

THIS OFFER DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

You should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately if you have any doubt about this Offer (as defined herein).

If you have sold or transferred all your Offer Shares (as defined herein), you should hand this Offer Document and the accompanying Form of Acceptance and Transfer immediately to the person through whom you have effected the sale or transfer for transmission to the purchaser or transferee.

Pursuant to Paragraph 11.02(3) of the Rules on Take-overs, Mergers and Compulsory Acquisitions (“Rules”), the Securities Commission Malaysia (“SC”) has notified that it has no further comments on this Offer Document. However, such notification shall not be taken to suggest that the SC recommends the Offer or assumes responsibility for the correctness of any statements made or opinions or reports expressed in this Offer Document.

The SC takes no responsibility for the contents of this Offer Document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offer Document.

CONDITIONAL MANDATORY TAKE-OVER OFFER

BY

QL GREEN RESOURCES SDN BHD (“OFFEROR”)

(Registration No. 198101003375 (69489-D))

(Incorporated in Malaysia)

THROUGH

UOBKayHian

UOB KAY HIAN SECURITIES (M) SDN BHD

(Registration No. 199001003423 (194990-K))

(A Participating Organisation of Bursa Malaysia Securities Berhad)

TO ACQUIRE

ALL THE REMAINING ORDINARY SHARES IN BOILERMECH HOLDINGS BERHAD NOT ALREADY HELD BY THE OFFEROR (“OFFER SHARE(S)”) FOR A CASH CONSIDERATION OF RM0.95 PER OFFER SHARE (“OFFER”)

Acceptances must be received by **5.00 p.m. (Malaysian time) on Thursday, 14 January 2021** being the closing date of the Offer (“Closing Date”), or such later date(s) as may be announced by UOB Kay Hian Securities (M) Sdn Bhd on behalf of the Offeror, at least 2 days before the closing date. Subject to the provision of the Rules, the Offeror may revise or extend the date and time for the acceptance of the Offer beyond the Closing Date. Notice of such extension will be posted to you accordingly.

You are advised to refer to **Appendix II** of this Offer Document for the procedures to accept and the method of settlement of the Offer. The Form of Acceptance and Transfer is enclosed together with this Offer Document.

DEFINITION

Except where the context otherwise requires, the following definitions shall apply throughout this Offer Document and the accompanying Form of Acceptance and Transfer:-

Acceptance Condition	: The condition that QL Green, being the Offeror having received, on or before the Closing Date, Valid Acceptance in respect of the Offer Shares (provided that such acceptances are not, where permitted, subsequently withdrawn), which when taken together with the Boilermech Shares that have been acquired, held or entitled to be acquired or held by the Offeror and its PACs, would result in the Offeror and its PACs holding in aggregate more than 50% of the voting shares in Boilermech
Accepting Holder(s)	: Holder who accepts the Offer in accordance with the terms and conditions of this Offer Document
Acquisition	: The acquisition of 20,640,000 Boilermech Shares, representing approximately 4.00% equity interest in Boilermech from the Vendor for a total cash consideration of RM19,608,000 or RM0.95 per Boilermech Share, which was completed on 4 December 2020
Act	: Companies Act 2016
ADA	: Authorised Depository Agent as defined in the Rules of Bursa Depository
ADM	: Authorised Direct Member as defined in the Rules of Bursa Depository
Boilermech Board	: Board of Directors of Boilermech
Boilermech Group	: Boilermech and its subsidiaries, collectively
Boilermech or Offeree	: Boilermech Holdings Berhad (Registration No. 201001013463 (897694-T))
Boilermech Share(s)	: Ordinary share(s) in Boilermech
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Depository Transfer Form	: Bursa Depository Transfer of Securities Request Form (FTF010)
Bursa LINK	: Bursa Listing Information Network, an electronic platform for submission of all announcements made by listed issuers on Bursa Securities
Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
CDS	: Central Depository System
Closing Date	: First Closing Date or in the event the Offer is revised or extended in accordance with the Rules and the terms and conditions of this Offer Document, such other revised or extended closing date as the Offeror may decide and as may be announced by UOBKH on behalf of the Offeror, no later than 2 days before the relevant closing date
CMSA	: Capital Markets and Services Act 2007
Dissenting Holder(s)	: Any Holder who does not accept the Offer and/or any Holder who has failed or refused to transfer the Offer Shares to the Offeror in accordance with the terms and conditions as set out in this Offer Document

DEFINITION (Cont'd)

Distribution(s)	:	Any dividends and/or other distributions of any nature whatsoever declared, made and/or paid by Boilermech to their respective shareholders
EPS	:	Earnings per share
First Closing Date	:	5.00 p.m. (Malaysian time) on Thursday, 14 January 2021, being 21 days from the Posting Date
Form of Acceptance and Transfer	:	The form of acceptance and transfer for the Offer Share, enclosed with this Offer Document
FPE	:	Financial period ended
FYE	:	Financial year ended
Holder(s)	:	Holder(s) of the Offer Shares, as the case may be
Independent Advice Circular	:	The independent advice circular to be issued by the Independent Adviser to the Holders in relation to the Offer
Independent Adviser or Mercury Securities	:	Mercury Securities Sdn Bhd (Registration No. 198401000672 (113193-W))
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	Friday, 18 December 2020, being the latest practicable date prior to the Posting Date
LTD	:	Wednesday, 2 December 2020, being the last trading day prior to the date of the Notice
Main Market	:	Main Market of Bursa Securities
Market Day(s)	:	Any day on which Bursa Securities is open for trading of securities
NA	:	Net assets
Non-Resident Holder(s)	:	Holders (including without limitation, any custodians, nominees and trustees) who are citizens or nationals of, or residents in, or have registered addresses in jurisdictions outside Malaysia, or is incorporated or registered with, or approved by any authority outside Malaysia, or non-residents within the definition prescribed under the Financial Services Act 2013
Notice	:	Notice of the Offer dated 3 December 2020 issued by UOBKH, on behalf of the Offeror, and served on Boilermech Board
Offer	:	Conditional mandatory take-over offer by the Offeror through UOBKH to acquire the Offer Shares at the Offer Price subject to and in accordance with the terms and conditions as set out in this Offer Document, including any revision thereof
Offer Document	:	This document dated 24 December 2020, which sets out the details, terms and conditions of the Offer, together with the Form of Acceptance and Transfer enclosed herein

DEFINITION (Cont'd)

Offer Period	: Period commencing from Thursday, 3 December 2020, being the date of the Notice and ending on:- (a) the Closing Date; or (b) the date on which the Offer lapses or is withdrawn with the prior written consent of the SC
Offer Price	: Cash consideration of RM0.95 for every Offer Share surrendered pursuant to the Offer, subject to any adjustment in the manner as set out in Section 2.1 of this Offer Document
Offer Share(s)	: All the remaining Boilermech Shares not already owned by the Offeror. As at the LPD, the Offer Shares comprise of 267,333,064 Boilermech Shares, which represents 51.81% of the total issued share capital of Boilermech
Official List of Bursa Securities	: A list specifying all securities listed on Bursa Securities
PAC(s)	: Persons acting in concert with the Offeror for the purposes of the Offer pursuant to Section 216(3) of the CMSA, namely Chia Song Kun, Chia Lik Khai and Chia Seong Fatt
PBR	: Price-to-book multiple
PER	: Price-to-earnings multiple
Posting Date	: Thursday, 24 December 2020, being the date of posting of this Offer Document
Public Spread Requirement	: The requirement pursuant to Paragraph 8.02(1) of the Listing Requirements which stipulates that a listed issuer must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders to ensure its continued listing on the Main Market of Bursa Securities
Purchase Consideration	: RM19,608,000 equivalent to RM0.95 per Sale Share for the Acquisition
QL Green Board	: Board of Directors of QL Green
QL Green or Offeror	: QL Green Resources Sdn Bhd (Registration No. 198101003375 (69489-D)), a wholly-owned subsidiary of QL Resources
QL Green Share(s)	: Ordinary share(s) in QL Green
QL Resources Board	: Board of Directors of QL Resources
QL Resources or Ultimate Offeror	: QL Resources Berhad (Registration No. 199701013419 (428915-X))
QL Resources Group	: QL Resources and its subsidiaries, collectively
QL Resources Share(s)	: Ordinary Share(s) in QL Resources
Registrar	: Tricor Investor & Issuing House Services Sdn Bhd (Registration No. 197101000970 (11324-H), whose address and contact number are set out in Appendix II of this Offer Document, acting as the registrar for the Offer

DEFINITION (Cont'd)

Relevant Day	:	The Market Day following the day on which the Offer closes, becomes or is declared unconditional as to acceptances, or revised or extended, as the case may be
Restricted Jurisdiction(s)	:	Any jurisdiction(s) where the extension or acceptance of the Offer or where sending or making available information concerning the Offer to the Holders in such jurisdiction would or might be in contravention of local laws or regulations in that jurisdiction
RM and sen	:	Ringgit Malaysia and sen, respectively
Rules	:	Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the SC
Rules of Bursa Depository	:	Rules of Bursa Depository as issued under the SICDA
Sale Shares	:	20,640,000 Boilermech Shares acquired by the Offeror from the Vendor in relation to the Acquisition
SC	:	Securities Commission Malaysia
SICDA	:	Securities Industry (Central Depositories) Act, 1991
SAA	:	Unconditional share acquisition agreement dated 3 December 2020 entered into between QL Green and the Vendor in relation to the Acquisition for a total purchase consideration of RM19,608,000 (equivalent to RM0.95 per Sale Share)
UOBKH or Principal Adviser	:	UOB Kay Hian Securities (M) Sdn Bhd (Registration No. 199001003423 (194990-K))
Valid Acceptance(s)	:	Acceptance of the Offer by a Holder in accordance with the terms and conditions of this Offer Document, which acceptance is deemed by the Offeror to be valid and complete in all aspects
Vendor	:	Leong Yew Cheong, who is the Managing Director and substantial shareholder of Boilermech
VWAP	:	Volume weighted average market price

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

Any reference in this Offer Document to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to dates and times in this Offer Document shall be a reference to Malaysian dates and time, unless otherwise specified.

All references to “you”, “your” or “Holders” in this Offer Document are to the holders of the Offer Shares, being the person to whom this Offer is being made. All references to “we”, “us” and “our” in this Offer Document are to UOBKH, being the principal adviser through which the Offeror is making the Offer.

Any discrepancies in the figures included in this Offer Document between the amounts listed, actual figures and the totals thereof are due to rounding. Where a period specified in the Rules, as appearing in this Offer Document, ends on a day which is not a Market Day, the period is extended until the next Market Day.

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24 December 2020

Registered office of:

QL GREEN RESOURCES SDN BHD

No. 16A, Jalan Astaka U8/83
Bukit Jelutong
40150 Shah Alam
Selangor Darul Ehsan

Registered office of:

U O B K A Y H I A N S E C U R I T I E S (M) S D N B H D

Suite 19.03, 19th Floor
Menara Keck Seng
203 Jalan Bukit Bintang
55100 Kuala Lumpur

To: The Holders

Dear Sir/Madam,

CONDITIONAL MANDATORY TAKE-OVER OFFER BY THE OFFEROR THROUGH UOBKH TO ACQUIRE THE OFFER SHARES FOR A CASH CONSIDERATION OF RM0.95 PER OFFER SHARE (“OFFER”)

1. INTRODUCTION

- 1.1** On 3 December 2020, QL Green, a wholly-owned subsidiary of QL Resources, had entered into a SAA with Leong Yew Cheong to acquire the 20,640,000 Boilermech Shares (representing 4.00% equity interest in Boilermech) for a total cash consideration of RM19,608,000 or equivalent to RM0.95 per Sale Share. The Acquisition were effected via direct business transaction on 4 December 2020.
- 1.2** For information purposes, the Offeror is the largest substantial shareholder of Boilermech whilst the Vendor is the Managing Director and substantial shareholder of Boilermech. After the completion of the Acquisition and as at the LPD, the Vendor holds 36,265,824 Boilermech Shares, representing 7.03% of the total issued share capital of Boilermech, through his direct and indirect shareholdings in Boilermech.
- 1.3** Upon completion of the Acquisition, the equity interest of the Offeror and its PACs in Boilermech had increased from approximately 44.37% to approximately 48.37%. Accordingly, pursuant to Section 218(2) of the CMSA and Paragraph 4.01(b) of the Rules, QL Green and its PACs are obliged to extend an Offer to the Holders. Hence, upon execution of the SAA, UOBKH had, on behalf of QL Green, served the Notice to Boilermech Board on 3 December 2020. Subsequently, Boilermech had, on even date, announced the receipt of the Notice and a copy of the Notice was despatched to the Holders on 10 December 2020. For avoidance of doubt, the Offer shall be extended to the PACs.
- 1.4** On 7 December 2020, Boilermech Board announced the appointment of Mercury Securities as the Independent Adviser for the Offer to advise the non-interested Directors of Boilermech and the Holders, and provide its comments, opinions, information and recommendation on the Offer.
- 1.5** Pursuant to Paragraph 19.04 of the Rules, on behalf of the QL Resources Board, UOBKH had announced that the Offeror, has acquired 200,000 Boilermech Shares, representing approximately 0.04% equity interest in Boilermech on 8 December 2020 from the open market. As a result thereof, the shareholdings of the Offeror and its PACs in Boilermech had increased from 48.37% to 48.41%.
- 1.6** The persons acting in concert with the Offeror for the purposes of the Offer as at the LPD, in accordance with Section 216(3) of the CMSA are Chia Song Kun, Chia Lik Khai and Chia Seong Fatt. For information purposes, the PACs, who are also the directors of Boilermech, had indicated that they do not wish to accept the Offer in respect of their equity interest of approximately 0.22% in the Offeree as at the LPD.
- 1.7** As at the LPD, the share capital of Boilermech is RM51,600,000 comprising 516,000,000 Boilermech Shares.

1.8 As at the LPD, the shareholdings of the Ultimate Offeror, the Offeror and its PACs in Boilermech are as follows:-

	<----- Direct ----->		<----- Indirect ----->	
	No. of Boilermech Shares	% ^{*1}	No. of Boilermech Shares	% ^{*1}
Ultimate Offeror				
QL Resources	-	-	248,666,936 ^{*2}	48.19
Offeror				
QL Green	248,666,936	48.19	-	-
PACs				
Chia Song Kun	400,000	0.08	248,666,936 ^{*3}	48.19
Chia Lik Khai	500,000	0.10	-	-
Chia Seong Fatt	200,000	0.04	-	-

Notes:-

*1 Computed based on 516,000,000 Boilermech Shares in issue as at the LPD.

*2 Deemed interest by virtue of its interest in QL Green pursuant to Section 8 of the Act.

*3 Deemed interest by virtue of shares held by QL Green via his and his spouse's interest in CBG (L) Foundation, the holding company of CBG (L) Pte Ltd, which is a substantial shareholder of QL Resources, the holding company of QL Green.

1.9 As at the LPD,

- the Offeror and the persons acting in concert with them have not received any irrevocable undertaking from any Holder to accept or reject the Offer. Notwithstanding thereof, as disclosed in **Section 1.6** above, the PACs (namely Chia Song Kun, Chia Lik Khai and Chia Seong Fatt) have indicated that they do not wish to accept the Offer in respect of their equity interest of approximately 0.22% in the Offeree;
- the Offeror and the persons acting in concert with them have not entered into or been granted with any option to acquire the Offer Shares; and
- there is no existing or proposed agreement, arrangement or understanding in relation to the Offer Shares between the Offeror and the persons acting in concert with them and any Holder.

1.10 The SC had, vide its letter dated 23 December 2020, notified that it had no further comments to this Offer Document under Paragraph 11.02(3) of the Rules. However, such notification shall not be taken to suggest that the SC recommends the Offer or assumes responsibility for the correctness of any statements made or opinions or reports expressed in this Offer Document.

The indicative timetable for the Offer is set out below:-

Events	Tentative dates
Notice served on Boilermech Board	3 December 2020
Posting of the Offer Document	24 December 2020
Last day for the Independent Adviser to issue the Independent Advice Circular ^{*1}	4 January 2021 ^{*1}
Closing Date ^{*2}	14 January 2021 ^{*2}

Notes:-

*1 As the 10th day from the posting of the Offer Document falls on a Sunday i.e. on 3 January 2021, the Independent Advice Circular will be issued and despatched to the Holders of the Offer Shares on Monday, 4 January 2021, being the next Market Day pursuant to Paragraph 2.02 of the Rules.

*2 The Offer will remain open for acceptances until the Closing Date, or such later date as may be announced by UOBKH on behalf of the Offeror, at least 2 days before the closing date. Notice of such revision or extension will be posted to the Holders accordingly.

This Offer Document seeks to extend a formal offer by the Offeror through UOBKH to acquire your Offer Share in accordance with the terms and conditions of this Offer Document.

You are advised to read this Offer Document and the Independent Advice Circular carefully, which will be despatched to you within 10 days (or the next Market Day if the date falls on a day which is not a Market Day) from the Posting Date. You should consider the recommendation of the Independent Adviser carefully before making any decision regarding the Offer.

You should take note that in the event of any further restriction to movement due to the implementation of the Conditional Movement Control Order by the government of Malaysia or any other emergency, electronic documentation and service may be the only mode that can be employed.

As such, it is important for you to register your e-mail address with Bursa Depository via:-

- (i) https://www.bursamalaysia.com/trade/our_products_services/central_depository_system/request_for_estatement; or**
- (ii) Bursa Anywhere mobile application which can be downloaded from Google Play Store or Apple App Store.**

You should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately if you have any doubt about the Offer.

If you intend to accept the Offer, you should complete and sign the accompanying Form of Acceptance and Transfer according to the instructions contained therein. Please refer to Appendix II of this Offer Document for the procedures for acceptance and method of settlement of the Offer. Special instructions for Non-Resident Holders on accepting the Offer are set out in Section 3, Appendix II of this Offer Document.

You do not need to take any action if you decide not to accept the Offer.

2. PRINCIPAL TERMS AND CONDITIONS OF THE OFFER

The principal terms and conditions of the Offer, unless otherwise directed or permitted to be varied by the SC, are set out below:-

2.1 Consideration for the Offer

Holders who accept the Offer shall be paid RM0.95 in cash for each Offer Share, in accordance with the terms set out in this Offer Document.

The Offer Price is equivalent to the price paid by the Offeror for each Sale Share acquired pursuant to the Acquisition.

Notwithstanding the above, if Boilermech declares, makes or pays any Distributions whereby the entitlement date for such Distributions is on or after the date of the Notice but prior to the Closing Date and the Holders are entitled to retain such Distributions, QL Green will reduce the Offer Price by the quantum of the Distributions per Offer Share. Accordingly, this may reduce the cash amount to be received by a Holder.

For avoidance of doubt, no adjustment shall be made to the Offer Price in the event that the entitlement date for the Distributions is after the Closing Date.

As at the LPD, based on announcements made by Boilermech on Bursa Securities, Boilermech has not declared any Distributions that is payable on or after the date of the Notice.

Holders may accept the Offer in respect of all or part of their Offer Shares. Fractions of a sen will not be paid to the Accepting Holders and cash consideration payable in respect of the Valid Acceptance of the Offer will be rounded down to the nearest whole sen.

2.2 Conditions of the Offer

The Offer is conditional upon the fulfilment of the Acceptance Condition.

The Acceptance Condition must be fulfilled on or before the Closing Date which shall not be later than 5.00 p.m. on the 60th day from the Posting Date, failing which the Offer shall lapse and all acceptances thereafter shall be returned to the Accepting Holders and the Offeror will thereafter cease to be bound by any such prior acceptances of the Offer.

2.3 Duration of the Offer

The Offer shall remain open for acceptances until 5.00 p.m. (Malaysian time) on Thursday, 14 January 2021, being the Closing Date. However, the Offeror may extend the date and time for acceptance beyond the Closing Date in accordance with the provisions of the Rules. Any extension will be announced by UOBKH, on behalf of the Offeror, no later than 2 days before the Closing Date. Such announcement will state the next closing date of the Offer. Notices of such extensions will be posted to Holders accordingly.

Please refer to **Section 4, Appendix I** of this Offer Document for further details on the duration of the Offer.

2.4 Method of settlement

Except with the consent of the SC, which would only be granted in certain circumstances in which all Holders are to be treated similarly, and save for the Offeror's rights to reduce the consideration of the Offer Shares as set out in **Section 2.1** of this Offer Document, settlement of the consideration to which any Accepting Holder is entitled under the Offer will be implemented in full, in accordance with the terms of the Offer, without regard to any lien, right of set-off, counter-claim or other analogous rights to which the Offeror may otherwise be, or claim to be, entitled against the Accepting Holder. This, however, is without prejudice to the Offeror's rights to make any claim against the Accepting Holder after such full settlement in respect of a breach of the warranties as set out in **Section 3, Appendix I** of this Offer Document.

The settlement of the consideration in respect of Valid Acceptance for the Offer Share will be effected in the manner as set out in **Section 2, Appendix II** of this Offer Document.

Non-Resident Holder(s) are advised that settlement for Acceptances will be made in RM and sen. Non-Resident Holder(s) who wish to convert the consideration received into foreign currency for repatriation may do so on their own after payment of the appropriate fees and/or charges as levied by the respective financial institutions.

Please refer to **Appendix I** of this Offer Document for the terms and conditions of the Offer and **Appendix II** of this Offer Document for the details on the procedures for acceptance and method of settlement of the Offer.

3. RATIONALE FOR THE OFFER

QL Resources Group is principally involved in marine products manufacturing, integrated livestock farming ("ILF"), palm oil activities and the operation of "FamilyMart" chain of convenience stores. The ILF segment is the main contributor to the QL Resources Group, contributing more than 60% to the total group revenue in the FYE 31 March 2020.

The Acquisition and Offer were undertaken by QL Resources Group as part of its strategy to increase its exposure to businesses within the Environmental, Social and Governance sector. With an increased stake, QL Resources is expected to benefit from accretive and larger earnings contribution from Boilermech Group.

Boilermech Group has been expanding its footprint in the clean energy and sustainable technology sector by diversifying its biomass engineering portfolio into the water treatment sector (through the acquisition of 60.23% equity interest in Teknologi Enviro-Kimia (M) Sdn Bhd on 2 March 2016) and solar energy industry (through the recent acquisition of Tera VA Sdn Bhd on 22 May 2020). QL Resources Board envisages that the biomass and solar energy sector will provide a strong growth impetus to Boilermech Group due to the rising demand as the preferred renewable energy sources.

QL Resources Group is confident that Boilermech will continue to grow and cement its position as a leading clean energy and environmental technology specialist in Malaysia. QL Resources Board believes that Boilermech is well positioned to participate in the megatrend of clean energy and sustainable technology growth.

The Offer is a mandatory obligation consequential to the Acquisition from the Vendor pursuant to Section 218(2) of the CMSA and Paragraph 4.01(b) of the Rules as the shareholding of the Offeror and its PACs in Boilermech increased from 44.37% to 48.37%.

All in all, the Acquisition and Offer represents a good opportunity for QL Resources Group to further increase its strategic investment in Boilermech. For information purposes, the equity interest of QL Resources Group in Boilermech has increased substantially from the initial 35.03% upon listing on the ACE Market of Bursa Securities to 48.15% upon completion of the Acquisition. Subsequent to the Acquisition, the Offeror had acquired an additional 0.04% equity interest in Boilermech from the open market on 8 December 2020. As a result thereof, the shareholding of the Offeror and its PACs in Boilermech had increased to 48.41% as at LPD.

The Offer provides the Holders with liquidity opportunity to realise their investment in Boilermech for cash at the Offer Price, with premiums ranging from 3.38% to 47.91% over the 5-day VWAP, 1-month VWAP, 3-month VWAP, 6-month VWAP and 12-month VWAP of Boilermech Shares up to and including the LTD. It is the intention of the Offeror to maintain the listing status of Boilermech on the Main Market of Bursa Securities.

4. LISTING STATUS OF THE OFFEREE

Paragraph 8.02(1) of the Listing Requirements stipulates that a listed issuer must ensure it complies with the Public Spread Requirement. Bursa Securities may accept a percentage lower than 25% of the total number of listed shares (excluding treasury shares) if it is satisfied that such lower percentage is sufficient for a liquid market in such shares.

A listed issuer that fails to maintain the Public Spread Requirement may request for an extension of time to rectify the situation in the manner as may be prescribed by Bursa Securities. Where no extension of time is granted by Bursa Securities to rectify the Public Spread Requirement or the same is not rectified within the stipulated timeframe, Bursa Securities may take any action or impose penalty pursuant to Paragraph 16.19 of the Listing Requirements for a breach of Paragraph 8.02(1) of the Listing Requirements and may, at its discretion, suspend trading in the securities of the listed issuer pursuant to Paragraph 16.02(1) of the Listing Requirements. However, the non-compliance of the Public Spread Requirement will not automatically result in the delisting of Boilermech from the Official List of Bursa Securities.

The Offeror intends to maintain the listing status of Boilermech on the Main Market of Bursa Securities.

In the event that 90% or more of total listed shares of Boilermech (excluding treasury shares) are held by the Offeror, the Offeror shall immediately announce to Bursa Securities the same and state its intention to maintain the listing status of Boilermech. Upon such immediate announcement, Bursa Securities shall suspend the trading of the securities of Boilermech upon the expiry of 30 market days from the date of the immediate announcement.

In this regard, the suspension will only be uplifted upon Boilermech's full compliance with the Public Spread Requirement or as may be determined by Bursa Securities.

Accordingly, in the event that Boilermech does not comply with the Public Spread Requirement as a result of the Offer, the Offeror will work together with Boilermech to explore various options or proposals within 3 months from the Closing Date or such timeframe as allowed by the relevant authorities to facilitate Boilermech to comply with the Public Spread Requirement. As at the LPD, no arrangements on the above have been made.

Any action taken to address the Public Spread Requirement may require the approvals of the relevant authorities and/or the shareholders of Boilermech. The actual course of action to be taken will depend on, amongst others, the circumstances as well as the prevailing market conditions at the relevant time.

Holders should note that while the Offeror intends to work together with Boilermech to attempt to rectify any shortfall in the Public Spread Requirement of Boilermech, there can be no assurance that the Public Spread Requirement of Boilermech can be rectified within the stipulated time frame. In the event that Boilermech does not meet the Public Spread Requirement within the stipulated timeframe, the Offeror and/or Boilermech may seek for an extension of time from Bursa Securities to do so. However, Bursa Securities reserves the absolute right to grant an extension or reject the said application.

5. COMPULSORY ACQUISITION AND RIGHTS OF MINORITY SHAREHOLDERS

5.1 Compulsory acquisition

For the purposes of Sections 222, 223 and 224 of the CMSA and this **Section 5**, "share" means a voting share, in a company, or a unit in an entity specified by the SC, and includes convertible securities (which includes warrants) as if those securities were shares of a separate class of a company and any reference to a holder of shares, and to shares being allotted, is to be read accordingly.

Section 222(1) of the CMSA provides that, where an offeror:-

- (a) has made a take-over offer for all the shares or all the shares in any particular class in an offeree; and
- (b) has received acceptances of not less than nine-tenths (9/10) in the value of the offer shares,

the offeror may, within 4 months of the date of the take-over offer, acquire the remaining shares or remaining shares in any particular class in the offeree, by issuing a notice in the form or manner specified by the SC to such effect, to all Dissenting Holders provided that the notice:-

- (i) is issued within 2 months from the date of achieving the conditions under Sections 222(1)(a) and 222(1)(b) of the CMSA; and
- (ii) is accompanied by a copy of a statutory declaration by the offeror that the conditions for the giving of the notice are satisfied.

Section 222(1A) of the CMSA provides that for the purpose of Section 222(1)(b) of the CMSA, the acceptances shall not include shares already held at the date of the take-over offer by the offeror or persons acting in concert with it.

The Offeror does not intend to invoke the provisions of Section 222(1) of the CMSA to compulsorily acquire any remaining Offer Shares from the Dissenting Holders even if the conditions stipulated in Section 222(1) of the CMSA are fulfilled.

5.2 Rights of minority shareholders

Notwithstanding the above and subject to Section 224 of the CMSA, Section 223 of the CMSA provides that if the Offeror receives Valid Acceptance resulting in the Offeror and its persons acting in concert holding not less than nine-tenths (9/10) in the value of all the shares in Boilermech on or before the Closing Date, a Dissenting Holder may exercise his/her/its rights under Section 223(1) of the CMSA within a period to be specified by the Offeror which shall be no less than 3 months after the Closing Date, by serving a notice on the Offeror to require the Offeror to acquire his/her/its Offer Shares on the same terms to be set out in this Offer Document or such terms as may be agreed between the Offeror and such Dissenting Holder.

If a Dissenting Holder invokes the provisions of Section 223(1) of the CMSA, the Offeror shall acquire such Offer Shares in accordance with the provisions of the CMSA, subject to the provisions of Section 224 of the CMSA. In accordance with Section 224(3) of the CMSA, when a Dissenting Holder exercises his/her/its rights under Section 223(1) of the CMSA, the court may, on an application made by such Dissenting Holder or by the Offeror, order that the terms on which the Offeror shall acquire such Offer Shares shall be as the court thinks fit.

Section 223(2) of the CMSA requires the Offeror to give the Dissenting Holders a notice in the manner prescribed under the Rules of the rights exercisable by the Dissenting Holders under Section 223(1) of the CMSA ("**Notice to Dissenting Holders**"), within 1 month of the time the Offeror and its persons acting in concert having acquired not less than nine-tenths (9/10) in the value of all the shares in Boilermech.

A Notice to Dissenting Holders under Section 223(2) of the CMSA may specify the period for the exercise of the rights of the Dissenting Holders and in any event, such period shall not be less than 3 months after the Closing Date.

6. FINANCIAL AND OTHER CONSIDERATIONS

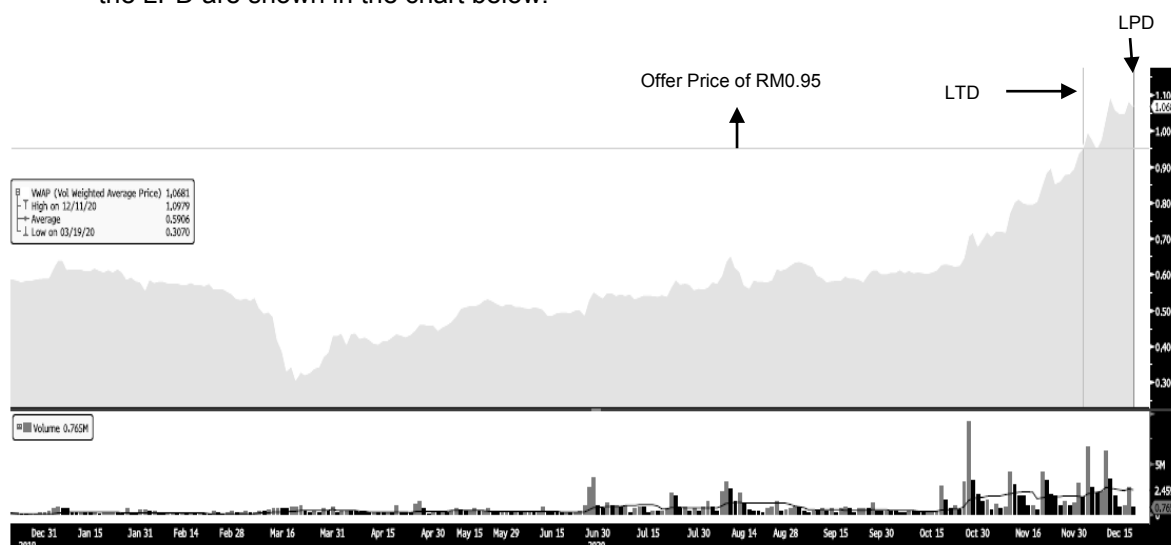
The price transacted for the Acquisition was RM0.95 per Sale Share, which was arrived at after taking into consideration, amongst others, the respective historical market prices of Boilermech Shares during the past 6 months prior to the Offer Period. Save for the Acquisition and the purchase of 200,000 Boilermech Shares (representing approximately 0.04% equity interest in Boilermech) on 8 December 2020 from the open market, the Offeror and its PACs have not transacted in Boilermech Shares within 6 months prior to the beginning of the Offer Period and up to the LPD.

As a result of the Acquisition, the Offeror and its PACs are required to extend the Offer to the Holders at the Offer Price of RM0.95 per Offer Share (which was equivalent to the transacted price of RM0.95 per Sale Share and in compliance with Paragraph 6.03(1) of the Rules) pursuant to Section 218(2) of the CMSA and Paragraph 4.01(b) of the Rules.

Holders are advised to consider, amongst others, the financial and other considerations as set out below before deciding whether to accept or reject the Offer.

6.1 Historical market prices of Boilermech Shares

The daily VWAP and the volume of Boilermech Shares for the past 1 year up to and including the LPD are shown in the chart below:-



(Source: Bloomberg)

Based on the above, the Offer Price is:-

- (i) below the historical high daily VWAP and above the historical low daily VWAP of Boilermech Shares of RM1.0979 and RM0.3070, respectively, for the past 1 year up to and including the LPD; and
- (ii) above the average daily VWAP of Boilermech Shares of RM0.5906 for the past 1 year up to and including the LPD.

The Offer Price represents a premium/discount to the following closing price and VWAP of Boilermech Shares:-

	Share price RM	Premium/(Discount) RM %	
Up to the LTD:- (2 December 2020)			
Last traded market price	0.9500	-	-
• 5-day VWAP	0.9189	0.03	3.38
• 1-month VWAP	0.8366	0.11	13.55
• 3-month VWAP	0.7492	0.20	26.80
• 6-month VWAP	0.6798	0.27	39.75
• 1-year VWAP	0.6423	0.31	47.91
Up to the LPD:- (18 December 2020)			
Last traded market price	1.0600	(0.11)	(10.38)
5-day VWAP	1.0678	(0.12)	(11.03)

(Source: Bloomberg)

Based on the above, the Offer Price represents:-

- (i) a premium ranging from approximately 3.38% to 47.91% over the 5-day, 1-month, 3-month, 6-month and 1-year VWAP of Boilermech Shares up to and including the LTD; and
- (ii) a discount of 10.38% over the last transacted price of Boilermech Share as at the LPD, and a discount of 11.03% over the 5-day VWAP of Boilermech Share up to and including the LPD.

The highest and lowest traded market prices of Boilermech Shares traded on the Main Market for each month and the monthly closing market prices of Boilermech Shares for the past 12 months preceding the commencement of the Offer Period, and up to the LPD are set out below:-

	Highest traded market price	Lowest traded market price	End of month closing market price
	(RM)	(RM)	(RM)
2020			
January	0.661	0.574	0.583
February	0.622	0.535	0.544
March	0.540	0.292	0.438
April	0.476	0.399	0.467
May	0.540	0.438	0.525
June	0.569	0.476	0.540
July	0.598	0.530	0.559
August	0.671	0.544	0.627
September	0.642	0.574	0.605
October	0.745	0.600	0.670
November	0.915	0.650	0.895
December (up to the LPD)	1.130	0.905	1.060

(Source: Bloomberg)

The highest closing price of Boilermech Shares was RM1.090, which was transacted on 10 December 2020 and the lowest closing price of Boilermech Shares was RM0.306, which was transacted on 19 March 2020.

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6.2 Trading liquidity and volume of Boilermech Shares

The trading liquidity and the volume of Boilermech Shares during the period commencing 12 months prior to the commencement of the Offer Period and up to the LPD are as follows:-

	Monthly traded Volume (Shares)
2020	
January	4,708,100
February	1,743,100
March	7,208,200
April	6,256,700
May	5,278,700
June	11,605,800
July	14,881,700
August	19,387,100
September	9,489,500
October	26,341,900
November	33,465,900
December (up to the LPD)	13,611,600
Simple average monthly trading volume ^{*1}	12,831,525
Free float of Boilermech Shares ^{*2}	190,089,960
Liquidity turnover (%) ^{*3}	6.75

(Source: Bloomberg)

Notes:-

- *1 Computed by dividing the total monthly trading volume by 12 months that excludes the trading by the Directors and substantial shareholders of Boilermech and the associates of such Directors and substantial shareholders of Boilermech.
- *2 Computed based on the total number of Boilermech Shares held by the public shareholders that excludes the Directors, substantial shareholders and associates of such Directors and substantial shareholders of Boilermech as at the LPD.
- *3 Computed by dividing the simple average monthly trading volume over the free float of Boilermech Shares.

6.3 PER and PBR

The Offer Price represents a PER of 21.06 based on the audited consolidated EPS of Boilermech of 4.51 sen and PBR of 2.32 based on the audited NA of Boilermech for the FYE 31 March 2020:-

Boilermech	EPS (sen)	PER ^{*1} (times)	NA per share (RM)	PBR ^{*1} (times)
Based on audited consolidated financial statements for the FYE 31 March 2020	4.51	21.06	0.41	2.32

Note:-

- *1 Based on the Offer Price.

7. BRIEF INFORMATION ON THE OFFEROR AND ULTIMATE OFFEROR

7.1 Brief information on the Offeror

The Offeror was incorporated in Malaysia on 11 April 1981 as a private limited company under the name of Tong Her Marine Products Sdn Bhd, and subsequently changed its name to QL Green Resources Sdn Bhd on 15 March 2010. The principal activities of the Offeror is investment holding.

The Offeror is a wholly-owned subsidiary of the Ultimate Offeror. As at the LPD, the issued share capital of the Offeror is RM70,041,070 comprising 70,000,000 ordinary shares.

The directors of QL Green as at the date of this Offer Document are Chia Song Kun, Chia Lik Khai and Chia Seong Fatt.

The Offeror directly holds 248,666,936 Boilermech Shares, representing approximately 48.19% of the total issued shares in the Offeree as at the LPD.

7.2 Brief information on the Ultimate Offeror

QL Resources was incorporated in Malaysia on 25 April 1997 as a public limited company and was listed on 30 March 2000 on the Second Board of the Kuala Lumpur Stock Exchange ("KLSE") and transferred to the Main Market of Bursa Securities (formerly known as the Main Board of KLSE) on 22 January 2002.

QL Resources Group are principally involved in the marine products manufacturing, integrated livestock farming, palm oil activities and the operation of "FamilyMart" chain of convenience stores.

As at the LPD, the issued share capital of QL Resources is RM620,024,896 comprising 2,433,657,139 ordinary shares.

As at the LPD, the substantial shareholders of QL Resources and their respective shareholdings in QL Resources are as follows:-

	<----- Direct ----->		<----- Indirect ----->	
	No. of shares	% ^{*1}	No. of shares	% ^{*1}
CBG (L) Pte Ltd	979,596,109	40.25	-	-
CBG (L) Foundation	-	-	979,596,109 ^{*2}	40.25
Farsathy Holdings Sdn Bhd	281,632,294	11.57	-	-
Chia Song Kun	1,316,250	0.05	999,829,721 ^{*3}	41.08
Chia Seong Pow	3,540,000	0.15	289,875,496 ^{*4}	11.91
Chia Seong Fatt	390,000	0.02	286,704,529 ^{*4}	11.78
Employees Provident Fund Board	199,671,490	8.20	-	-

Notes:-

*1 Computed based on 2,433,657,139 ordinary shares in issue in QL Resources as at the LPD.

*2 Deemed interest via its interest in CBG (L) Pte Ltd.

*3 Deemed interest via his and his spouse's interest in CBG (L) Foundation, the holding company of CBG (L) Pte Ltd, Song Bak Holdings Sdn Bhd, his and his spouse's indirect interest in Ruby Technique Sdn Bhd ("RT") as well as his spouse's and children's shares in QL Resources.

*4 Deemed interest via his and his spouse's beneficial interest in Farsathy Holdings Sdn Bhd, his and his spouse's indirect interest in RT, his spouse's and children's shares in QL Resources.

As at the LPD, the directors of QL Resources are as follows:-

- (i) Chia Song Kun;
- (ii) Chia Song Kooi;
- (iii) Chia Seong Pow;
- (iv) Chia Song Swa;
- (v) Chia Lik Khai;
- (vi) Chia Seong Fatt (Alternate Director to Chia Seong Pow);
- (vii) Chia Mak Hooi (Alternate Director to Chia Song Swa);
- (viii) Cheah Juw Teck (Alternate Director to Chia Lik Khai);
- (ix) Prof. Datin Paduka Setia Dato' Dr. Aini Binti Ideris;
- (x) Kow Poh Gek;
- (xi) Chan Wai Yen, Millie;
- (xii) Cynthia Toh Mei Lee;
- (xiii) Low Teng Lum; and
- (xiv) Wee Beng Chuan.

The Ultimate Offeror is the holding company of the Offeror, which in turn, is the largest substantial shareholder of the Offeree.

8. FUTURE PLANS FOR BOILERMECH GROUP AND ITS EMPLOYEES

As Boilermech is an associate company of the Offeror, the Offeror and the Ultimate Offeror are familiar with the operations of Boilermech and hence, do not intend to make any significant changes to the business of Boilermech Group following the Offer.

The future plans of the Offeror and the Ultimate Offeror for Boilermech Group and its employees after the Offer are set out below:-

8.1 Continuation of Boilermech Group's business

The Offeror and the Ultimate Offeror do not have any plan and/or intention to liquidate any companies and intend to continue with the existing businesses relating to Boilermech. Nevertheless, the Offeror and the Ultimate Offeror will from time to time continuously carry out a review on the strategy and future business direction of Boilermech Group in order to remain competitive and improve Boilermech Group's prospects for future growth.

8.2 Major changes to Boilermech Group's business

The Offeror and the Ultimate Offeror do not have any plan or intention to introduce or effect major changes to the existing businesses, dispose of any major assets or undertake any major re-deployment of the fixed assets of Boilermech Group upon completion of the Offer, except where necessary to integrate and/or reorganise and/or rationalise the business activities and/or direction of Boilermech Group.

8.3 Employees of Boilermech Group

The Offeror and the Ultimate Offeror do not have any plan to dismiss or make redundant any of the employees of Boilermech Group as a direct consequence of the Offer. However, changes in employees' employment and redeployment of employees may take place as a result of the Offeror's and the Ultimate Offeror's subsequent review to further improve efficiency of the operations of Boilermech Group. Nevertheless, such changes will be carried out in accordance with the provisions of the relevant legislation and the terms of employment of the affected employees.

As at the LPD, the Ultimate Offeror, the Offeror and its PACs have not entered into any negotiation or arrangement or understanding with any third party in relation to any significant change in the businesses and assets of the Boilermech Group or the shareholding structure of Boilermech.

9. FINANCIAL RESOURCES OF THE OFFEROR

The Offeror has confirmed that QL Green is able to implement the Offer in full and the Offer would not fail due to insufficient financial capability, and that every Holder who wishes to accept the Offer will be paid in full by cash.

UOBKH, being the Principal Adviser to the Offeror in respect of the Offer, is satisfied and confirms that the Offeror has sufficient financial resources to satisfy full acceptances of the Offer and the Offer will not fail due to insufficient financial capability of the Offeror and that every Holder who wishes to accept the Offer will be paid in full by cash.

10. RESPONSIBILITY STATEMENT

This Offer Document has been seen and approved by QL Green Board and QL Resources Board. They confirmed that they have taken reasonable care to ensure the facts stated and opinions expressed in this Offer Document are fair and accurate. They individually and collectively accept full responsibility for the accuracy of information contained in this Offer Document and confirm, having made all reasonable inquiries, that to the best of their knowledge, the facts stated and opinions expressed in this Offer Document are fair and accurate have been arrived at after due and careful consideration and that no material facts have been omitted in this Offer Document, and there are no other facts not contained in the Offer Document, the omission of which would make any statement in this Offer Document false or misleading.

All information relating to Boilermach Group was extracted from publicly available document and sources. The responsibility of QL Green Board and QL Resources Board are therefore restricted to the accurate reproduction of the relevant information on Boilermach as included in this Offer Document.

UOBKH acknowledges that, based on all available information, this Offer Document constitutes a full and true disclosure of all material facts concerning the Offer.

11. FURTHER INFORMATION

For further information, please refer to the **appendices** that form part of this Offer Document.

YOU SHOULD CONSIDER THE CONTENTS OF THIS OFFER DOCUMENT AS WELL AS THE INDEPENDENT ADVICE CIRCULAR TO BE ISSUED WITHIN 10 DAYS (OR THE NEXT MARKET DAY IF THE DATE FALLS ON A DAY WHICH IS NOT A MARKET DAY) FROM THE POSTING DATE AND THE RECOMMENDATIONS THEREIN BEFORE DECIDING WHETHER TO ACCEPT OR REJECT THE OFFER.

IF YOU INTEND TO ACCEPT THE OFFER, YOU SHOULD COMPLETE AND SIGN THE ACCOMPANYING FORM OF ACCEPTANCE AND TRANSFER ACCORDING TO THE INSTRUCTIONS CONTAINED THEREIN.

YOU DO NOT NEED TO TAKE ANY ACTION IF YOU DECIDE NOT TO ACCEPT THE OFFER.

Yours faithfully,
For and on behalf of
UOB KAY HIAN SECURITIES (M) SDN BHD

TAN MENG KIM
Managing Director
Capital Markets

GOH YAO YEN
Director
Co-Head of Corporate Finance

TERMS AND CONDITIONS OF THE OFFER

The terms and conditions of the Offer are set out below.

1. CONSIDERATION FOR THE OFFER

Holders who accept the Offer shall be paid RM0.95 in cash for each Offer Share, in accordance with the terms set out in this Offer Document.

The Offer Price is equivalent to the price paid by the Offeror for each Sale Share acquired pursuant to the Acquisition and represents the highest price paid for Boilermech Shares by the Offeror within 6 months prior to the date of the Notice and up to the LPD.

Notwithstanding the above, if Boilermech declares, makes or pays any Distributions whereby the entitlement date for such Distributions is on or after the date of the Notice but prior to the Closing Date and the Holders are entitled to retain such Distributions, QL Green will reduce the Offer Price by the quantum of the Distributions per Offer Share. Accordingly, this may reduce the cash amount to be received by a Holder.

For avoidance of doubt, no adjustment shall be made to the Offer Price in the event that the entitlement date for the Distributions is after the Closing Date.

As at the LPD, based on announcements made by Boilermech on Bursa Securities, Boilermech has not declared any Distributions that is payable on or after the date of the Notice.

Holders may accept the Offer in respect of all or part of their Offer Shares. Fractions of a sen will not be paid to the Accepting Holders and cash consideration payable in respect of the Valid Acceptance of the Offer will be rounded down to the nearest whole sen.

2. CONDITION OF THE OFFER

The Offer is **conditional** upon the fulfilment of the Acceptance Condition.

The Acceptance Condition must be fulfilled on or before the Closing Date which shall not be later than 5.00 p.m. on the 60th day from the Posting Date, failing which the Offer shall lapse and all acceptances thereafter shall be returned to the Accepting Holders and the Offeror will thereafter cease to be bound by any such prior acceptances of the Offer.

3. WARRANTIES

The Offer Shares are to be acquired by the Offeror on the basis of an acceptance of the Offer by a Holder in accordance with the provisions of the Offer Document. Such acceptance will be deemed to constitute an irrevocable and unconditional warranty by the Accepting Holder that the Offer Shares, to which the Valid Acceptance relates, are sold:-

- (a) free from any moratorium, claims, charges, liens, pledges, encumbrances, options, rights of pre-emption, third party rights, and equities from the date of acceptance; and
- (b) with all rights, benefits and entitlements attached thereto, including the rights to all Distributions declared, made or paid on or after the date of the Notice, subject to the adjustments referred to in **Section 1** of this **Appendix I**.

TERMS AND CONDITIONS OF THE OFFER (Cont'd)

4. DURATION OF THE OFFER**(a) Original duration**

The Offer shall remain open for acceptances until 5.00 p.m. **on Thursday, 14 January 2021** being the Closing Date unless the Offeror revise or extend the Offer.

(b) Revision of the Offer

If the Offer is revised after the Posting Date, the Offeror will:-

- (i) announce such revision together with the following information:-
 - (aa) the revised Offer Price; and
 - (bb) the price paid or agreed to be paid and the number of voting shares or voting rights purchased or agreed to be purchased, which led to the revision;
- (ii) post the written notification of the revised Offer to all Holders, including all the Holders who have previously accepted the original Offer, no later than the 46th day from the date of this Offer Document; and
- (iii) keep the Offer open for acceptance for at least another 14 days from the date on which the written notification of the revised Offer is posted to all Holders.

Where any of the terms of the Offer is revised, the Holders who have previously accepted the Offer shall also be entitled to receive the revised consideration that is to be paid or provided for the acceptance.

The Offer may not be revised after Monday, 8 February 2021, being the 46th day from the Posting Date.

Where a competing take-over offer is made at any time between the Posting Date and the Closing Date, the Offer Document sent by the Offeror shall be deemed to have been posted on the date that the competing take-over offer document was posted.

(c) Extension of the Offer

Any extension of the date and time for acceptance of the Offer will be announced by UOBKH, on behalf of the Offeror, at least 2 days before the closing date. Such announcement shall state the next closing date of the Offer. Notices of such extensions will be posted to the Holders accordingly.

(d) Closing of the Offer

Where the Offer has become or is declared unconditional as to acceptances on a day falling on or before the 46th day from the Posting Date, the Offer will remain open for acceptances for at least 14 days from the date on which the Offer becomes and is declared unconditional as to acceptances, which in any event, shall not be later than Monday, 22 February 2021, being the 60th day from the Posting Date.

Where the Offer has become or is declared unconditional as to acceptances on any day after the 46th day from the Posting Date, the Offer will remain open for acceptances for at least 14 days from the date on which the Offer becomes and is declared unconditional as to acceptances which, in any event, shall not be later than Monday, 8 March 2021, being the 74th day from the Posting Date.

TERMS AND CONDITIONS OF THE OFFER (Cont'd)

Notwithstanding the above, the Offer shall be deemed to be closed prior to the expiry date as stated in this Offer Document when:-

- (i) the Offeror receives Valid Acceptance amounting to all of the Offer Shares;
- (ii) the Offer is no longer subject to any condition; and
- (iii) the Offeror has made an announcement under **Section 7(a)** of this **Appendix I**.

5. RIGHTS OF WITHDRAWAL BY AN ACCEPTING HOLDER

- (a) All Valid Acceptance by you ARE IRREVOCABLE. However, you are entitled to withdraw your acceptance in the following circumstances:-
 - (i) if the Offeror fails to comply with any of the requirements set out in **Section 7(a)** of this **Appendix I** by the close of trading of Bursa Securities on the Relevant Day, you are entitled to withdraw your acceptance immediately; or
 - (ii) if the Offer is extended, you are entitled to withdraw your acceptance from the date which is 21 days after the Closing Date unless, before such withdrawal, the Offer has become or is declared unconditional as to the Acceptance Condition.
- (b) Notwithstanding **Section 5(a)(i)** of this **Appendix I**, the SC may terminate the right of withdrawal not less than 8 days from:-
 - (i) the Offeror complying with the requirements of **Section 7(a)** of this **Appendix I**; and
 - (ii) the Offeror confirming in a statement to the public by way of press notice and announced via Bursa LINK, where relevant and to the SC in writing that the Offer is still unconditional as to acceptances, if such is the case.

However, if you have already withdrawn your acceptance pursuant to **Section 5(a)(i)** of this **Appendix I**, your rights will not be prejudiced by the termination of such right of withdrawal by the SC.

6. WITHDRAWAL OF THE OFFER BY THE OFFEROR

The Offeror may only withdraw the Offer with the prior written consent of the SC.

7. ANNOUNCEMENT OF ACCEPTANCES

- (a) The Offeror shall inform the SC in writing and announce via Bursa LINK before 9.00 a.m. (Malaysian time) of the following information on the Relevant Day:-
 - (i) the position of the Offer, that is, as to whether the Offer is closed, becomes or is declared unconditional as to acceptances, revised or extended; and
 - (ii) the total number of Offer Shares:-
 - (aa) for which Acceptances have been received after the Posting Date;
 - (bb) held by the Offeror and its PACs as at the Posting Date; and
 - (cc) acquired or agreed to be acquired by the Offeror during the Offer Period but after the Posting Date;

and shall specify the percentage of the Offer Shares, represented by these numbers.

TERMS AND CONDITIONS OF THE OFFER (Cont'd)

- (b) In computing the acceptance of the Offer Shares represented for announcement purposes, the Offeror may include or exclude acceptances which are not in order in all respects or which are subject to verification.
- (c) References to the making of an announcement or the giving of notice by the Offeror include the following:-
 - (i) release of an announcement by UOBKH or the Offeror or the Offeror's advertising agents to the press; and/or
 - (ii) delivery of or transmission by facsimile or Bursa LINK of an announcement to Bursa Securities.
- (d) An announcement made otherwise than to Bursa Securities shall be notified simultaneously to Bursa Securities, if applicable.

8. PURCHASES IN THE OPEN MARKET

Should the Ultimate Offeror, the Offeror and its PACs purchase or agree to purchase any of the Offer Shares during the offer period at a consideration that is higher than the Offer Price, the Offeror shall increase the Offer Price to be not less than the highest price (excluding stamp duty and commission) paid or agreed to be paid by the Ultimate Offeror, the Offeror and its PACs for the Offer Shares during the offer period.

9. GENERAL

- (a) All communications, notices, documents and payments to be delivered or sent to the Holders (or their designated agents) will be despatched by ordinary mail to the Holder's registered address in Malaysia last maintained with Bursa Depository at their own risk.

Non-Resident Holders with no registered addresses in Malaysia last maintained with Bursa Depository who wish to receive communications, notices and documents in relation to the Offer should ensure that they have their foreign mailing addresses changed to a registered address in Malaysia. In any event, this Offer Document shall be made available on the website of Bursa Securities at www.bursamalaysia.com upon issuance.

Unless the contrary is proved, delivery of the communication, notice, document or payment will be effected by properly addressing, prepaying and posting by ordinary mail the communication, notice, document or payment and it shall be presumed to have been effected at the time when the document would have been delivered in the ordinary course of the mail.

- (b) The Offer and all Valid Acceptance received under the Offer will be construed in accordance with and governed by Malaysian law. It will be provided in this Offer Document that the Offeror and Holders shall submit to the exclusive jurisdiction of the courts of Malaysia.
- (c) Holders may accept the Offer made to them in respect of all or part of their Offer Shares. The Accepting Holder shall not exceed his/her/its total holding of Offer Shares, failing which the Offeror has the right to treat such acceptance as invalid. Nevertheless, the Offeror also reserve the right to treat any acceptance of a Holder exceeding his/her/its total holding of Offer Shares as valid for and to the extent of his/her/its total holding of Offer Shares.

TERMS AND CONDITIONS OF THE OFFER (Cont'd)

- (d) The Form of Acceptance and Transfer which will accompany the Offer Document contain the following:-
- (i) provisions for the acceptance of the Offer and the transfer of the Offer Shares to the Offeror or its appointed nominee(s), if any;
 - (ii) instructions to complete the Form of Acceptance and Transfer; and
 - (iii) other matters incidental to the acceptance of the Offer and the transfer of the Offer Shares to the Offeror or its appointed nominees, if any.

No acknowledgement of the receipt of the Form of Acceptance and Transfer will be issued.

- (e) All costs and expenses of or incidental to the preparation and posting of this Offer Document (other than professional fees and other costs relating to the Offer incurred by Boilermech) will be borne by the Offeror. Malaysian stamp duty and Malaysian transfer fees, if any, resulting from Valid Acceptances of the Offer will be borne by the Offeror.

Accepting Holders, will, however, bear all cost and expenses incidental to their acceptances of the Offer other than the aforesaid costs, expenses, stamp duty and transfer fees borne by the Offeror.

For avoidance of doubt, the payment of any transfer fees, taxes, duties, costs, expenses or other requisite payments due in any jurisdiction outside Malaysia or the payment of any levy for the repatriation of capital or income tax shall not be borne by the Offeror.

- (f) Any accidental omission to despatch this Offer Document and the Form of Acceptance and Transfer to any Holder shall not invalidate the Offer in any way.

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PROCEDURES FOR ACCEPTANCE AND METHOD OF SETTLEMENT

1. PROCEDURES FOR ACCEPTANCE

1.1 Sections 1.1(a) to 1.1(c) below set out the steps required to be taken by you (either individuals or corporations) to accept the Offer.

(a) Step 1: Obtain transfer documents

- (i) The Form of Acceptance and Transfer is enclosed with this Offer Document. You can also obtain a copy from the Registrar, whose contact details are set out in **Section 1.9** of this **Appendix II**. You may also download the Form of Acceptance and Transfer from the website of Bursa Securities at www.bursamalaysia.com.
- (ii) Obtain the Bursa Depository Transfer Form from your ADA/ADM or download it at:-

https://www.bursamalaysia.com/sites/5bb54be15f36ca0af339077a/assets/5bb57d465f36ca0c3028dc96/Transfer_of_Securities_Request-1.pdf

Kindly check with your ADA/ADM how the form may be submitted including any applicable fees or charges in respect of the submission.

(b) Step 2: Fill up transfer documents

	Offer Share already credited into your CDS account	Offer Shares purchased but have yet to be credited into your CDS account as at the Closing Date ^{*1}
(i)	Complete and sign the Form of Acceptance and Transfer ^{*2}	Complete and sign the Form of Acceptance and Transfer ^{*2}
(ii)	Complete and sign the Bursa Depository Transfer Form according to the instructions printed on the reverse side of the form.	

Notes:-

^{*1} If you have purchased the Offer Shares before the Closing Date but the Offer Shares have yet to be credited into your CDS account as at the Closing Date, please obtain the contract note from your ADA/ADM as evidence of your beneficial ownership to the Offer Shares as at the Closing Date. You will be required to forward the contract note to the Registrar and follow the procedures set out in **Section 1.1(c)** of this **Appendix II** if you wish to accept the Offer.

^{*2} If you are a corporation, you must either affix your common seal which must be witnessed in accordance with your Constitution, or by your duly authorised officer(s) or attorney(s) in accordance with your Constitution or other regulations.

PROCEDURES FOR ACCEPTANCE AND METHOD OF SETTLEMENT (Cont'd)

(c) Step 3: Lodging of transfer documents

Offer Shares already credited into your CDS account	Offer Shares purchased but have yet to be credited into your CDS account as at the Closing Date
<p>(i) Lodge the completed and signed Bursa Depository Transfer Form with your ADA/ADM on any Market Day. The transfer request shall be submitted by 3.30 p.m. to effect the transfer on the same Market Day provided that the request for the transfer is in compliance with the directions and Rules of Bursa Depository.</p>	<p>(i) Lodge the completed and signed Form of Acceptance and Transfer and the contract note as evidence of beneficial ownership with the Registrar at the address shown in Section 1.9 of this Appendix II by 5.00 p.m. on or before the Closing Date.</p>
<p>(ii) Send the following to the Registrar at the address shown in Section 1.9 of this Appendix II, by 5.00 p.m. on or before the Closing Date:-</p> <p>(aa) the completed and signed Form of Acceptance and Transfer; and</p> <p>(bb) the Depositor's Copy of the Bursa Depository Transfer Form duly verified and acknowledged by your ADA/ADM.</p>	<p>(ii) Once the Offer Shares have been credited into your CDS account, complete and sign the Bursa Depository Transfer Form according to the instructions printed on the reverse side of the form and lodge the completed and signed Bursa Depository Transfer Form with your ADA/ADM on any Market Day. The transfer request shall be submitted by 3.30 p.m. to effect the transfer on the same Market Day provided that the request for the transfer is in compliance with the directions and Rules of Bursa Depository.</p> <p>(iii) Send, within 7 days from the Closing Date, the Depositor's Copy of the Bursa Depository Transfer Form duly verified and acknowledged by your ADA/ADM to the Registrar at the address shown in Section 1.9 of this Appendix II.</p> <p>The Offeror has the right to deem your acceptance as invalid if the Depositor's Copy of the Bursa Depository Transfer Form is not received by the Registrar within 7 days from the Closing Date.</p>

PROCEDURES FOR ACCEPTANCE AND METHOD OF SETTLEMENT (Cont'd)

- 1.2 If you intend to accept the Offer but for any reason your Depositor's Copy of the Bursa Depository Transfer Form duly verified and acknowledged by your ADA/ADM or other documents of title is not readily available or lost, you should nevertheless complete and send the Form of Acceptance and Transfer for the Offer Shares to the Registrar at the address shown in **Section 1.9** of this **Appendix II** below by 5.00 p.m. on the Closing Date and you should arrange to send, within 7 days from the Closing Date, the Depositor's Copy of the Bursa Depository Transfer Form duly verified and acknowledged by your ADA/ADM and/or other document(s) of title to the Registrar.

In such event, the settlement of the consideration in respect of the acceptance of the Offer will not be despatched until the Depositor's Copy of the Bursa Depository Transfer Form is duly verified and acknowledged by your ADA/ADM, the relevant contract note for the Offer Shares and/or other document(s) of title have been received within the aforesaid period of 7 days and are confirmed to be in order in all respects, failing which the Offeror has the right to deem your acceptance as invalid.

- 1.3 **You do not need to take any action if you decide not to accept the Offer.**
- 1.4 No acknowledgement of the receipt of the Form of Acceptance and Transfer (or the Depositor's Copy of the Bursa Depository Transfer Form, the relevant contract note for the Offer Shares or other document(s) of title) will be issued. All acceptances and accompanying documents sent by post are at your own risk. Proof of time of postage shall not constitute proof of time of receipt by the Registrar.
- 1.5 If you fail to comply with any of the terms or conditions set out in this **Appendix II** or in the Form of Acceptance and Transfer, the Offeror may, at its discretion, elect to consider your application as invalid and the Offeror will proceed to transfer your Offer Shares back into your CDS account. The decision of the Offeror is final and binding.
- 1.6 You may obtain additional copies of this Offer Document and the accompanying Form of Acceptance and Transfer from the office of the Registrar during normal business hours, i.e. from 8.30 a.m. to 5.30 p.m. on Mondays to Fridays (excluding public holidays), from the Posting Date to the Closing Date.
- 1.7 You should address all enquiries concerning the acceptance procedures for this Offer to the Registrar at the address or contact numbers stated in **Section 1.9** of this **Appendix II**.
- 1.8 Under Section 14(1) of the SICDA, Bursa Securities has prescribed Boilermech Shares as securities required to be deposited into the CDS. Therefore, all dealings in the Offer Shares that have been deposited into the CDS will be carried out in accordance with the SICDA and Rules of Bursa Depository.
- 1.9 The details of the Registrar, whose normal business hours are from 8.30 a.m. to 5.30 p.m. on Mondays to Fridays (excluding public holidays), are set out below:-

Or alternatively at:

**Tricor Investor & Issuing House
Services Sdn Bhd**
Unit 32-01, Level 32 Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No.8 Jalan Kerinchi
59200 Kuala Lumpur

Tricor Customer Service Centre
Unit G-3, Ground Floor
Vertical Podium
Avenue 3, Bangsar South
No.8 Jalan Kerinchi
59200 Kuala Lumpur

Telephone No. : +603-2783 9299
Facsimile No. : +603-2783 9222
Email : eGO.Boilermech@my.tricorglobal.com

PROCEDURES FOR ACCEPTANCE AND METHOD OF SETTLEMENT (Cont'd)

- 1.10 Invalid acceptance will be returned by ordinary mail at your own risk within 14 days after the Closing Date or, where applicable, within 14 days of receipt of the Depositor's Copy of the Bursa Depository Transfer Form duly verified by your ADA/ADM, the relevant contract note for the Offer Shares and/or other document(s) of title, whichever is later.

2. METHOD OF SETTLEMENT

Save for the Offeror's rights to adjust the Offer Price as set out in **Section 2.1** of this Offer Document and except with the consent of the SC, which would only be granted in certain circumstances, the Offeror will settle the consideration in full in accordance with the terms of the Offer as set out in this Offer Document, without regard to any lien, right of set-off, counter claim or other analogous rights to which the Offeror may otherwise be, or claim to be, entitled against the Accepting Holder. This, however, is without prejudice to the Offeror's right to make any claim against the Accepting Holder after such full settlement in respect of a breach of the warranties as set out in **Section 3, Appendix I** of this Offer Document.

The settlement of the consideration for the Offer Shares will be effected via

- (i) Remittance into Accepting Holders' bank account, details of which have been registered with Bursa Depository for the purpose of cash dividend/distribution; or
- (ii) If the Accepting Holders have not registered such details with Bursa Depository prior to Valid Acceptances, the remittance in the form of cheque(s), banker's draft(s) and/or cashier's order(s) which will be despatched by ordinary mail to the Accepting Holders (or their designated agents, as they may direct) in respect of Valid Acceptance, at their own risk, within 10 days from:-
 - (a) the date the Offer becomes or is declared wholly unconditional, if the Valid Acceptances are received during the period when the Offer is still conditional; or
 - (b) the date of the Valid Acceptances, if the Valid Acceptances are received during the period after the Offer is or has become or has been declared wholly unconditional.

Non-Resident Holders are advised that the settlement for the acceptances will be made in RM and sen. Non-Resident Holders who wish to convert the consideration received into foreign currency for repatriation may do so on their own after payment of the appropriate fee and/or charges as levied by the respective financial institutions.

Invalid acceptance will be returned by ordinary mail at your own risk within 14 days after the Closing Date or, where applicable, within 14 days of receipt of the Depositor's Copy of the Bursa Depository Transfer Form duly verified by your ADA/ADM, the relevant contract note for the Offer Shares and/or other document(s) of title, whichever is later.

3. NON-RESIDENT HOLDER

All references to "you" and "your" in this Section are to a Non-Resident Holder.

This Offer Document and all documents relating to the Offer have not been (and will not be) sent to Non-Resident Holders who do not have an address in Malaysia. If you are a Non-Resident Holder, and you wish to receive this Offer Document, you may provide an address in Malaysia to the Registrar for the delivery of this Offer Document. Non-Resident Holders may also collect this Offer Document from the Registrar. The Offeror will not make or be bound to make any enquiry as to whether Non-Resident Holders have a registered address in Malaysia.

PROCEDURES FOR ACCEPTANCE AND METHOD OF SETTLEMENT (Cont'd)

3.1 Responsibility of a Non-Resident Holder

- (a) The making of the Offer to you may be affected by the laws or regulations of your relevant jurisdiction. You should keep yourself informed about and observe any applicable legal requirements in your relevant jurisdiction.
- (b) The Offer is being made for all the Offer Shares and is being made in Malaysia, as well as any other jurisdiction where the Offer is capable of being lawfully made in compliance with local laws or regulations.
- (c) You may not treat this Offer Document, the Form of Acceptance and Transfer and/or any other Offer related documentation as an invitation or offer to sell your securities or participate in the Offer in any jurisdiction other than Malaysia.
- (d) If you wish to accept the Offer, you are solely responsible to satisfy yourself as to the full observance of the laws of your relevant jurisdiction and in Malaysia. You are also responsible for obtaining any governmental or other consents, which may be required, and complying with the necessary formalities and legal and regulatory requirements.
- (e) You will be responsible for the payment of any transfer fees, taxes, duties, costs, expenses or other requisite payments due in such jurisdiction. The Offeror, the Registrar and UOBKH shall be entitled to be fully indemnified and held harmless by you for any transfer fees or taxes or other payments which you may be required to pay.
- (f) **You should consult your professional advisers in the relevant jurisdiction on compliance with legal and other applicable requirements. In accepting the Offer, you represent and warrant to the Offeror, the Registrar and us on the following:-**
 - (i) **that you are in full observance of the laws of your relevant jurisdiction;**
 - (ii) **that you have not received copies or originals of this Offer Document, the Form of Acceptance and Transfer or any other Offer related documentation in, into or from a Restricted Jurisdiction;**
 - (iii) **that you have not, in connection with the Offer or the execution or delivery of the Form of Acceptance and Transfer, utilised, directly or indirectly, the mails or any means or instrumentality (including, without limitation, electronic mail, facsimile transmission, telephone, internet or other forms of electronic communication) of interstate or foreign commerce of, or any facilities of a national securities exchange of, any Restricted Jurisdiction;**
 - (iv) **that you are accepting the Offer from outside a Restricted Jurisdiction and are in full compliance with all necessary formalities and legal requirements of your relevant jurisdiction; and**
 - (v) **that you would not cause the Offeror, the Registrar and us to be in breach of the laws of your relevant jurisdiction.**

PROCEDURES FOR ACCEPTANCE AND METHOD OF SETTLEMENT (Cont'd)

3.2 Treatment of the Offer Document and/or the Form of Acceptance and Transfer in relation to a Non-Resident Holder

- (a) The release, publication or distribution of this Offer Document, the Form of Acceptance and Transfer and any other Offer related documentation in any jurisdiction other than Malaysia may be affected by the laws or regulations of your relevant jurisdiction. You should keep yourself informed about and observe any applicable legal requirements in your relevant jurisdiction.
- (b) The Offer is not being extended, and will not be extended directly or indirectly, in or into, or by use of mails or any means or instrumentality (including, without limitation, electronic mail, facsimile transmission, telephone, internet or other forms of electronic communication) of interstate or foreign commerce of, or any facilities of a national securities exchange of, any Restricted Jurisdiction and will not be capable of acceptance by any such use, means, instrumentality or facility or from within such Restricted Jurisdiction (unless otherwise determined by the Offeror). Accordingly, copies of this Offer Document, the Form of Acceptance and Transfer and any other Offer related documentation are not being, and must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction.
- (c) You (including without limitation, your custodians, nominees and trustees) must not, in connection with the Offer, distribute or send this Offer Document, the Form of Acceptance and Transfer and/or any other Offer related documentation into any Restricted Jurisdiction. If you or your agent nominee receives this Offer Document, the Form of Acceptance and Transfer and/or any other Offer related documentation in a Restricted Jurisdiction where it would or might be in contravention of local laws and regulations, the Offer may be deemed invalid and may not be accepted.
- (d) Your acceptance may be invalid and disregarded unless you have fully complied with the laws of your relevant jurisdiction. If you forward this Offer Document, the Form of Acceptance and Transfer and/or any other Offer related documentation into any Restricted Jurisdiction, whether because of a contractual or legal obligation or otherwise, you must inform the recipient of the contents of this section. The Offeror reserves the right to reject a purported acceptance of the Offer from any Non-Resident Holder in any such Restricted Jurisdiction.

3.3 The Offeror's reservation of right over acceptance by a Non-Resident Holder

The Offeror reserves the right, in its absolute discretion, to treat any acceptance as invalid if it believes such acceptance may violate applicable legal or regulatory requirements. However, the Offeror reserves the right to permit your acceptance of the Offer in circumstances where the Offeror is satisfied that your acceptance will not constitute a breach of any securities or other relevant legislation or impose any obligations on the Offeror not contemplated by the Offer.

3.4 Procedures for acceptance

The procedures for acceptance set out in **Section 1** of this **Appendix II** also apply to you.

3.5 Method of settlement

The method of settlement set out in **Section 2** of this **Appendix II** also applies to you.

PROCEDURES FOR ACCEPTANCE AND METHOD OF SETTLEMENT (Cont'd)

This Offer is made in compliance with the laws of Malaysia only. As such, this Offer Document together with the Form of Acceptance and Transfer only comply with the laws of Malaysia. The Offeror, the Registrar and UOBKH shall not accept any responsibility or liability in the event that any acceptance of the Offer by a Non-Resident Holder is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions outside Malaysia.

Non-Resident Holders should therefore immediately consult their professional advisers in relation to the observance of the above and any other applicable laws. The Non-Resident Holders shall be responsible for payment of any levy, fee, commission or cost that may be required in connection with their acceptance of the Offer or remittance of any amount due to them and shall keep the Offeror, the Registrar and UOBKH indemnified for the payment of such fee or commission. Please refer to Section 3 of this Appendix II for further information.

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INFORMATION ON THE OFFEROR

1. HISTORY AND BUSINESS

QL Green was incorporated in Malaysia on 11 April 1981 as a private limited company under the name of Tong Her Marine Products Sdn Bhd, and subsequently changed its name to QL Green Resources Sdn Bhd on 15 March 2010. The principal activity of the Offeror is investment holding.

2. SHARE CAPITAL

2.1 Share Capital

The share capital of QL Green, as at the LPD, is as set out below:-

	<u>No. of issued shares</u>	<u>Total RM</u>
Share capital	70,000,000	70,041,070

As at the LPD, the QL Green Shares are the only class of shares in QL Green. All the QL Green Shares rank pari passu in terms of voting rights and entitlements to any dividends, rights, allotments and/or distributions (including any capital distributions) which may be declared, made or paid to shareholders.

2.2 Convertible Securities

As at the LPD, QL Green does not have any convertible securities.

3. SUBSTANTIAL SHAREHOLDERS

The substantial shareholders of QL Green and their respective shareholdings in QL Green as at the LPD are as set out below:-

	<-----Direct----->		<-----Indirect----->	
	<u>No. of QL Green Shares</u>	<u>% ^{*1}</u>	<u>No. of QL Green Shares</u>	<u>% ^{*1}</u>
QL Resources	70,000,000	100.00	-	-
Chia Song Kun	-	-	70,000,000 ^{*2}	100.00
CBG (L) Pte Ltd	-	-	70,000,000 ^{*2}	100.00
CBG (L) Foundation	-	-	70,000,000 ^{*2}	100.00

Notes:-

^{*1} Based on the total issued QL Green Shares of 70,000,000 as at the LPD.

^{*2} Deemed interest by virtue of their substantial shareholdings in QL Resources pursuant to Section 8 of the Act.

INFORMATION ON THE OFFEROR (Cont'd)

4. DIRECTORS

The directors of QL Green and their respective shareholdings in QL Green as at the LPD are as set out below:-

	Nationality	<-----Direct----->		<-----Indirect----->	
		No. of QL Green Shares	% ^{*1}	No. of QL Green Shares	% ^{*1}
Chia Song Kun	Malaysian	-	-	70,000,000 ^{*2}	100.00
Chia Lik Khai	Malaysian	-	-	-	-
Chia Seong Fatt	Malaysian	-	-	-	-

Notes:-

*1 Based on the total issued QL Green Shares of 70,000,000 as at the LPD.

*2 Deemed interest by virtue of his interest in QL Resources pursuant to Section 8 of the Act.

5. PROFIT AND DIVIDEND RECORD

The profit and dividend record of QL Green based on its audited financial statements for the past 3 financial years up to the FYE 31 March 2020 and unaudited financial statements for the FPE 30 September 2020 are as follows:-

	Audited for the FYE 31 March			Unaudited for the FPE 30 Sept 2020
	2018 (RM'000)	2019 (RM'000)	2020 RM'000)	(RM'000)
Revenue	3,520	4,149	4,760	4,166
Profit before tax	2,061	4,067	3,700	4,131
Profit after tax	2,031	4,052	3,664	4,113
Weighted average no. of QL Green Shares in issue ('000)	70,000	70,000	70,000	70,000
Basic EPS (sen)	2.90	5.79	5.23	5.88
Dividend per QL Green Share (sen)	-	-	0.29	0.26

There is no exceptional item in the audited financial statements of QL Green for the past 3 financial years up to the FYE 31 March 2020 as well as the unaudited financial statements of QL Green for the FPE 30 September 2020.

INFORMATION ON THE OFFEROR (Cont'd)

6. STATEMENT OF ASSETS AND LIABILITIES

The statement of assets and liabilities of QL Green based on its audited financial statements for the FYE 31 March 2019 and FYE 31 March 2020 are as follows:-

	Audited as at FYE 31 March	
	2019 (RM'000)	2020 (RM'000)
ASSETS		
Non-current assets		
Investment in subsidiaries	1,438	419
Investment in associate	65,922	65,922
	67,360	66,341
Current assets		
Amount due from related companies	12	12
Amount due from subsidiary companies	71	180
Other receivables	-	-
Current tax assets	12	-
Cash and cash equivalents	3,211	7,586
	3,306	7,778
TOTAL ASSETS	70,666	74,119
EQUITY AND LIABILITIES		
EQUITY		
Share capital	70,041	70,041
Reserves	570	4,031
TOTAL EQUITY	70,611	74,072
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities	1	1
	1	1
Current liabilities		
Other payables and accruals	16	14
Amount due to related companies	38	31
Tax payable	-	1
	54	46
TOTAL LIABILITIES	55	47
TOTAL EQUITY AND LIABILITIES	70,666	74,119

INFORMATION ON THE OFFEROR (Cont'd)

7. SUBSIDIARIES, JOINT VENTURE AND ASSOCIATES

7.1 The details of the subsidiaries of QL Green as at the LPD are as follows:-

Name of company	Place of incorporation	Effective equity interest (%)	Principal activities
QL Tawau Palm Pellet Sdn Bhd (Registration No.: 201001007034 (891654-X))	Malaysia	100.0	Dormant
QL NatureCo Sdn Bhd (Registration No.: 200201020240 (587903-T))	Malaysia	100.0	Dormant
QL ESCO Sdn Bhd (Registration No.: 199501004811 (334006-V))	Malaysia	100.0	Supply of biomass
Leisure Pyramid Sdn Bhd (Registration No.: 201101042962 (971082-T))	Malaysia	76.47	Manufacturing of wood pellet

7.2 As at the LPD, QL Green does not have any joint venture company.

7.3 As at the LPD, QL Green does not have any associate company.

8. MATERIAL CHANGES IN FINANCIAL POSITION

Save for the Acquisition, there is no known material change in the financial position of QL Green subsequent to its latest audited financial statements for the FYE 31 March 2020.

9. ACCOUNTING POLICIES

The audited financial statements of QL Green for the FYE 31 March 2018, FYE 31 March 2019 and FYE 31 March 2020 have been prepared based on approved Malaysian accounting standards and there was no audit qualification on QL Green's financial statements for the respective financial years under review.

There is no change in the accounting policies which would result in a material variation to the comparable figures for the audited financial statements of QL Green for the FYE 31 March 2018, FYE 31 March 2019 and FYE 31 March 2020.

INFORMATION ON THE ULTIMATE OFFEROR

1. HISTORY AND BUSINESS

QL Resources was incorporated in Malaysia on 25 April 1997 as a public limited company and was listed on 30 March 2000 on the Second Board of the Kuala Lumpur Stock Exchange (“KLSE”) and transferred to the Main Market of Bursa Securities (formerly known as the Main Board of KLSE) on 22 January 2002.

QL Resources and its subsidiaries are principally involved in the marine products manufacturing, integrated livestock farming, palm oil activities and the operation of “FamilyMart” chain of convenience stores.

2. SHARE CAPITAL

2.1 Share Capital

The share capital of QL Resources, as at the LPD, is as set out below:-

	No. of issued shares	Total RM
Share capital	2,433,657,139	620,024,896

As at the LPD, the QL Resources Shares are the only class of shares in QL Resources. All the QL Resources Shares rank pari passu in terms of voting rights and entitlements to any dividends, rights, allotments and/or distributions (including any capital distributions) which may be declared, made or paid to shareholders.

2.2 Convertible Securities

As at the LPD, QL Resources does not have any convertible securities.

3. SUBSTANTIAL SHAREHOLDERS

The substantial shareholders of QL Resources and their respective shareholdings in QL Resources as at the LPD are as set out below:-

	<----- Direct ----->		<----- Indirect ----->	
	No. of shares	% ^{*1}	No. of shares	% ^{*1}
CBG (L) Pte Ltd (Registration No.: LL13979)	979,596,109	40.25	-	-
CBG (L) Foundation (Registration No.: LAF00282)	-	-	979,596,109 ^{*2}	40.25
Farsathy Holdings Sdn Bhd (Registration No.:198001008003 (61787-X))	281,632,294	11.57	-	-
Chia Song Kun	1,316,250	0.05	999,829,721 ^{*3}	41.08
Chia Seong Pow	3,540,000	0.15	289,875,496 ^{*4}	11.91
Chia Seong Fatt	390,000	0.02	286,704,529 ^{*4}	11.78
Employees Provident Fund Board (EPF Act 1991)	199,671,490	8.20	-	-

Notes:-

*1 Computed based on 2,433,657,139 ordinary shares in issue in QL Resources as at the LPD.

*2 Deemed interest via its interest in CBG (L) Pte Ltd.

*3 Deemed interest via his and his spouse's interest in CBG (L) Foundation, the holding company of CBG (L) Pte Ltd, Song Bak Holdings Sdn Bhd, his and his spouse's indirect interest in RT as well as his spouse's and children's shares in QL Resources.

*4 Deemed interest via his and his spouse's beneficial interest in Farsathy Holdings Sdn Bhd, his and his spouse's indirect interest in RT, his spouse's and children's shares in QL Resources.

INFORMATION ON THE ULTIMATE OFFEROR (Cont'd)

4. DIRECTORS

The directors of QL Resources and their respective shareholdings in QL Resources as at the LPD are as set out below:-

	<-----Direct----->		<-----Indirect----->	
	No. of QL Resources Shares	% ^{*1}	No. of QL Resources Shares	% ^{*1}
Chia Song Kun	1,316,250	0.05	999,829,721 ^{*2}	41.08
Chia Song Kooi	1,696,500	0.07	4,694,560 ^{*3}	0.19
Chia Seong Pow	3,540,000	0.15	289,875,496 ^{*4}	11.91
Chia Song Swa	1,105,650	0.05	4,214,500 ^{*3}	0.17
Chia Lik Khai	2,626,350	0.11	285,480 ^{*5}	0.01
Chia Seong Fatt (Alternate Director to Chia Seong Pow)	390,000	0.02	286,704,529 ^{*4}	11.78
Chia Mak Hooi (Alternate Director to Chia Song Swa)	3,789,555	0.16	713,700 ^{*5}	0.03
Cheah Juw Teck (Alternate Director to Chia Lik Khai)	4,905,222	0.20	1,950,000 ^{*3}	0.08
Low Teng Lum	6,000	^	121,125 ^{*5}	^
Kow Poh Gek	-	-	13,845 ^{*6}	^
Prof. Datin Paduka Setia Dato' Dr. Aini Binti Ideris	-	-	-	-
Chan Wai Yen, Millie	-	-	-	-
Cynthia Toh Mei Lee	-	-	-	-
Wee Beng Chuan	-	-	-	-

Notes:-

^ Negligible.

*1 Computed based on 2,433,657,139 ordinary shares in issue in QL Resources as at the LPD.

*2 Deemed interest via his and his spouse's interest in CBG (L) Foundation, the holding company of CBG (L) Pte Ltd, Song Bak Holdings Sdn Bhd, his and his spouse's indirect interest in RT as well as his spouse's and children's shares in QL Resources.

*3 Indirect interest via his spouse's and children's shares in QL Resources.

*4 Deemed interest via his and his spouse's beneficial interest in Farsathy Holdings Sdn Bhd, his and his spouse's indirect interest in RT, his spouse's and children's shares in QL Resources.

*5 Indirect interest via his spouse's shares in QL Resources.

*6 Indirect interest via her son's shares in QL Resources.

INFORMATION ON THE ULTIMATE OFFEROR (Cont'd)

5. PROFIT AND DIVIDEND RECORD

The profit and dividend record of QL Resources based on its audited consolidated financial statements for the past 3 financial years up to the FYE 31 March 2020 and unaudited financial statements for the FPE 30 September 2020 are as follows:-

	Audited for the FYE 31 March			Unaudited for the FPE 30 Sept 2020
	2018 (RM'000)	2019 (RM'000)	2020 (RM'000)	(RM'000)
Revenue	3,260,518	3,619,204	4,155,938	2,048,238
Profit before tax	240,353	272,354	306,939	177,722
Profit after tax	202,541	225,466	238,967	126,693
Profit after tax attributable to the:				
- Equity holders of QL Resources	194,989	216,779	239,362	120,999
- Non-controlling interests	7,552	8,687	(395)	5,694
	202,541	225,466	238,967	126,693
Weighted average no. of QL Resources Shares in issue ('000)	1,622,438	1,622,438	1,622,438	1,622,438
Basic EPS (sen)	12	13	15	7
Dividend per QL Resources Share (sen)	4.50	4.50	4.50	-

There is no exceptional item in the audited consolidated financial statements of QL Resources for the past 3 financial years up to the FYE 31 March 2020 as well as the unaudited financial statements of QL Resources for the FPE 30 September 2020.

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INFORMATION ON THE ULTIMATE OFFEROR (Cont'd)

6. STATEMENT OF ASSETS AND LIABILITIES

The statement of assets and liabilities of QL Resources Group based on its audited consolidated financial statements for the FYE 31 March 2019 and FYE 31 March 2020 are as follows:-

	Audited 31 March	
	2019 (RM'000)	2020 (RM'000)
ASSETS		
Non-current assets		
Property, plant and equipment	1,961,370	2,006,422
Right-of-use assets	-	366,200
Investment properties	21,980	21,013
Prepaid lease payments	54,122	-
Intangible assets	10,416	10,092
Investment in subsidiaries	-	-
Investment in associates	138,856	142,175
Deferred tax assets	12,802	9,621
Other receivables	11,851	15,544
	<u>2,211,397</u>	<u>2,571,067</u>
Current assets		
Biological assets	184,451	186,368
Inventories	572,845	496,347
Current tax assets	29,336	13,541
Trade receivables and other receivables	378,054	415,779
Prepayments and other assets	37,367	65,603
Derivative financial assets	298	4,929
Cash and cash equivalents	261,368	308,200
Assets classified as held for sale	8,545	4,545
	<u>1,472,264</u>	<u>1,495,312</u>
TOTAL ASSETS	<u>3,683,661</u>	<u>4,066,379</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	620,025	620,025
Reserves	1,315,017	1,397,491
Equity attributable to owners of the Company	<u>1,935,042</u>	<u>2,017,516</u>
Non-controlling interests	79,304	73,498
TOTAL EQUITY	<u>2,014,346</u>	<u>2,091,014</u>
LIABILITIES		
Non-current liabilities		
Loans and borrowings	590,013	650,361
Lease liabilities	-	129,035
Other payables	498	972
Employee benefits	7,357	8,178
Deferred tax liabilities	105,633	110,060
	<u>703,501</u>	<u>898,606</u>

INFORMATION ON THE ULTIMATE OFFEROR (Cont'd)

	Audited 31 March	
	2019 (RM'000)	2020 (RM'000)
Current liabilities		
Loans and borrowings	596,638	655,482
Lease liabilities	-	19,243
Trade and other payables	330,087	368,114
Contract liabilities	25,704	13,077
Derivative financial liabilities	13,030	7,834
Current tax liabilities	355	13,009
	965,814	1,076,759
TOTAL LIABILITIES	1,669,315	1,975,365
TOTAL EQUITY AND LIABILITIES	3,683,661	4,066,379

7. SUBSIDIARIES, JOINT VENTURE AND ASSOCIATES

7.1 The details of the subsidiaries of QL Resources as at the LPD are as follows:-

<u>Name of company</u>	<u>Country of incorporation</u>	<u>Effective equity interest %</u>	<u>Principal activities</u>
<u>Subsidiaries of QL Resources</u>			
QL Feedingstuffs Sdn Bhd (Registration No.: 198501014911 (147366-A))	Malaysia	100.00	Investment holding, provision of management services
QL Oil Sdn Bhd (Registration No.: 198001000098 (53881-H))	Malaysia	100.00	Investment holding
QL Fishery Sdn Bhd (Registration No.: 199301005096 (259833-H))	Malaysia	100.00	Investment holding
QL Green Resources Sdn Bhd (Registration No.: 198101003375 (69489-D))	Malaysia	100.00	Investment holding
QL IPC Sdn Bhd (Registration No.: 197901001175 (45457-T))	Malaysia	100.00	Dormant
QL Carbon Sdn Bhd (Registration No.: 201001007059 (891679-M))	Malaysia	100.00	Investment holding
QL Corporate Services Sdn Bhd (Registration No.: 201001018698 (902405-P))	Malaysia	100.00	Provision of management services

INFORMATION ON THE ULTIMATE OFFEROR (Cont'd)

Name of company	Country of incorporation	Effective equity interest %	Principal activities
<u>Subsidiaries of QL Feedingstuffs Sdn Bhd</u>			
QL Agrofood Sdn Bhd (Registration No.: 199001018245 (209914-D))	Malaysia	100.00	Processing and sale of animal feeds, trading of raw materials for animal feeds, lubricants, foodstuffs and trading of livestock
QL Agroventures Sdn Bhd (Registration No.: 200601005883 (725632-M))	Malaysia	100.00	Layer and broiler farming
Chingsan Development Sdn Bhd (Registration No.: 199601005453 (377799-T))	Malaysia	100.00	Property holding
QL Tawau Feedmill Sdn Bhd (Registration No.: 199101012478 (222790-U))	Malaysia	100.00	Manufacture and sale of animal feeds and providing chicken parts processing service
QL Feed Sdn Bhd (Registration No.: 200101012025 (547781-V))	Malaysia	100.00	Marketing and distribution of animal feed raw material and food grain
QL Realty Sdn Bhd (Registration No.: 199501004565 (333760-K))	Malaysia	100.00	Investment holding
Pacific Vet Group (M) Sdn Bhd (Registration No.: 199701031051 (446550-D))	Malaysia	90.00	Investment holding
QL AgroResources Sdn Bhd (Registration No.: 199401038489 (324173-D))	Malaysia	100.00	Investment holding, feed milling, selling and distribution of animal feeds, raw materials and other related products
QL Farms Sdn Bhd (Registration No.: 198501000782 (133226-P))	Malaysia	100.00	Layer and broiler farming, wholesale of frozen chicken parts, trading of goods, oil palm cultivation, manufacturing and sales of organic fertiliser, and investment holding
QL Ansan Poultry Farm Sdn Bhd (Registration No.: 198201003311 (83056-M))	Malaysia	90.00	Investment holding, poultry farming, and provision of ancillary transportation services
QL Vietnam AgroResources Liability Limited Company (Enterprise code.: 3900444772)	Vietnam	100.00	Poultry farming
QL International Pte Ltd (Registration No.: LL09669)	Malaysia	100.00	Marketing and trading of animal feed raw materials
PT. QL Feed Indonesia (Registration No.: 8120112092543)	Indonesia	88.00	Trading of animal feed raw materials and related products

INFORMATION ON THE ULTIMATE OFFEROR (Cont'd)

<u>Name of company</u>	<u>Country of incorporation</u>	<u>Effective equity interest %</u>	<u>Principal activities</u>
<u>Subsidiaries of QL Feedingstuffs Sdn Bhd (Cont'd)</u>			
QL Palm Pellet Sdn Bhd (Registration No.: 199501041780 (370984-W))	Malaysia	90.00	Investment holding
QL Feedingstuffs Vietnam Limited Liability Company (Enterprise code.: 0313657259)	Vietnam	100.00	Trading of poultry products
QL Farms (Tay Ninh) Liability Limited Company (Enterprise code.: 3901261193)	Vietnam	100.00	Poultry farming
KS Galah Sdn Bhd (Registration No.: 201001031055 (914976-H))	Malaysia	100.00	Dormant
Icon Blitz Sdn Bhd (Registration No.: 201101019680 (947813-A))	Malaysia	100.00	Dormant
QL Poultry Farms Sdn Bhd (Registration No.: 198201011793 (91518-W))	Malaysia	100.00	Layer farming
QL Eco Farm Sdn Bhd (Registration No.: 200901036335 (879458-U))	Malaysia	100.00	Layer farming and provision of ancillary transportation services
<u>Subsidiaries of QL Realty Sdn Bhd</u>			
PT. QL Trimitra (Registration No.: 8120004950513)	Indonesia	100.00	Integrated broiler farming and its related activities
PT. QL Agrofood (Registration No.: 8120106820332)	Indonesia	100.00	Layer farming, broiler farming, breeder farming and feed milling
<u>Subsidiary of Pacific Vet Group (M) Sdn Bhd</u>			
QL Pacific Vet Group Sdn Bhd (Registration No.: 199901024032 (498932-T))	Malaysia	90.00	Trading of feed supplement, animal health food and agricultural products
<u>Subsidiaries of QL AgroResources Sdn Bhd</u>			
QL Livestock Farming Sdn Bhd (Registration No.: 199601007997 (380343-P))	Malaysia	100.00	Poultry farming, selling and distribution of animal feeds, poultry and related products
Gelombang Elit (M) Sdn Bhd (Registration No.: 199501024927 (354132-P))	Malaysia	100.00	Property holding

INFORMATION ON THE ULTIMATE OFFEROR (Cont'd)

Name of company	Country of incorporation	Effective equity interest %	Principal activities
<u>Subsidiaries of QL AgroResources Sdn Bhd (Cont'd)</u>			
QL TP Fertilizer Sdn Bhd (Registration No.: 200601032143 (751902-U))	Malaysia	51.00	Producing and selling organic fertiliser
<u>Subsidiaries of QL Farms Sdn Bhd</u>			
Adequate Triumph Sdn Bhd (Registration No.: 199501011785 (340987-A))	Malaysia	100.00	Property holding
QL Inter-Food Sdn Bhd (Registration No.: 199701000121 (415617-K))	Malaysia	100.00	Dormant
QL Breeder Farm Sdn Bhd (Registration No.: 198501001739 (134186-X))	Malaysia	100.00	Poultry breeding and farming and oil palm cultivation
Merkaya Sdn Bhd (Registration No.: 198401009911 (122455-H))	Malaysia	100.00	Property holding
QL Agrobio Sdn Bhd (Registration No.: 200501004138 (681184-W))	Malaysia	100.00	Commercial production and supply of biologically digested feeding raw materials
<u>Subsidiaries of QL Ansan Poultry Farm Sdn Bhd</u>			
QL Rawang Poultry Farm Sdn Bhd (Registration No.: 198201008747 (88470-H))	Malaysia	90.00	Property holding
Haji Hussin Markom Sdn Bhd (Registration No.: 200601027957 (747713-M))	Malaysia	54.00	Dormant
<u>Subsidiaries of QL Oil Sdn Bhd</u>			
QL Plantation Sdn Bhd (Registration No.: 197901006131 (50414-M))	Malaysia	100.00	Investment holding, oil palm cultivation, processing and marketing of oil palm products
QL BioEnergy Sdn Bhd (Registration No.: 197901001281 (45564-D))	Malaysia	100.00	Dormant
QL Mutiara (S) Pte Ltd (Registration No.: 200603861M)	Singapore	78.42	Investment holding

INFORMATION ON THE ULTIMATE OFFEROR (Cont'd)

Name of company	Country of incorporation	Effective equity interest %	Principal activities
<u>Subsidiary of QL Plantation Sdn Bhd</u>			
QL Tawau Biogas Sdn Bhd (Registration No.: 201001007579 (892200-D))	Malaysia	100.00	Operating a biogas power plant
<u>Subsidiary of QL Mutiara (S) Pte Ltd</u>			
PT. Pipit Mutiara Indah (Registration No.: 170910100341)	Indonesia	74.50	Oil palm plantation and crude palm oil milling
<u>Subsidiaries of QL Fishery Sdn Bhd</u>			
QL Marine Products Sdn Bhd (Registration No.: 199601006333 (378679-K))	Malaysia	100.00	Investment holding, manufacturing of surimi, surimi-based products and fishmeal as well as processing and sale of frozen seafood
QL Foods Sdn Bhd (Registration No.: 199401027422 (313104-W))	Malaysia	100.00	Investment holding, manufacturing of surimi and surimi-based products
QL Fishmeal Sdn Bhd (Registration No.: 198401008095 (120615-K))	Malaysia	100.00	Investment holding, manufacturing and trading of fishmeal
QL Endau Marine Products Sdn Bhd (Registration No.: 197301002787 (16212-D))	Malaysia	70.59	Investment holding, manufacturing of surimi and provision of ancillary transportation services
QL Figo Foods Sdn Bhd (Registration No.: 198801003509 (170866-K))	Malaysia	100.00	Leasing of properties
QL Figo (Johor) Sdn Bhd (Registration No.: 200601034017 (753776-K))	Malaysia	100.00	Manufacturing and sale of "halal" food products
QL Fresh Choice Seafood Sdn Bhd (Registration No.: 199001002020 (193583-V))	Malaysia	100.00	Coastal fish trawling and wholesale of marine products
QL Lian Hoe Sdn Bhd (Registration No.: 199301012375 (267113-W))	Malaysia	82.00	Manufacturing and sale of surimi-based products
QL Lian Hoe (S) Pte Ltd (Registration No.: 200004556E)	Singapore	100.00	Investment holding
Kuala Kedah Fish Meal Sendirian Berhad (Registration No.: 197901002384 (46644-W))	Malaysia	100.00	Property investment

INFORMATION ON THE ULTIMATE OFFEROR (Cont'd)

<u>Name of company</u>	<u>Country of incorporation</u>	<u>Effective equity interest %</u>	<u>Principal activities</u>
<u>Subsidiaries of QL Fishery Sdn Bhd (Cont'd)</u>			
KS Monodon Sdn Bhd (Registration No.: 201001030837 (914758-V))	Malaysia	100.00	Dormant
Kembang Subur Sdn Bhd (Registration No.: 200301009943 (612363-T))	Malaysia	87.22	Hatching and culturing of shrimps and fishes
<u>Subsidiary of QL Marine Products Sdn Bhd</u>			
QL Deep Sea Fishing Sdn Bhd (Registration No.: 200301009464 (611884-D))	Malaysia	100.00	Deep sea fishing and sale of subsidised diesel to fishermen
<u>Subsidiaries of QL Foods Sdn Bhd</u>			
QL Aquaculture Sdn Bhd (Registration No.: 200901029989 (873095-D))	Malaysia	100.00	Dormant
QL Aquamarine Sdn Bhd (Registration No.: 197801007192 (44389-W))	Malaysia	100.00	Shrimp farming
Citra Jernih Sdn Bhd (Registration No.: 201901022961 (1332290-H))	Malaysia	70.00	Dormant
Mesra Prima Sdn Bhd (Registration No.: 201901022950 (1332279-V))	Malaysia	70.00	Dormant
QL Prima Sdn Bhd (Registration No.: 201901025369 (1334698-M))	Malaysia	70.00	Dormant
<u>Subsidiary of QL Fishmeal Sdn Bhd</u>			
PT. QL Hasil Laut (Registration No.: 13.18.1.10.00263)	Indonesia	100.00	Manufacturing of surimi and fishmeal
<u>Subsidiary of PT. QL Hasil Laut</u>			
PT. QLNutri Foods Indonesia (Registration No.: 13.18.1.46.00451)	Indonesia	100.00	Dormant

INFORMATION ON THE ULTIMATE OFFEROR (Cont'd)

Name of company	Country of incorporation	Effective equity interest %	Principal activities
<u>Subsidiaries of QL Endau Marine Products Sdn Bhd</u>			
QL Endau Deep Sea Fishing Sdn Bhd (Registration No.: 200401011121 (649624-T))	Malaysia	70.59	Deep sea fishing and trading of fish
QL Endau Fishmeal Sdn Bhd (Registration No.: 199601005296 (377642-T))	Malaysia	70.59	Manufacturing and trading of fishmeal
Pilihan Mahir Sdn Bhd (Registration No.: 200601004574 (724322-H))	Malaysia	70.59	Letting of property
Rikawawasan Sdn Bhd (Registration No.: 199701023580 (439077-V))	Malaysia	70.59	Deep sea fishing
<u>Subsidiary of QL Lian Hoe (S) Pte Ltd</u>			
Zhongshan True Taste Food Industrial Co Ltd (Registration No.: 9144200071939598XP)	China	100.00	Manufacturing and sale of food products
<u>Subsidiaries of Kembang Subur Sdn Bhd</u>			
Kembang Subur (Perak) Sdn Bhd (Registration No.: 201001017517 (901222-A))	Malaysia	87.22	Dormant
KS Pekan Hatchery Sdn Bhd (Registration No.: 200801011965 (813253-D))	Malaysia	87.22	Breeding, genetic selection and hatchery operation for the production of shrimps
<u>Subsidiaries of QL Green Resources Sdn Bhd</u>			
QL Tawau Palm Pellet Sdn Bhd (Registration No.: 201001007034 (891654-X))	Malaysia	100.00	Dormant
QL NatureCo Sdn Bhd (Registration No.: 200201020240 (587903-T))	Malaysia	100.00	Dormant
QL ESCO Sdn Bhd (Registration No.: 199501004811 (334006-V))	Malaysia	100.00	Supply of biomass
Leisure Pyramid Sdn Bhd (Registration No.: 201101042962 (971082-T))	Malaysia	76.47	Manufacturing of wood pellet

INFORMATION ON THE ULTIMATE OFFEROR (Cont'd)

<u>Name of company</u>	<u>Country of incorporation</u>	<u>Effective equity interest %</u>	<u>Principal activities</u>
<u>Subsidiary of QL IPC Sdn Bhd</u>			
Axrail Pte Ltd (Registration No.: 201912950C)	Singapore	50.10	Information Consultancy Technology (except cybersecurity)
<u>Subsidiary of Axrail Pte Ltd</u>			
Axrail Sdn Bhd (Registration No.: 201901018374 (1327703-P))	Malaysia	50.10	Information technology service activities
<u>Subsidiaries of QL Carbon Sdn Bhd</u>			
QL Maxincome Sdn Bhd (Registration No.: 199601010973 (383322-D))	Malaysia	100.00	Operating and franchising of convenience stores
QL Kitchen Sdn Bhd (Registration No.: 199901015413 (490313-H))	Malaysia	100.00	Operation of centralised kitchen

7.2 As at the LPD, QL Resources does not have any joint venture company.

7.3 The details of the associates of QL Resources as at the LPD are as follows:-

<u>Name of company</u>	<u>Place of incorporation</u>	<u>Effective equity interest (%)</u>	<u>Principal activities</u>
Indahgrains Logistics Sdn Bhd (Registration No.: 199601017873 (390224-A))	Malaysia	29.87	Operating of warehouse and warehouse management
Boilermech Holdings Berhad (Registration No.: 201001013463 (897694-T))	Malaysia	48.19	Manufacturing, installing and repairing of bio-energy systems
AB Hatchery Sdn Bhd (Registration No.: 201101001694 (929831-A))	Malaysia	42.74	Hatchery and culturing of shrimps

8. MATERIAL CHANGES IN FINANCIAL POSITION

Save for the Acquisition, there is no known material change in the financial position of QL Resources subsequent to its latest audited consolidated financial statements for the FYE 31 March 2020.

INFORMATION ON THE ULTIMATE OFFEROR (Cont'd)

9. ACCOUNTING POLICIES

The audited financial statements of QL Resources for the FYE 31 March 2018, FYE 31 March 2019 and FYE 31 March 2020 have been prepared based on approved Malaysian accounting standards and there was no audit qualification on the financial statements of QL Resources for the respective financial years under review.

There is no change in the accounting policies which would result in a material variation to the comparable figures for the audited financial statements of QL Resources for the FYE 31 March 2018, FYE 31 March 2019 and FYE 31 March 2020.

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ADDITIONAL INFORMATION

1. DISCLOSURE OF INTEREST IN BOILERMECH SECURITIES

The disclosure of interest below is in respect of Boilermech securities.

1.1 Interest in Boilermech securities by the Offeror and Ultimate Offeror

Save as disclosed below, the Offeror and Ultimate Offeror do not have any other interest, whether direct or indirect, in Boilermech Shares as at the LPD:-

	<-----Direct----->		<-----Indirect----->	
	No. of Boilermech Shares	% ^{*1}	No. of Boilermech Shares	% ^{*1}
<u>Ultimate Offeror</u>				
QL Resources	-	-	248,666,936 ^{*2}	48.19
<u>Offeror</u>				
QL Green	248,666,936	48.19	-	-

Notes:-

*1 Computed based on 516,000,000 Boilermech Shares in issue as at the LPD.

*2 Deemed interest by virtue of its interest in QL Green pursuant to Section 8 of the Act.

1.2 Interest in Boilermech securities by the directors of the Offeror and Ultimate Offeror

Save as disclosed below, the Directors of the Offeror and Ultimate Offeror do not have any other interest, whether direct or indirect, in Boilermech Shares as at the LPD:-

	<-----Direct----->		<-----Indirect----->	
	No. of Boilermech Shares	% ^{*1}	No. of Boilermech Shares	% ^{*1}
Chia Song Kun	400,000	0.08	248,666,936 ^{*2}	48.19
Chia Lik Khai	500,000	0.10	-	-
Chia Seong Fatt (Alternate Director to Chia Lik Khai)	200,000	0.04	-	-
Chia Seong Pow	-	-	535,000 ^{*3}	0.10
Low Teng Lum	350,000	0.07	754,000 ^{*4}	0.15
Chia Song Kooi	-	-	150,000 ^{*4}	0.03
Chia Song Swa	-	-	733,700 ^{*4}	0.14

Notes:-

*1 Computed based on 516,000,000 Boilermech Shares in issue as at the LPD.

*2 Deemed interest by virtue of shares held by QL Green via his and his spouse's interest in CBG (L) Foundation, the holding company of CBG (L) Pte Ltd, which is a substantial shareholder of QL Resources, the holding company of QL Green.

*3 Deemed interest by virtue of his children's shareholdings in Boilermech.

*4 Deemed interest by virtue of their spouse's shareholdings in Boilermech.

ADDITIONAL INFORMATION (Cont'd)

1.3 By the PACs

Save as disclosed below, the PACs do not have any other interest, whether direct or indirect, in Boilermech Shares as at the LPD:-

	<-----Direct----->		<-----Indirect----->	
	No. of Boilermech Shares	% ^{*1}	No. of Boilermech Shares	% ^{*1}
Chia Song Kun	400,000	0.08	248,666,936 ^{*2}	48.19
Chia Lik Khai	500,000	0.10	-	-
Chia Seong Fatt	200,000	0.04	-	-

Notes:-

*1 Computed based on 516,000,000 Boilermech Shares in issue as at the LPD.

*2 Deemed interest by virtue of shares held by QL Green via his and his spouse's interest in CBG (L) Foundation, the holding company of CBG (L) Pte Ltd, which is a substantial shareholder of QL Resources, the holding company of QL Green.

1.4 By persons who have irrevocably committed to accept or reject the Offer

As at the LPD, the Ultimate Offeror, the Offeror and persons acting in concert with them have not received any irrevocable undertaking from any Holder to either accept or reject the Offer. Notwithstanding thereof, as disclosed in **Section 1.6** of this Offer Document, the PACs (namely Chia Song Kun, Chia Lik Khai and Chia Seong Fatt) have indicated that they do not wish to accept the Offer in respect of their equity interest of approximately 0.22% in the Offeree as at the LPD.

1.5 By persons who have any arrangement with the Offeror, Ultimate Offeror and persons acting in concert with them

As at the LPD, the Ultimate Offeror, the Offeror and persons acting in concert with them have not entered into any arrangement, including any arrangement involving rights over shares, any indemnity arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or to refrain from dealing with any person.

1.6 Borrowing or lending of Boilermech securities by the Offeror, Ultimate Offeror and persons acting in concert with them

As at the LPD, the Ultimate Offeror, the Offeror and persons acting in concert with them have not borrowed any Boilermech securities from another person or lent any Boilermech securities to another person.

2. DISCLOSURE OF DEALINGS IN BOILERMECH SHARES

Save for the dealings as detailed below, the Ultimate Offeror, the Offeror and its PACs, the directors of the Offeror and Ultimate Offeror, have not dealt, whether directly or indirectly, in Boilermech Shares during the period commencing 6 months prior to the commencement of the Offer Period up to the LPD:-

Name	Date	Nature of transaction	No. of Boilermech Shares	Nature of interest	Acquisition/ Disposal price per Boilermech Share (RM)	Total consideration (RM)
QL Green	8 December 2020	Acquisition	200,000	Direct	0.950	190,000

ADDITIONAL INFORMATION (Cont'd)

Name	Date	Nature of transaction	No. of Boilermech Shares	Nature of interest	Acquisition/ Disposal price per Boilermech Share (RM)	Total consideration (RM)
	3 December 2020	Acquisition	20,640,000	Direct	0.950	19,608,000
Chia Song Kooi	15 October 2020	Acquisition	50,000	Indirect	0.605	30,250
	27 October 2020	Acquisition	40,000	Indirect	0.695	27,800
	30 October 2020	Acquisition	20,000	Indirect	0.675	13,500
	9 November 2020	Acquisition	40,000	Indirect	0.721	28,840
Chia Song Swa	27 October 2020	Disposal	20,000	Indirect	0.710	14,200
	2 November 2020	Disposal	25,000	Indirect	0.714	17,850
Low Teng Lum	2 December 2020	Disposal	50,000	Direct	0.950	47,500
Kow Poh Gek	4 June 2020	Disposal	10,000	Direct	0.530	5,300

3. MATERIAL CHANGES IN THE FINANCIAL POSITION OR PROSPECTS OF THE OFFEREE

The Offeror is not aware of any material change in the financial position or prospects of Boilermech Group since 31 March 2020 being the date of the last audited financial statement laid before Boilermech's shareholders at its annual general meeting on 25 September 2020 up to the LPD.

4. GENERAL DISCLOSURES

- (a) As at the LPD, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of Boilermech as compensation for loss of office or otherwise in connection with the Offer.
- (b) As at the LPD, there is no agreement, arrangement or understanding between the Ultimate Offeror, the Offeror and its persons acting in concert and any of the existing Directors or recent Directors of Boilermech (being such person who was, during the period of 6 months prior to the beginning of the Offer Period, a director) or any existing shareholders or recent shareholders of Boilermech (being such person who was, during the period of 6 months prior to the beginning of the Offer Period, a shareholder), having any connection with or dependence upon the Offer.
- (c) As at the LPD, there is no agreement, arrangement or understanding whereby any of the Offer Shares acquired by the Ultimate Offeror, the Offeror and its persons acting in concert pursuant to the Offer will be transferred to any person.

All the Offer Shares accepted under the Offer will be registered in the name of the Offeror and subject to compliance with all applicable laws, may be subsequently transferred amongst its appointed nominees, if any, after the Closing Date.

ADDITIONAL INFORMATION (Cont'd)

5. CONSENTS

UOBKH, Independent Adviser and the Registrar have given and have not subsequently withdrawn their written consents to the inclusion in this Offer Document of their names and all references thereto in the form and context in which they appear in this Offer Document.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of QL Green, No. 16A, Jalan Astaka U8/83, Bukit Jelutong, 40150 Shah Alam, Selangor Darul Ehsan, during normal business hours from Monday to Friday (except public holidays) from the Posting Date up to and including the Closing Date of the Offer:-

- (a) the Notice dated 3 December 2020;
- (b) the audited financial statements of QL Green for the past 3 financial years up to and including the FYE 31 March 2020 and the unaudited financial statements for the FPE 30 September 2020;
- (c) the audited consolidated financial statements of QL Resources for the past 3 financial years up to and including the FYE 31 March 2020 and the unaudited financial statements for the FPE 30 September 2020;
- (d) the letter from the SC dated 23 December 2020 in respect of its notification that it has no further comments on this Offer Document; and
- (e) the letters of consent referred to in **Section 5** of this **Appendix V**.

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