

# UNI WALL APS HOLDINGS BERHAD (“UNI WALL” OR THE “COMPANY”)

## PROPOSED BONUS ISSUE

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Please refer to **Appendix I** for the abbreviations used in this announcement.

### 1. INTRODUCTION

On behalf of the Board, Mercury Securities wishes to announce that the Company proposes to undertake a bonus issue of 365,700,002 Uni Wall Shares on the basis of 1 Bonus Share for every 1 existing Uni Wall Share held on the Entitlement Date.

Further details of the Proposed Bonus Issue are set out in the ensuing sections of this announcement.

### 2. DETAILS OF THE PROPOSED BONUS ISSUE

#### 2.1 Basis and Number of Bonus Shares to be Issued

As at the LPD, the issued share capital of Uni Wall is RM15,056,793 comprising 365,700,002 Uni Wall Shares and there are no treasury shares held by the Company. For the avoidance of doubt, Uni Wall does not have any outstanding convertible securities as at the LPD.

The Proposed Bonus Issue will entail the issuance of 365,700,002 Bonus Shares to be credited as fully paid-up on the basis of 1 Bonus Share for every 1 existing Uni Wall Share held by Entitled Shareholders on the Entitlement Date.

The basis of the Proposed Bonus Issue of 1 Bonus Share for every 1 existing Uni Wall Share was arrived at after taking into consideration for the potential adjustments to the share price of Uni Wall Shares arising from the Proposed Bonus Issue.

The Proposed Bonus Issue will not be implemented on a staggered basis over a period of time.

For illustration purposes, based on the last trading price of Uni Wall Shares of RM1.35 on 4 March 2020 in view that there was no trading of Uni Wall Shares from 5 March 2020 up to the LPD, the theoretical ex-bonus share price of Uni Wall Shares is RM0.675 per Share after the Proposed Bonus Issue.

#### 2.2 No Capitalisation of Reserves

The Bonus Shares in respect of the Proposed Bonus Issue will be issued as fully paid, at nil consideration and without capitalisation of the Company’s reserves.

For the avoidance of doubt, the Proposed Bonus Issue will increase the number of Uni Wall Shares but will not increase the value of issued share capital of Uni Wall.

#### 2.3 Ranking of the Bonus Shares

The Bonus Shares will, upon allotment and issuance, rank *pari passu* in all respects with the existing Uni Wall Shares save and except that the Bonus Shares shall not entitle their holders to any dividends, rights, allotments and/or other distributions which may be declared, made or paid, of which Entitlement Date is prior to the date of allotment of the Bonus Shares.

#### 2.4 Listing of and Quotation for the Bonus Shares

An application will be made to Bursa Securities for the listing of and quotation for the Bonus Shares on the LEAP Market of Bursa Securities.

### 3. RATIONALE FOR THE PROPOSED BONUS ISSUE

The Proposed Bonus Issue would enable the Company to achieve the following:

- (i) to increase the number of Uni Wall Shares held by the Company's shareholders while maintaining their equity interest held in the Company; and
- (ii) to enhance marketability and trading liquidity of Uni Wall Shares on Bursa Securities by way of larger capital base.

### 4. EFFECTS OF THE PROPOSED BONUS ISSUE

The pro forma effects of the Proposed Bonus Issue are set out below.

#### 4.1 Issued Share Capital

	<u>No. of Shares</u>	<u>RM</u>
Issued share capital as at the LPD	365,700,002	15,056,793
To be issued pursuant to the Proposed Bonus Issue	365,700,002	-
<b>Enlarged issued share capital</b>	<b>731,400,004</b>	<b>15,056,793</b>

#### 4.2 Substantial Shareholders' Shareholdings

The Proposed Bonus Issue will not have any effect on the percentage shareholdings of the substantial shareholders of Uni Wall as the Bonus Shares will be allotted on a pro-rata basis to all the shareholders of the Company. However, the number of Uni Wall Shares held by the substantial shareholders will increase proportionately pursuant to the Proposed Bonus Issue as illustrated below:

<u>Substantial shareholder</u>	<u>As at the LPD</u>				<u>After the Proposed Bonus Issue</u>				
	<u>Direct</u>		<u>Indirect</u>		<u>Direct</u>		<u>Indirect</u>		
	<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>	
	<u>'000</u>		<u>'000</u>		<u>'000</u>	<u>'000</u>		<u>'000</u>	
Hysiow Holdings Sdn Bhd	320,000	87.5	-	-	640,000	87.5	-	-	
Siow Hon Yong	-	-	(1)320,000	87.5	-	-	(1)640,000	87.5	
Siow Hon Yuen	-	-	(1)320,000	87.5	-	-	(1)640,000	87.5	

*Note:*

- (1) *Deem interested by virtue of his substantial shareholding held through Hysiow Holdings Sdn Bhd pursuant to Section 8 of the Companies Act 2016.*

#### 4.3 Earnings and EPS

The Proposed Bonus Issue is not expected to have any material effect on the earnings of the Group for the FYE 31 December 2020, save for the dilution in the EPS of the Group as a result of the increase in the number of Uni Wall Shares in issue pursuant to the Proposed Bonus Issue.

#### 4.4 NA and Gearing

The pro forma effects of the Proposed Bonus Issue on the Group's NA and gearing, based on its audited consolidated statement of financial position as at 31 December 2019, are as follows:

	<u>As at 31 Dec 2019</u>	<u>After the Proposed Bonus Issue</u>
	<b>RM'000</b>	<b>RM'000</b>
Share capital	15,057	15,057
Merger reserve	(6,000)	(6,000)
Retained earnings	17,655	<sup>(1)</sup> 17,614
<b>NA/Total equity</b>	<b>26,712</b>	<b>26,671</b>
No. of Shares ('000)	365,700	731,400
NA per Share (RM)	0.07	0.04
Total borrowings (RM'000)	7,383	7,383
Gearing ratio (times)	0.28	0.28

*Note:*

(1) After deducting the estimated expenses in relation to the Proposed Bonus Issue of approximately RM41,000.

#### 4.5 Convertible Securities

As at the LPD, Uni Wall does not have any outstanding convertible securities.

#### 5. APPROVALS REQUIRED

The Proposed Bonus Issue is subject to the following approvals being obtained:

- (i) Bursa Securities for the listing of and quotation for the Bonus Shares on the LEAP Market of Bursa Securities;
- (ii) shareholders of Uni Wall at an EGM to be convened; and
- (iii) any other relevant regulatory authorities and/or parties, if required.

The Proposed Bonus Issue is not conditional upon any other corporate exercise undertaken or to be undertaken by the Company.

#### 6. DIRECTORS' AND/OR MAJOR SHAREHOLDERS' INTERESTS AND/OR PERSONS CONNECTED WITH THEM

None of the Directors and/or major shareholders of Uni Wall and/or persons connected with them has any interest, direct or indirect, in the Proposed Bonus Issue, apart from their respective entitlements as shareholders pursuant to the Proposed Bonus Issue, which are also available to all other Entitled Shareholders.

#### 7. DIRECTORS' STATEMENT

Having considered all aspects of the Proposed Bonus Issue (including but not limited to the rationale and effects of the Proposed Bonus Issue) and after careful deliberation, the Board is of the opinion that the Proposed Bonus Issue is in the best interest of the Company.

**8. APPROVED ADVISER**

Mercury Securities has been appointed as the Company's Approved Adviser for the Proposed Bonus Issue.

**9. ESTIMATED TIMEFRAME FOR COMPLETION**

The application to the relevant authorities is expected to be made within 2 months from the date of this announcement.

Barring unforeseen circumstances, the Proposed Bonus Issue is expected to be completed by the third quarter of 2020.

This announcement is dated 6 August 2020.

**DEFINITIONS**

The following definitions shall apply throughout this announcement unless the context requires otherwise or where otherwise defined herein:

Board	: Board of Directors of Uni Wall
Bonus Shares	: 365,700,002 new Uni Wall Shares to be issued pursuant to the Proposed Bonus Issue
Bursa Securities	: Bursa Malaysia Securities Berhad (200301033577 (635998-W))
EGM	: Extraordinary general meeting
Entitled Shareholders	: Shareholders of the Company whose names appear in the Company's Record of Depositors at the close of business on the Entitlement Date
Entitlement Date	: A date to be determined by the Board and announced later, on which the names of Uni Wall's shareholders must be registered in Uni Wall's Record of Depositors as at 5:00 p.m. in order to be entitled to the Proposed Bonus Issue
EPS	: Earnings per Share
FYE	: Financial year ended/ending, as the case may be
LPD	: 21 July 2020, being the latest practicable date prior to this announcement
Mercury Securities	: Mercury Securities Sdn Bhd (198401000672 (113193-W))
NA	: Net assets
Proposed Bonus Issue	: Proposed bonus issue of 365,700,002 new Uni Wall Shares on the basis of 1 Bonus Share for every 1 existing Uni Wall Share held on the Entitlement Date
Record of Depositors	: Record of securities holders established by Bursa Depository pursuant to Rules of Bursa Malaysia Depository Sdn Bhd as issued pursuant to the Securities Industry (Central Depositories) Act 1991
RM and sen	: Ringgit Malaysia and sen, respectively
Uni Wall or the Company	: Uni Wall APS Holdings Berhad (201801007506 (1269520-X))
Uni Wall Group or the Group	: Collectively, Uni Wall and its subsidiaries
Uni Wall Shares or Shares	: Ordinary shares in Uni Wall

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/or neuter genders and *vice versa*. References to persons shall include corporations.

Any reference to any enactment or guideline in this announcement is a reference to that enactment or guideline as for the time being amended or re-enacted. Any reference to a date and time in this announcement is a reference to Malaysian date and time, unless otherwise specified.