issuance of 12,500,000 Placement Shares to him pursuant to the Private Placement.*
- (8) *After the issuance of 12,500,000 Placement Shares to him pursuant to the Private Placement.*
- (9) *After Cashless Conversion of 148,924,750 ICPS by way of 4 ICPS for 1 new Share, pursuant to his ICPS Undertaking.*
- (10) *After Cashless Conversion of 83,548,510 ICPS by way of 4 ICPS for 1 new Share, pursuant to his ICPS Undertaking.*
- (11) *After Cashless Conversion of 23,728,050 ICPS by way of 4 ICPS for 1 new Share, pursuant to his ICPS Undertaking.*

**Maximum Scenario**

Name	As at 6 September 2021			(I) After Rights Issue of ICPS		
	Direct		Indirect	Direct		Indirect
	No. of Shares	% <sup>(1)</sup>	No. of Shares	No. of Shares	% <sup>(1)</sup>	No. of Shares
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	311,582,800	26.74	642,000 <sup>(2)</sup>	311,582,800	26.74	642,000
Choy Sen @ Chin Kim Sang	167,097,020	14.34	48,056,100 <sup>(3)</sup>	167,097,020	14.34	48,056,100
Chin Leong Choy	47,456,100	4.07	-	47,456,100	4.07	-
Awgku Mohd Reza Farzak Bin Awg Daud	1,150,000	0.10	-	1,150,000	0.10	-
Azlan Shah Bin Zainal Arif	4,170,000	0.36	-	4,170,000	0.36	-
Ahmad Rahizal bin Dato' Ahmad Rasidi	-	-	-	-	-	-
Ahmad Ruslan Zahari bin Zakaria	-	-	-	-	-	-
Datin Feridah Binti Bujang Ismail	150,000	0.01	-	150,000	0.01	-
Siti Aishah Binti Othman	-	-	-	-	-	-

INFORMATION ON OUR GROUP (CONT'D)

Name	(II) After (I) and Private Placement			(III) After (II) and assuming full conversion of ICPS		
	Direct		Indirect	Direct		Indirect
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	341,582,800 <sup>(4)</sup>	22.55	642,000	0.04	497,374,200 <sup>(9)</sup>	23.71
Choy Sen @ Chin Kim Sang	192,097,020 <sup>(5)</sup>	12.68	60,556,100	4.00	275,645,530 <sup>(10)</sup>	13.14
Chin Leong Choy	59,956,100 <sup>(6)</sup>	3.96	-	-	83,684,150 <sup>(11)</sup>	3.99
Awgku Mohd Reza Farzak Bin Awg Daud	13,650,000 <sup>(7)</sup>	0.90	-	-	14,225,000	0.68
Azlan Shah Bin Zainal Arif	16,670,000 <sup>(8)</sup>	1.10	-	-	18,755,000	0.89
Ahmad Rahizal bin Dato' Ahmad Rasidi	-	-	-	-	-	-
Ahmad Ruslan Zahari bin Zakaria	-	-	-	-	-	-
Datin Feridah Binti Bujang Ismail	150,000	0.01	-	-	225,000	0.01
Siti Aishah Binti Othman	-	-	-	-	-	-

Notes:

- (1) Excluding treasury shares
- (2) Deem interested by virtue of his children's shareholding in Minetech.
- (3) Deemed interested by virtue of his spouse and his son's shareholding in Minetech.
- (4) After the issuance of 30,000,000 Placement Shares to him pursuant to the Private Placement.
- (5) After the issuance of 25,000,000 Placement Shares to him pursuant to the Private Placement.
- (6) After the issuance of 12,500,000 Placement Shares to him pursuant to the Private Placement.
- (7) After the issuance of 12,500,000 Placement Shares to him pursuant to the Private Placement.
- (8) After the issuance of 12,500,000 Placement Shares to him pursuant to the Private Placement.
- (9) After Cashless Conversion of 155,791,400 ICPS by way of 1 ICPS and cash payment of RM0.09 for 1 new Share, pursuant to his ICPS entitlement.
- (10) After Cashless Conversion of 83,548,510 ICPS by way of 1 ICPS and cash payment of RM0.09 for 1 new Share, pursuant to his ICPS entitlement.
- (11) After Cashless Conversion of 23,728,050 ICPS by way of 1 ICPS and cash payment of RM0.09 for 1 new Share, pursuant to his ICPS entitlement.

# INFORMATION ON OUR GROUP (CONT'D)

## 4. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

The proforma effects of the Rights Issue of ICPS on the substantial shareholders' shareholdings in our Company based on the Record of Depositors as at 6 September 2021 are as follows:

### Minimum Scenario

Name	As at 6 September 2021			(I) After Rights Issue of ICPS		
	Direct		Indirect	Direct		Indirect
	No. of Shares	% <sup>(1)</sup>	No. of Shares	No. of Shares	% <sup>(1)</sup>	No. of Shares
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	311,582,800	26.74	642,000 <sup>(2)</sup>	311,582,800	26.74	642,000
Choy Sen @ Chin Kim Sang	167,097,020	14.34	48,056,100 <sup>(3)</sup>	167,097,020	14.34	48,056,100
						4.12

  

Name	(II) After (I) and Private Placement			(III) After (II) and assuming full conversion of ICPS		
	Direct		Indirect	Direct		Indirect
	No. of Shares	% <sup>(1)</sup>	No. of Shares	No. of Shares	% <sup>(1)</sup>	No. of Shares
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	341,582,800 <sup>(4)</sup>	22.55	642,000	378,813,987 <sup>(6)</sup>	23.99	642,000
Choy Sen @ Chin Kim Sang	192,097,020 <sup>(5)</sup>	12.68	60,556,100	212,984,147 <sup>(7)</sup>	13.49	66,488,112
						4.21

Notes:

- (1) Excluding treasury shares.
- (2) Deemed interested by virtue of his children's shareholding in Minetech.
- (3) Deemed interested by virtue of his spouse and his son's shareholding in Minetech.
- (4) After the issuance of 30,000,000 Placement Shares to him pursuant to the Private Placement.
- (5) After the issuance of 25,000,000 Placement Shares to him pursuant to the Private Placement.
- (6) After Cashless Conversion of 148,924,750 ICPS by way of 4 ICPS for 1 new Share, pursuant to his ICPS Undertaking.
- (7) After Cashless Conversion of 83,548,510 ICPS by way of 4 ICPS for 1 new Share, pursuant to his ICPS Undertaking.

**INFORMATION ON OUR GROUP (CONT'D)**

**Maximum Scenario**

Name	As at 6 September 2021				(I) After Rights Issue of ICPS			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	311,582,800	26.74	642,000 <sup>(2)</sup>	0.06	311,582,800	26.74	642,000	0.06
Choy Sen @ Chin Kim Sang	167,097,020	14.34	48,056,100 <sup>(3)</sup>	4.12	167,097,020	14.34	48,056,100	4.12

  

Name	(II) After (I) and Private Placement				(III) After (II) and assuming full conversion of ICPS			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	341,582,800 <sup>(4)</sup>	22.55	642,000	0.04	497,374,200 <sup>(6)</sup>	23.71	963,000	0.05
Choy Sen @ Chin Kim Sang	192,097,020 <sup>(5)</sup>	12.68	60,556,100	4.00	275,645,530 <sup>(7)</sup>	13.14	84,584,150	4.03

**Notes:**

- (1) Excluding treasury shares.
- (2) Deemed interested by virtue of his children's shareholding in Minetech.
- (3) Deemed interested by virtue of his spouse and his son's shareholdings in Minetech.
- (4) After the issuance of 30,000,000 Placement Shares to him pursuant to the Private Placement.
- (5) After the issuance of 25,000,000 Placement Shares to him pursuant to the Private Placement.
- (6) After Cash Conversion of 155,791,400 ICPS by way of 1 ICPS and cash payment of RM0.09 for 1 new Share, pursuant to his ICPS entitlement.
- (7) After Cash Conversion of 81,548,510 ICPS by way of 1 ICPS and cash payment of RM0.09 for 1 new Share, pursuant to his ICPS entitlement.

[The rest of this page has been intentionally left blank]

**INFORMATION ON OUR GROUP (CONT'D)****5. HISTORICAL FINANCIAL INFORMATION**

The following tables set out our Group's key financial information based on our consolidated statements of comprehensive income, statements of financial positions and statements of cash flows for the financial years/period under review:

**Historical financial performance**

	<b>Audited<sup>(1)</sup></b>		
	<b>FYE 31 March 2019 (RM)</b>	<b>(Restated)<sup>(2)</sup> FYE 31 March 2020 (RM)</b>	<b>FYE 31 March 2021 (RM)</b>
<i>Continuing operations</i>			
Revenue	135,007,274	82,236,107	95,020,830
Cost of sales	(124,900,707)	(74,707,748)	(77,523,497)
<b>Gross profit</b>	<b>10,106,567</b>	<b>7,528,359</b>	<b>17,497,333</b>
Other income	5,490,005	23,266,379	2,911,560
Administrative expenses	(20,710,061)	(41,535,986)	(14,740,385)
Selling and marketing expenses	(881,828)	(458,596)	(395,492)
Net loss on impairment of financial instruments	(3,467,653)	(6,606,625)	(53,443)
Finance costs	(2,889,444)	(1,646,038)	(1,085,305)
Share of results of associate companies	-	(1,701)	(118,299)
<b>(LBT)/PBT</b>	<b>(12,352,414)</b>	<b>(19,454,208)</b>	<b>4,015,969</b>
Taxation	(1,943,029)	(1,539,364)	(3,118,724)
<b>(Loss)/Profit from continuing operations</b>	<b>(14,295,443)</b>	<b>(20,993,572)</b>	<b>897,245</b>
<i>Discontinued operation</i>			
- Loss from discontinued operation, net of tax	-	-	<b>(181,865)</b>
	<b>(14,295,443)</b>	<b>(20,993,572)</b>	<b>715,380</b>
(Loss)/Profit for the financial year attributable to:			
- Owner of the parent	(15,072,844)	(20,434,102)	923,818 <sup>(3)</sup>
- Non-controlling interests	777,401	(559,470)	(208,438)
	<b>(14,295,443)</b>	<b>(20,993,572)</b>	<b>715,380</b>
Weighted average number of Shares in issue	881,495,379	921,574,900	1,165,613,800
No. of Shares in issue (including the treasury shares)	921,574,900	921,574,900	1,165,613,800
Basic (LPS)/EPS (sen)	(1.71)	(2.22)	0.08^
Gross profit margin (%)	7.5	9.2	18.41

**INFORMATION ON OUR GROUP (CONT'D)****Historical financial position**

	<b>Audited<sup>(1)</sup></b>		
	<b>FYE 31 March 2019 (RM)</b>	<b>(Restated)<sup>(2)</sup> FYE 31 March 2020 (RM)</b>	<b>FYE 31 March 2021 (RM)</b>
Total non-current assets	83,753,250	54,420,732	69,469,787
Total current assets	93,277,339	66,022,257	92,893,774
Assets classified as held for sale	-	-	31,254,515
<b>Total assets</b>	<b>177,030,589</b>	<b>120,442,989</b>	<b>193,618,076</b>
Share capital	132,526,862	132,526,862	166,812,692
Reserves	(56,555,270)	(77,060,109)	(75,987,214)
Treasury shares	(47,990)	(47,990)	(47,990)
<b>Shareholders' funds / NA attributable to the owners of our Company</b>	<b>75,923,602</b>	<b>55,418,763</b>	<b>90,777,488</b>
Non-controlling interests	8,884,179	2,151,709	1,563,327
<b>Total equity</b>	<b>84,807,781</b>	<b>57,570,472</b>	<b>92,340,815</b>
Total non-current liabilities	18,806,486	13,062,360	19,334,711
Total current liabilities	73,416,322	49,810,157	61,014,712
Liabilities classified as held for sale	-	-	20,927,838
<b>Total liabilities</b>	<b>92,222,808</b>	<b>62,872,517</b>	<b>101,277,261</b>
<b>Total equity and liabilities</b>	<b>177,030,589</b>	<b>120,442,989</b>	<b>193,618,076</b>
NA per Share (sen)	8.2	6.0	7.8

**Historical cash flows**

	<b>Audited<sup>(1)</sup></b>		
	<b>FYE 31 March 2019 (RM)</b>	<b>(Restated)<sup>(2)</sup> FYE 31 March 2020 (RM)</b>	<b>FYE 31 March 2021 (RM)</b>
Net cash (used in)/from operating activities	5,103,693	(3,734,187)	(7,041,907)
Net cash generated from/(used in) investing activities	3,222,534	14,539,488	(29,870,855)
Net cash (used in)/generated from financing activities	(14,445,783)	(2,292,196)	43,498,669
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(6,119,556)</b>	<b>8,513,105</b>	<b>6,585,907</b>
Effect of exchange translation differences on cash and cash equivalents	(77,067)	(60,120)	364
Cash and cash equivalents at beginning of financial years	<b>1,997,818</b>	<b>(4,198,805)</b>	<b>4,254,180</b>
<b>Cash and cash equivalents at the end of financial years</b>	<b>(4,198,805)</b>	<b>4,254,180</b>	<b>10,840,451</b>



**INFORMATION ON OUR GROUP (CONT'D)**

*Notes:*

- (1) *Source: Annual reports of our Company for the financial years under review.*
- (2) *During the FYE 31 March 2020, the Company made comparative adjustments to adjust and reclass the following:*
  - (a) *reclassification of motor vehicle and plant and machinery to property, plant and equipment which was previously recognised as right-of-use assets; and*
  - (b) *adjustments in relation to the write-off of property development cost and other debtors.*
- (3) *Including loss from the discontinued operation, net of tax.*

**Overview of the financial performance****(i) FYE 31 March 2021 vs FYE 31 March 2020**

Our Group's revenue increase by RM12.8 million (or 15.6%) to RM95.0 million in FYE 31 March 2021 (FYE 31 March 2020: RM82.2 million) mainly due to:

- (a) additional revenue contribution from our new services segment of RM24.3 million (FYE 31 March 2020: RM Nil) as a result of a new contract secured during the year for the supply of data center hardware equipment that commenced in October 2020. Our Group's services segment provides information technology related services such as provision of end-to-end information technology solutions that include design, build, supply, install, configuration, testing and accreditation;
- (b) increase in revenue from our civil engineering segment by RM11.5 million (or 26.5%) to RM54.9 million (FYE 31 March 2020: RM 43.4 million) as a result of the revenue from the new and existing projects undertaken, namely YTL Electrified Double Track (commenced on October 2019 and in July 2020) and Cheras – Kajang Expressway (commenced on December 2019); and
- (c) decrease in revenue from our quarry segment by RM19.4 million (or 83.6%) to RM3.8 million (FYE 31 March 2020: RM23.2 million) as a result of the absence of revenue from Gebeng Quarry Sdn Bhd and Minetech PQ Sdn Bhd as these subsidiaries were disposed in FYE 31 March 2020 as well as the replacement of our previous subcontractor due to sub-quality performance.

Our Group's PAT improvement by RM21.3 million (or 104.4%) to PAT of RM0.9 million in FYE 31 March 2021 (FYE 31 March 2020: LAT of RM20.4 million) mainly due to:

- (a) higher gross profit of RM17.5 million (FYE 31 March 2020: RM7.5 million) as a result of the contribution from our new services segment; and
- (b) decrease in administrative cost to RM14.7 million (FYE 31 March 2020: RM41.5 million) as a result of the absence of the disposal of Gebeng Quarry Sdn Bhd and Minetech PQ Sdn Bhd, as well as the Group's proactive initiatives to manage its costs.

Our Group' cash and cash equivalents increase by RM6.5 million (or 151.2%) to RM10.8 million as at 31 March 2021 (31 March 2020: RM4.3 million) mainly due to:

- (a) higher net cash used in investing activities of RM29.9 million (31 March 2020: Net cash generated from investing activities of RM14.5 million) as a result of higher purchase of property, plant and equipment ("PPE") (e.g. solar power plant equipment) amounting to RM25.8 million (31 March 2020: RM1.0 million) for the development of the Solar Power Plant; and



**INFORMATION ON OUR GROUP (CONT'D)**

- (b) higher net cash generated from financing activities of RM43.5 million (31 March 2020: Net cash used in financing activities of RM2.3 million) due to drawdown of borrowings of RM18.5 million (31 March 2020: RM Nil) to fund the development of our Solar Power Plant, financing of ongoing construction projects as well as proceeds raised from issuance of shares of RM34.3 million (31 March 2020: RM Nil). Our Company had issued shares in relation to the private placement exercise in June 2020, July 2020 and August 2020 raising RM11.3 million, RM8.2 million and RM7.9 million, respectively, as well as the exercise of options under the Company's existing SIS in April 2020 and June 2020 raising RM3.9 million and RM3.0 million respectively.

**(ii) FYE 31 March 2020 vs FYE 31 March 2019**

Our Group's revenue decreased by RM52.8 million (or 39.1%) to RM82.2 million in FYE 31 March 2020 (FYE 31 March 2019: RM135.0 million) mainly due to:

- (a) lower revenue in the quarry segment of RM23.2 million (FYE 31 March 2019: RM68.9 million) as a result of the disposal of Gebeng Quarry Sdn Bhd and Minetech PQ Sdn Bhd in FYE 31 March 2020 due to competitive operation margins; and
- (b) lower revenue in the civil engineering segment of RM43.7 million (FYE 31 March 2019: RM49.3 million) due to lesser projects undertaken as well as the completion of the MRT 2 project located at Jalan Chan Sow Lin.

The lower revenue was partially offset by the higher revenue contribution from the bituminous products segment of RM15.2 million (FYE 31 March 2019: RM14.2 million) due to improvement in export sales.

Our Group's other income increased by RM17.8 million (or 323.6%) to RM23.3 million in FYE 31 March 2020 (FYE 31 March 2019: RM5.5 million) mainly due to the reversal of impairment losses as well as recovery of bad debts.

Our Group's LAT increased by RM5.3 million (or 35.1%) to RM20.4 million in FYE 31 March 2020 (FYE 31 March 2019: LAT of RM15.1 million) mainly due to:

- (a) lower gross profit of RM7.5 million (FYE 31 March 2019: RM10.1 million) as a result of lower revenue in the quarry segment and the civil engineering segment;
- (b) higher administrative expenses of RM41.5 million (FYE 31 March 2019: RM20.7 million) mainly due to write-offs of property development cost and other receivables of RM9.3 million (FYE 31 March 2019: RM Nil), impairment loss on intangible asset of RM4.3 million (FYE 31 March 2019: RM Nil) and bad debts written off of RM2.0 million (FYE 31 March 2019: RM6,418); and
- (c) higher net loss on impairment of financial instruments of RM6.6 million (FYE 31 March 2019: RM3.5 million) due to the impairment on a subsidiary as the cash generating unit (i.e. the subsidiary) was unable to justify its carrying amount (i.e. the assets attributable to the subsidiary) due to weak outlook and demand for quarry products.

Our Group's cash and cash equivalents increased by RM8.5 million (or 202.4%) to RM4.3 million as at 31 March 2020 (31 March 2019: negative RM4.2 million) mainly due to higher net cash from investing activities of RM14.5 million (31 March 2019: RM3.2 million) due to higher proceeds from disposal of PPE (e.g. PPE from the quarry and premix products segment and civil engineering segment) of RM8.3 million (31 March 2019: RM2.1 million) as well as proceeds from disposal of subsidiary companies (i.e. Gebeng Quarry Sdn Bhd and Minetech PQ Sdn Bhd) of RM6.6 million (31 March 2019: RM Nil).

**INFORMATION ON OUR GROUP (CONT'D)****6. HISTORICAL SHARE PRICES**

The monthly highest and lowest transacted market prices of our Shares for the past 12 months are as follows:

	<b>Highest (RM)</b>	<b>Lowest (RM)</b>
<b><u>2020</u></b>		
September	0.270	0.185
October	0.225	0.185
November	0.220	0.180
December	0.250	0.185
<b><u>2021</u></b>		
January	0.195	0.150
February	0.235	0.160
March	0.240	0.170
April	0.235	0.175
May	0.225	0.185
June	0.210	0.140
July	0.160	0.145
August	0.160	0.135
Last transacted market price of our Shares on 12 March 2021 (being the date before the Announcement)	RM0.220	
Last transacted market price of our Shares on the LPD	RM0.155	
Last transacted market price of our Shares on 21 September 2021 (being the last day on which our Shares were traded prior to the ex-date for the Rights Issue of ICPS)	RM0.120	

(Source: Bloomberg)

**7. MATERIAL CONTRACTS**

Save as disclosed below, neither our Company nor any of our subsidiaries have entered into any material contracts (not being contracts entered into in the ordinary course of business of our Group) within the 2 years immediately preceding the date of this Abridged Prospectus:

- (i) Share sales agreement dated 12 March 2021 between Ahmad Rahizal Bin Dato' Ahmad Rasidi, Jamaluddin Bin Mann and Lui Soik Teng as well as Techmile (a wholly-owned subsidiary of our Company) for the proposed acquisition of 300,000 ordinary shares of Uniqa (representing 60% of the issued share capital of Uniqa) from the Vendors for a total purchase consideration of RM2,829,472 and was completed on 20 August 2021.

**INFORMATION ON OUR GROUP (CONT'D)****8. MATERIAL LITIGATION**

Save as disclosed below, as at the LPD, neither our Company nor any of our subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which have a material effect on the business or financial position of our Group and there are no proceedings pending or threatened against our Group, or of any facts likely to give rise to any proceedings, which might materially and adversely affect the business or financial position of our Group:

**(i) Kuala Lumpur High Court Suit No. S-22NCVC-288-04/2013 (“Suit 288”)**

The Trial for Suit 288 and the below stated Suit 433 had proceeded at the Kuala Lumpur High Court before Y.A. Datin Hajah Azizah on 23, 24, 25 and 26 October 2017, 13 and 23 November 2017.

On 20 April 2018, the Judge found the termination by Sri Manjung Granite Quarry Sdn Bhd (“SMGQ”) to be unlawful and had ordered SMGQ to pay damages to Optimis Dinamik Sdn Bhd (“ODSB”) (the quantum of damages is to be assessed by the Court Registrar) together with interest thereon at the rate of 5% per annum from the date of the Writ of Summon dated 1 April 2013 until full payment and costs of RM80,000.

As regards to SMGQ’s counterclaim, the High Court allowed SMGQ’s counterclaim for the outstanding tribute payment of RM256,300.24 owing by ODSB which is to be deducted (set-off) from the damages assessed to be paid by SMGQ to ODSB.

On 15 May 2018, SMGQ filed their appeal against the High Court’s decision in Suit 288 (“SMGQ’s Appeal”).

ODSB had filed a Notice of Direction to the High Court for the assessment of damages, and on 5 July 2018, the Judge, by consent, ordered that the assessment of damages proceedings be stayed pending the disposal of SMGQ’s Appeal.

The Deputy Registrar of the Court of Appeal had fixed both ODSB’s Appeal and SMGQ’s Appeal to be heard together on 31 March 2021. Hearing of the appeals was completed on 31 March 2021. The Court of Appeal has rejected ODSB’s appeals as well as SMGQ’s appeal. The Court of Appeal upheld the High Court’s decision in deciding that SMGQ has unlawfully terminated ODSB’s contract and that the damages should only be awarded to ODSB.

Hearing for assessment of damages will be resumed at the High Court wherein the date of hearing will be notified by the High Court at a later date. Meanwhile, SMGQ has subsequently filed their appeal to the Federal Court whereby the hearing for the leave to appeal application has been fixed on 15 September 2021 via Zoom. ODSB has filed its Affidavit in Reply on 1 July 2021 whereas the written submission and bundle of authorities were filed by ODSB on 30 August 2021. Following the hearing for the leave to appeal application on 15 September 2021, the Federal Court has dismissed SMGQ’s application for leave to appeal with cost of RM15,000.00.

**(ii) Kuala Lumpur High Court Suit No. 22NCVC-433-09/2014 (“Suit 433”)**

Suit 433 and Suit 288 were tried together. The Judge had on 20 April 2018 dismissed ODSB, Minetech Quarries Sdn Bhd and K.S. Chin Minerals Sdn Bhd’s claim against SMGQ and its 3 Directors, namely Mr. Moo Khean Choong @ Mu Kan Chong, Ms. Low Sow Fong and Mr. Atma Singh @ Atma Singh Lahre s/o Keer Singh, with costs of RM50,000.

ODSB, Minetech Quarries Sdn Bhd and K.S. Chin Mineral Sdn Bhd had on 18 May 2018 filed an appeal to the Court of Appeal against the High Court’s decision in Suit 433 (“ODSB’s Appeal”).

The Deputy Registrar of the Court of Appeal had fixed both ODSB’s Appeal and SMGQ’s Appeal to be heard together on 31 March 2021. Hearing of the appeals was completed on 31 March 2021. The Court of Appeal has rejected ODSB’s appeals as well as SMGQ’s appeal whereby the decisions of the High Court as set out above were affirmed.

---

**ADDITIONAL INFORMATION**

---

**1. CONSENTS**

The Principal Adviser, company secretaries, solicitors for the Rights Issue of ICPS, share registrar and Bloomberg have each given and have not subsequently withdrawn their written consents to the inclusion in this Abridged Prospectus of their names and all references thereto in the form and context in which they appear in this Abridged Prospectus.

**2. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at our Registered Office at 12<sup>th</sup> Floor, Menara Symphony, No. 5 Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan during normal business hours from 9.00 a.m. to 5.00 p.m. from Monday to Friday (excluding public holidays) for the period of at least 6 months from the date of this Abridged Prospectus:

- (i) the Constitution;
- (ii) the ICPS Undertaking;
- (iii) the material contract referred to in Section 6 of Appendix I of this Abridged Prospectus; and
- (iv) the letters of consent referred to in Section 8 of Appendix I of this Abridged Prospectus.

**3. RESPONSIBILITY STATEMENT**

Our Board has seen and approved this Abridged Prospectus together with its accompanying documents and they collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement herein false or misleading.

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

**[The rest of this page has been intentionally left blank]**

**SALIENT TERMS OF THE ICPS**

<b>Terms</b>	<b>Details</b>
Issue size	: Up to 582,664,400 ICPS to be issued pursuant to the Rights Issue of ICPS.
Issue price	: The issue price of ICPS is RM0.03 each.
Tenure	: 5 years commencing from and inclusive of the date of issuance of the ICPS (“ <b>Tenure</b> ”).
Maturity date	: The day immediately preceding the 5 <sup>th</sup> anniversary from the date of issuance of the ICPS. If such day falls on a non-market day, then the Maturity Date would be the preceding market day.
Dividend rate	: The Company has full discretion over the declaration of dividends, if any. Dividends declared and payable annually in arrears are non-cumulative and shall be paid in priority over the ordinary shares of the Company during the Tenure.  Note:  The declaration of dividends will depend on the availability of profits. With respect to the dividend rate (if declared), the Board may consider factors including the prevailing average deposit rates of financial institutions.
Redemption	: Not redeemable for cash.
Board lot	: For the purpose of trading on Bursa Securities, 1 board lot of ICPS shall comprise 100 ICPS, or such other denomination as determined by Bursa Securities from time to time.
Form and denomination	: The ICPS will be issued in registered form and will be constituted by the Company’s Constitution.
Conversion rights	: (a) Each ICPS carries the entitlement to be converted into new Minetech Shares at the Conversion Ratio through the surrender of the ICPS.  (b) No adjustment to the Conversion Price shall be made for any declared and unpaid dividends on the ICPS surrendered for conversion.  (c) If the conversion results in a fractional entitlement to the ordinary shares of the Company, such fractional entitlement shall be disregarded and no refund or credit, whether in the form of the ICPS, cash or otherwise, shall be given in respect of the disregarded fractional entitlement.

**SALIENT TERMS OF THE ICPS (CONT'D)**

<b>Terms</b>	<b>Details</b>
Conversion period	<p>(a) The ICPS can be converted at any time within 5 years commencing on and including the date of issue of the ICPS up to and including the Maturity Date, as determined by the Conversion Ratio and Conversion Price.</p> <p>(b) Any remaining ICPS that is not converted by the Maturity Date shall be automatically converted into new Minetech Shares at the conversion ratio of 4 ICPS for 1 new Minetech Share.</p>
Conversion Ratio and Conversion Price	The Conversion Ratio and Conversion Price have been fixed at either surrendering 4 ICPS for conversion into 1 new Minetech Share OR surrendering a combination of 1 ICPS and cash payment of RM0.09, for 1 new Minetech Share.
Ranking of the ICPS and liquidation preference	<p>The ICPS shall rank equally amongst themselves and shall rank in priority to any other class of shares in the capital of the Company. In the event of liquidation, dissolution, winding-up, reduction of capital or other repayment of capital:</p> <p>(a) The ICPS shall confer on the holders the rights to receive in priority to the holders of ordinary shares in the Company, cash repayment in full of the amount of any non-cumulative preferential dividend that has been declared and remaining in arrears (if any). After the payment of any dividends to the holders of ICPS, the remaining assets shall be distributed first to the holders of ICPS in full of the amount which is equal to the issue price for each ICPS, provided that there shall be no further right to participate in any surplus capital or surplus profits of the Company.</p> <p>(b) In the event that the Company has insufficient assets to permit payment of the full issue price to the ICPS holders, the assets of Minetech shall be distributed pro rata on an equal priority to the ICPS holders in proportion to the amount that each ICPS holder would otherwise be entitled to receive.</p>
Ranking of new Minetech Shares to be issued pursuant to the conversion of the ICPS	All new Minetech Shares to be issued pursuant to the conversion of the ICPS shall, upon allotment and issuance, rank equally in all respects with the existing Minetech Shares except that such new Minetech Shares shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment and issuance of the new Minetech Shares arising from the conversion of the ICPS.
Adjustment to the Conversion Price and Conversion Ratio	<p>The Conversion Price and/or Conversion Ratio will be adjusted at the determination of Minetech in all or any of the following events:</p> <p>(a) an alteration to the number of Minetech Shares by reason of consolidation or subdivision; or</p> <p>(b) a bonus issue of fully paid-up ordinary shares by Minetech or any other capitalisation issue for accounting purposes; or</p>

**SALIENT TERMS OF THE ICPS (*CONT'D*)**

<b>Terms</b>	<b>Details</b>
	<p>(c) a capital distribution to shareholders made by Minetech whether on a reduction of capital or otherwise, but excluding any cancellation of capital which is loss or unrepresented by assets; or</p> <p>(d) a rights issue of ordinary shares by Minetech; or</p> <p>(e) any other circumstances that the Board deems necessary,</p> <p>provided that any adjustment to the Conversion Price will be rounded down to the nearest RM0.01. No adjustment to the Conversion Price and/or Conversion Ratio will be made unless the computation has been certified by the external auditors of Minetech.</p>
Rights of the ICPS holders	<p>: ICPS holders are not entitled to any voting right or participation in any rights, allotments and/or other distributions in the Company until and unless such holders convert their ICPS into new Shares, except in the following circumstances:</p> <p>(a) when the dividend or part of the dividend as declared on the ICPS is in arrears for more than 6 months;</p> <p>(b) on a proposal to reduce the Company's share capital;</p> <p>(c) on a proposal for sanctioning the sale of the whole of the Company's property, business and undertaking;</p> <p>(d) on a proposal that directly affects their rights and privileges attached to the ICPS;</p> <p>(e) on a proposal to wind-up the Company; and</p> <p>(f) during the winding-up of the Company.</p>
Listing	<p>: The ICPS will be listed and traded on the Main Market of Bursa Securities. Approval has been obtained for the admission of the ICPS to the Official List of the Main Market of Bursa Securities and the listing of and quotation for the new Minetech Shares to be issued pursuant to the conversion of the ICPS on the Main Market of Bursa Securities.</p>
Transfer	<p>: The ICPS will be transferable in the manner provided under the Central Depositories Act and the Rules of Bursa Depository. As the ICPS will be listed and traded on the Main Market of Bursa Securities, they will be deposited in a central depository system and will be subject to the rules of such system.</p>
Modification of rights	<p>: The Company may from time to time with the consent or sanction of all the holders of the ICPS make modifications to the terms of which in the opinion of the Company are not materially prejudicial to the interest of the holders of the ICPS or are to correct a manifest error or to comply with mandatory provisions of the laws of Malaysia and the relevant regulations.</p>
Governing law	<p>: The laws of Malaysia.</p>