

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, solicitor, accountant, bank manager or other professional adviser immediately.

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**RGT BERHAD**

Registration No. 198101004909 (71024-T)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE  
PROPOSED SPECIAL ISSUE OF UP TO 59,110,000 SPECIAL ISSUE SHARES TO BUMIPUTERA  
INVESTORS TO BE IDENTIFIED AND/ OR APPROVED BY THE MINISTRY OF INVESTMENT,  
TRADE AND INDUSTRY**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

*Adviser and Placement Agent*

**UOBKayHian**

**UOB Kay Hian Securities (M) Sdn Bhd**

Registration No. 199001003423 (194990-K)  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Extraordinary General Meeting ("**EGM**") of RGT Berhad will be held at The Executive Room, RGT Berhad, No. 1032, Jalan Perindustrian Bukit Minyak, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Pulau Pinang, Malaysia on Thursday, 15 May 2025 at 10.00 am or at any adjournment thereof. The Notice of EGM together with the Proxy Form are enclosed in this Circular.

If you decide to appoint a proxy(ies) to participate and vote on your behalf at the EGM, the Proxy Form must be completed and lodged at the Company's Share Registrar's office at Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or emailed to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com) not less than forty-eight (48) hours before the time and date indicated below or at any adjournment thereof. The lodging of the Proxy Form will not preclude you from participating and voting at the EGM should you subsequently wish to do so.

Last date and time for lodging the Proxy Form : Tuesday, 13 May 2025 at 10.00 am

Date and time of the EGM : Thursday, 15 May 2025 at 10.00 am

This Circular is dated 14 April 2025

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## DEFINITIONS

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Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

"Act"	: The Companies Act 2016, as amended from time to time and any re-enactment thereof
"Board"	: Board of Directors of RGT
"Bumiputera Equity Requirements"	: Pursuant to the updated regulatory FAQs pertaining to the Bumiputera Equity Requirements for public listed companies as at 1 November 2012, a corporation, in the case of acquisitions which result in a significant change in business direction or policy, is required to allocate 12.5% of its enlarged issued and paid-up share capital to Bumiputera investors to be recognised by MITI within 1 year after registering a profit or 3 years after the implementation of the proposal, whichever is the earlier
"Bursa Securities"	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
"Circular"	: This circular to shareholders of RGT dated 14 April 2025 in relation to the Proposed Special Issue
"Director(s)"	: The director(s) of RGT and shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007
"EGM"	: Extraordinary General Meeting of RGT
"EPP"	: Engineered Polymer Products
"EPS"	: Earnings per Share
"FAPE"	: Factory Automation and Precision Engineering
"FPE"	: Financial period ended/ ending
"FYE"	: Financial year ended/ ending
"Listing Requirements"	: Main Market Listing Requirements of Bursa Securities
"LPD"	: 28 March 2025, being the latest practicable date prior to the despatch of this Circular
"Maximum Scenario"	: Assuming all of the outstanding 69,229,718 Warrants are exercised prior to the implementation of the Proposed Special Issue
"Minimum Scenario"	: Assuming none of the outstanding 69,229,718 Warrants are exercised prior to the implementation of the Proposed Special Issue
"MITI"	: Ministry of Investment, Trade and Industry
"NA"	: Net asset attributable to owners of the Company
"Proposed Special Issue"	: Proposed special issue of up to 59,110,000 new RGT Shares to Bumiputera investors to be identified and/ or approved by the MITI at an issue price to be determined later

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**DEFINITIONS (CONT'D)**

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"RGT" or the "Company"	:	RGT Berhad (Registration No. 198101004909 (71024-T))
"RGT Equity"	:	RGT Equity Holdings Sdn Bhd (Registration No. 200901030937 (874043-H))
"RGT Group" or the "Group"	:	RGT and its subsidiaries, collectively
"RGT Share(s)" or "Share(s)"	:	Ordinary share(s) in RGT
"RM" and "sen"	:	Ringgit Malaysia and sen, respectively
"SC"	:	Securities Commission Malaysia
"Special Share(s)"	:	Up to 59,110,000 new RGT Shares to be issued pursuant to the Proposed Special Issue
"UOBKH" or the "Adviser" or the "Placement Agent"	:	UOB Kay Hian Securities (M) Sdn Bhd (Registration No. 199001003423 (194990-K))
"VWAP"	:	Volume weighted average market price
"Warrant(s)"	:	69,229,718 outstanding warrants 2024/2029 in the Company. The Warrants are constituted under a deed poll dated 11 June 2024 and each Warrant entitles its holder the right at any time during the exercise period, from 28 June 2024 to 27 June 2029, to subscribe in cash for 1 new RGT Share at an exercise price of RM0.88 each

All references to "**you**" or "**your(s)**" in this Circular are made to our shareholders, who are entitled to attend and vote at the EGM.

Unless specifically referred to, words denoting the singular shall, where applicable include the plural and vice versa and 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 Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day and date in this Circular shall be a reference to Malaysian time and date, respectively, unless otherwise specified. Any discrepancy in the figures included in this Circular between the amounts stated, actual figures and the totals thereof are due to rounding adjustments.

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## EXECUTIVE SUMMARY

*This Executive Summary highlights only the salient information of the Proposed Special Issue. You are advised to read this Circular in its entirety for further details of the Proposed Special Issue and not to rely solely on this Executive Summary in forming a decision on the Proposed Special Issue before voting at the EGM.*

Key information	Description	Reference to Circular																										
Summary	The Proposed Special Issue will entail the issuance of up to a maximum of 59,110,000 Special Issue Shares representing 17.19% of the existing share capital of the Company to Bumiputera investors to be identified and/ or approved by the MITI at an issue price to be determined later after obtaining all relevant approvals.	Section 2																										
Utilisation of proceeds	<table><tr><th rowspan="2">Details of utilisation</th><th rowspan="2">Timeframe for utilisation</th><th colspan="2">Amount of proceeds</th></tr><tr><th>Minimum</th><th>Maximum</th></tr><tr><td></td><td></td><td>RM'000</td><td>RM'000</td></tr><tr><td>Future viable investment/ expansion</td><td>Within 24 months</td><td>20,000</td><td>20,000</td></tr><tr><td>General working capital</td><td>Within 24 months</td><td>1,456</td><td>5,819</td></tr><tr><td>Defrayment of estimated expenses</td><td>Upon completion of the Proposed Special Issue</td><td>130</td><td>130</td></tr><tr><td>Total</td><td></td><td>21,586</td><td>25,949</td></tr></table>	Details of utilisation	Timeframe for utilisation	Amount of proceeds		Minimum	Maximum			RM'000	RM'000	Future viable investment/ expansion	Within 24 months	20,000	20,000	General working capital	Within 24 months	1,456	5,819	Defrayment of estimated expenses	Upon completion of the Proposed Special Issue	130	130	Total		21,586	25,949	Section 2.6
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Total		21,586	25,949																									
Rationale and justification for the Proposed Special Issue	The Proposed Special Issue is undertaken by the Company to comply with the Bumiputera Equity Requirements. In addition, the Proposed Special Issue enables the Company to raise funds to address the Group's financial needs.	Section 3																										
Approvals required/ obtained	<p>The Proposed Special Issue is subject to the following:-</p> <p>(i) the approval from Bursa Securities, which was obtained on 27 March 2025;</p> <p>(ii) the approval from SC, which was obtained on 7 January 2025;</p> <p>(iii) the approval from the shareholders of RGT at the EGM;</p> <p>(iv) the approval from MITI, for identifying and/ or approving Bumiputera investors for the Company to implement the Proposed Special Issue; and</p> <p>(v) the approvals/ consents from any other relevant authorities and/ or parties, if required.</p> <p>The Proposed Special Issue is not conditional upon any other proposals undertaken or to be undertaken by the Company.</p>	Section 7																										
Interests of Directors, major shareholders, chief executive and/ or persons connected with them	None of the Directors, major shareholders, chief executive of RGT and/ or persons connected with them have any interest, whether direct or indirect, in the Proposed Special Issue.	Section 8																										
Board's recommendation	The Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Special Issue at the EGM	Section 9																										



**RGT BERHAD**

Registration No. 198101004909 (71024-T)  
(Incorporated in Malaysia)

**Registered Office**

170-09-01  
Livingston Tower  
Jalan Argyll  
10050 George Town, Penang

14 April 2025

**Board of Directors**

Dato' Ir. Low Keng Kok (*Independent Non-Executive Chairman*)  
Datuk Lim Seat Hoe (*Executive Director/ Chief Executive Officer*)  
Lee Soo Ching (*Executive Director*)  
Ng Choon Keat (*Executive Director*)  
Dato' Lim Yong Jin (*Independent Non-Executive Director*)  
Henco Pezij (*Non-Independent Non-Executive Director*)  
Tan Peng Lam (*Independent Non-Executive Director*)

**To: The shareholders of RGT**

Dear Sir/ Madam,

**PROPOSED SPECIAL ISSUE**

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**1. INTRODUCTION**

On 13 February 2025, UOBKH had, on behalf of the Board, announced that the Company proposes to undertake a special issue of up to 59,110,000 new RGT Shares to Bumiputera investors to be identified and/ or approved by MITI at an issue price to be determined later.

The Proposed Special Issue is undertaken to enable the Company to comply with the Bumiputera Equity Requirements, which require that, in the case of acquisitions which result in a significant change in business direction or policy, the Company allocate 12.5% of its enlarged issued and paid-up share capital to Bumiputera investors recognised by MITI.

This requirement comes from RGT's earlier corporate exercises announced on 18 September 2020. Given RGT's status as a profit-making entity at the time, the Company was required to meet the Bumiputera Equity Requirements since then and up till 30 June 2020. Subsequently, the SC had vide its letter dated 7 January 2025 granted an extension of time for RGT to comply with the Bumiputera Equity Requirements up to 28 October 2025.

The Board intends to undertake the Proposed Special Issue of up to 59,110,000 new RGT Shares, representing approximately 12.5% of the enlarged share capital of the Company, to Bumiputera investors to be identified and/ or approved by the MITI.

On 27 March 2025, UOBKH had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 27 March 2025, resolved to approve the listing and quotation of up to 59,110,000 new RGT Shares to be issued pursuant to the Proposed Special Issue on the Main Market of Bursa Securities, subject to the terms and conditions as set out in **Section 7** of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED SPECIAL ISSUE AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED SPECIAL ISSUE TO BE TABLED AT THE EGM. THE NOTICE OF EGM AND THE PROXY FORM ARE ENCLOSED TOGETHER WITH THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SPECIAL ISSUE TO BE TABLED AT THE EGM.

## **2. DETAILS OF THE PROPOSED SPECIAL ISSUE**

### **2.1 Size of the Proposed Special Issue**

The Proposed Special Issue will entail the issuance of up to a maximum of 59,110,000 RGT Shares representing 17.19% of the existing share capital of the Company (excluding treasury shares) to Bumiputera investors to be identified and/ or approved by MITI at an issue price to be determined later after obtaining all relevant approvals.

As at the LPD, the issued share capital of RGT is RM242.60 million comprising 343,768,083 Shares (excluding 8,727,633 treasury shares).

In addition, as at the LPD, the Company has 69,229,718 outstanding warrants in issue pursuant to a 5-year warrants issued by RGT on 28 June 2024 and expiring on 27 June 2029, which entitles its holders to subscribe for 1 new RGT Share at the exercise price of RM0.88 for each Warrant held.

For illustrative purposes, throughout this Circular, the effects of the Proposed Special Issue shall be illustrated based on the following 2 scenarios:-

**Minimum Scenario** : Assuming none of the outstanding 69,229,718 Warrants are exercised prior to the implementation of the Proposed Special Issue

**Maximum Scenario** : Assuming all of the outstanding 69,229,718 Warrants are exercised prior to the implementation of the Proposed Special Issue

Further, the Board has undertaken not to sell, cancel, transfer and/ or distribute any treasury shares until the completion of the Proposed Special Issue.

### **2.2 Basis and justification of determining the issue price(s) of the Special Issue Shares**

The Special Issue Shares will be issued based on a discount of not more than 10% to the 5-day VWAP of RGT Shares up to and including the last trading day immediately preceding the price-fixing date, to be determined and fixed by the Board at a later date after receipt of all relevant approvals for the Proposed Special Issue. The Board has not set any minimum issue price or minimum proceeds to be raised from the Proposed Special Issue.

For illustrative purposes, the illustrative issue price of the Special Issue Shares is assumed at RM0.4390 per Special Issue Share, which represents a discount of approximately 9.82% to the 5-day VWAP of RGT Shares up to and including the LPD of RM0.4868.

## 2.3 Ranking of the Special Issue Shares

The Special Issue Shares shall, upon allotment, issuance and full payment of the issue price, rank equally in all respects with the existing issued RGT Shares, save and except that the Special Issue Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the Special Issue Shares.

## 2.4 Listing and quotation for the Special Issue Shares

Bursa Securities had, vide its letter dated 27 March 2025, approved the listing and quotation of the Special Issue Shares pursuant to the Proposed Special Issue on the Main Market of Bursa Securities.

## 2.5 Allocation to placees

The Special Issue Shares will be allotted and issued to Bumiputera investors approved by the MITI, where such investor(s) shall be person(s) who/ which qualify under Schedules 6 and 7 of the Capital Markets and Services Act, 2007. The Bumiputera investors shall also be persons or corporations nominated by the MITI, and no prospectus will be issued in respect of the Proposed Special Issue.

Additionally, the Special Issue Shares will not be placed out to the following parties:-

- (i) the Directors, major shareholders or chief executive of RGT or a holding company of RGT, where applicable ("**Interested Person**");
- (ii) a person connected with an Interested Person; and
- (iii) nominee corporations, unless the names of the ultimate beneficiaries are disclosed.

The identity of Bumiputera investors and number of Special Issue Shares to be allocated will be determined and finalised later when the Proposed Special Issue is implemented.

The Proposed Special Issue may be implemented in one (1) or more tranches as Bumiputera investors may be identified and procured over a period of time depending on the prevailing equity market conditions and interest from Bumiputera investors.

## 2.6 Utilisation of proceeds

Based on the illustrative issue price of RM0.4390 per Special Issue Share and assuming the issuance of up to 49,170,000 Special Issue Shares (under Minimum Scenario) or up to 59,110,000 Special Issue Shares (under Maximum Scenario), the Proposed Special Issue is expected to raise gross proceeds of up to RM21.59 million (under Minimum Scenario) or up to RM25.95 million (under Maximum Scenario).

Based on management's estimates at this juncture, the proceeds from the Proposed Special Issue are intended to be utilised by RGT Group in the following manner:-

Details of utilisation	Timeframe for utilisation from the receipt of funds	Amount of proceeds	
		Minimum Scenario	Maximum Scenario
		RM'000	RM'000
Future viable investment/ expansion <sup>(1)</sup>	Within 24 months	20,000	20,000
General working capital <sup>(2)</sup>	Within 24 months	1,456	5,819
Defrayment of estimated expenses <sup>(3)</sup>	Upon completion	130	130
<b>Total</b>		<b>21,586</b>	<b>25,949</b>



**Notes:-**

- (1) The Group has indicatively earmarked RM20.00 million of the proceeds towards future viable expansion, for strategic initiatives that align with its growth objectives, focused on enhancing its operational capabilities and expanding its production facilities.

In order to support the establishment of dedicated assembly and production lines for new customers in the EPP segment to meet the anticipated growth in demand within the segment, the Group had on 1 November 2024 announced that its wholly-owned subsidiary, Rapid Growth Technology Sdn Bhd, had entered into a sale and purchase agreement for the acquisition of 2 pieces of land with a total land area of 125,184 square feet, comprising a piece of vacant leasehold industrial land, as well as an adjacent piece of leasehold industrial land containing a three-storey office building and a single-storey open-sided factory ("**Properties**"). As at the date of this Circular, the acquisition is pending completion, as the Properties are currently awaiting transfer to the Group. For information, the acquisition of the Properties is not subject to the approval of shareholders of RGT.

To facilitate the seamless expansion of the EPP segment, part of the proceeds from the Proposed Special Issue will be allocated towards the renovation of the acquired land and building, as well as the construction of a double-storey factory at the Properties. As at the LPD, the renovation and construction plans for the Properties are only at the preliminary stage where the detailed renovation and construction plans have not been finalised. Notwithstanding the early stage of planning, the management of RGT estimates the total cost of the renovation and construction to be approximately RM15 million at this juncture.

Barring any unforeseen circumstances, the potential renovation and construction (if it materialises) is expected to expand the Group's manufacturing capacity and enable higher production volumes. As at the LPD, the Group's total built-up area for the EPP segment stands at approximately 300,000 square feet, with a production area of approximately 166,000 square feet. The proposed renovation and construction at the Properties, if materialised, is estimated to add approximately 80,000 square feet to the built-up area of the EPP segment, including an increase of approximately 60,000 square feet to the production area. Upon completion, the Group's total built-up area for the EPP segment is expected to expand to approximately 380,000 square feet, with the production area expanding to approximately 226,000 square feet.

As part of the expansion plan of the EPP segment, a portion of the proceeds will also be allocated for the acquisition of additional Sumitomo Demag injection moulding machines and related accessories to support the growing demand from new customers in the EPP segment, as outlined in **Section 4.4** of this Circular. These machines enable precise moulding of plastic components, and expanding the fleet is expected to improve manufacturing capacity, allowing the Company to scale operations while maintaining high-quality standards to meet growing customer demand.

In the event that the abovementioned renovation and construction as well as acquisition of machineries do not materialise within the stipulated timeframe (or any extended timeframe, if applicable), the proceeds earmarked for future viable investments and business expansion shall be reallocated to the Group's general working capital. This may include, but is not limited to, administrative and overhead expenses, the breakdown of which cannot be ascertained at this juncture but will be determined by the Board at a later stage.

- (2) The Group has indicatively earmarked up to RM5.82 million (under the Maximum Scenario) to finance the day-to-day general working capital requirements of the Group, which include the following:-

<b>Working capital requirements</b>	<b>Indicative percentage allocation (%)</b>
Administrative expenses (e.g. staff salaries, medical benefits, insurance, training and travelling expenses)	90
Overhead expenses (e.g. electricity, water, internet, and other utility bills, as well as office overhead costs)	10
<b>Total</b>	<b>100</b>

(3) *The proceeds earmarked for estimated expenses in relation to the Proposed Special Issue will be utilised in the following manner:-.*

<b>Descriptions</b>	<b>RM'000</b>
<i>Professional fees (i.e. adviser, placement agent, share registrar)</i>	70
<i>Regulatory fees</i>	35
<i>Other incidental expenses in relation to the Proposed Special Issue</i>	25
<b>Total</b>	<b>130</b>

The actual gross proceeds to be raised from the Proposed Special Issue is dependent on the eventual issue price(s) and the number of Special Issue Shares to be issued. Any variation in the actual gross proceeds raised will be adjusted against the amount allocated for the general working capital of the Group.

Pending utilisation of the proceeds from the Proposed Special Issue for the above purposes, the proceeds will be placed in deposits with licensed financial institutions or short-term money market instruments, as the Board may deem fit. The interests derived from the deposits with licensed financial institutions or any gains arising from the short-term money market instruments will be used as additional working capital for the Group as described in note 2 above, the breakdown of which cannot be ascertained at this juncture but will be determined by the Board at a later stage.

## **2.7 Other fund raising exercises in the past 12 months**

On 22 February 2024, the Company announced that it proposed to undertake a bonus issue of up to 70,499,331 free warrants in RGT on the basis of 1 Warrant for every 5 consolidated shares. On 3 July 2024, the Company announced that 69,229,718 Warrants had been listed and quoted on the Main Market of Bursa Securities on even date. As at the LPD, all 69,229,718 Warrants remain outstanding and accordingly, RGT has not raised any proceeds from the exercise of the Warrants.

Save as disclosed above, the Company has not undertaken any other fund raising exercises in the past 12 months prior to the date of this Circular.

## **3. RATIONALE AND JUSTIFICATION FOR THE PROPOSED SPECIAL ISSUE**

The Proposed Special Issue is undertaken by the Company to comply with the Bumiputera Equity Requirements. In addition, the Proposed Special Issue enables the Company to raise funds to address the Group's financial needs as set out in **Section 2.6** of this Circular.

The Proposed Special Issue initially formed part of the corporate exercises undertaken by RGT on 18 September 2020, which entailed amongst others, the acquisition by RGT of the remaining 40% equity interest in Rapid Growth Technology Sdn Bhd for a purchase consideration of approximately RM124.80 million to be satisfied entirely via issuance of 283,636,363 consideration shares at an issue price of RM0.44 per consideration share to RGT Equity, being a nominee company owned by Hor Lim Chee, Ng Choon Keat, Tan Song Chai, Datuk Lim Seat Hoe and Tan Ann Chee, which were undertaken as part of a proposal which would result in a significant change in the business direction or policy, as well as a special issue of up to 147,860,000 new RGT Shares to Bumiputera investors to be identified and/ or approved by the MITI (collectively, the "**2020 Proposals**").

Pursuant to the updated regulatory FAQs pertaining to the Bumiputera Equity Requirements for public listed companies as at 1 November 2012, a corporation, in the case of acquisitions which result in a significant change in business direction or policy, is required to allocate 12.5% of its enlarged issued and paid-up share capital to Bumiputera investors to be recognised by MITI within 1 year after registering a profit or 3 years after the implementation of the proposal, whichever is the earlier.

At the point of the announcement of the 2020 Proposals on 18 September 2020, and in view that RGT was already a profit-making entity based on its audited consolidated financial statements for the FYE 30 June 2019, RGT was therefore required to comply with the Bumiputera Equity Requirements since then and up till 30 June 2020. Subsequently, the SC vide its letter dated 7 January 2025 had granted an extension of time for RGT to comply with the Bumiputera Equity Requirements up to 28 October 2025.

In this respect, the Proposed Special Issue is undertaken to enable the Company to comply with the Bumiputera Equity Requirements and to facilitate the equity participation of Bumiputera investors in RGT. In addition, the Proposed Special Issue may allow the Company to raise funds which are intended to be mainly utilised by the Group for future viable investments/ expansion and general working capital requirements of the Group, further details as set out in **Section 2.6** of this Circular.

#### **4. INDUSTRY OVERVIEW AND OUTLOOK AND FUTURE PROSPECTS OF THE GROUP**

##### **4.1 Overview and outlook of the global and Malaysian economies**

The global economy is holding steady, although the degree of grip varies widely across countries. Global GDP growth in the third quarter of 2024 was 0.1 percentage point below that predicted in the October 2024 World Economic Outlook (WEO), after disappointing data releases in some Asian and European economies.

Global disinflation continues, but there are signs that progress is stalling in some countries and that elevated inflation is persistent in a few cases. The global median of sequential core inflation has been just slightly above 2% for the past few months. Nominal wage growth is showing signs of moderation, alongside indications of continuing normalization in labour markets. Although core goods price inflation has fallen back to or below trend, services price inflation is still running above pre-COVID-19 averages in many economies, most notably the United States and the euro area.

Global growth is expected to remain stable, albeit lacklustre. At 3.3% in both 2025 and 2026, the forecasts for growth are below the historical (2000–19) average of 3.7 percent and broadly unchanged from October. The overall picture, however, hides divergent paths across economies and a precarious global growth profile. In emerging market and developing economies, growth performance in 2025 and 2026 is expected to broadly match that in 2024.

World trade volume estimates are revised downward slightly for 2025 and 2026. The revision owes to the sharp increase in trade policy uncertainty, which is likely to hurt investment disproportionately among trade-intensive firms. That said, in the baseline, the impact of heightened uncertainty is expected to be transitory. Furthermore, the front-loading of some trade flows in view of elevated trade policy uncertainty, and in anticipation of tighter trade restrictions, provides some offset in the near term.

*(Source: World Economic Outlook Update, January 2025, International Monetary Fund)*

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On 2 April 2025, US President Trump announced a minimum 10% increase on all imports to the US with significantly higher increases for many trading partners, with the 10% increase in tariffs on all countries coming into effect on 5 April 2025.

While the tariffs may cause a headache for some importers, they will be a nightmare for many exporters. The trade flows from South-East Asian economies may be especially sensitive to tariffs, having already made adjustments to trade to avoid tariffs in the past.

Even so, there are a few reasons to be optimistic about the outlook for such economies. Trade will struggle to reroute as easily this time around as the imposition of tariffs impacts exports from every country to some degree. Admittedly, the significant differences in tariff rates do create some opportunities for rerouting of trade, but these opportunities may be more difficult to find this time around. What is more, even though trade to the US will likely decline, it is likely to be accompanied by a reduction in imports from China, as rerouting of trade creates both an export and an import.

*(Source: "Liberation day tariffs set to reshape global trade flows", report by Oxford Economics, 8 April 2025)*

Donald Trump on Wednesday (10 April 2025) announced a 90-day pause to the sweeping tariffs he unleashed on all major US trading partners the previous week, triggering immediate relief on Wall Street as he backed down from a policy that threatened to upend global trade. At the same time, Trump boosted tariffs on China to 125 per cent, doubling down on his trade war with the world's second-largest economy.

Economists warn that the upheaval already created by Trump's belligerent approach to tariffs will have negative impacts as a result of the uncertainty and distrust that hangs over US trade relations.

*(Source: Press release entitled "What does Trump's tariff pause mean for global trade?", by Financial Times, 10 April 2025)*

Malaysia's economy continued its growth momentum, supported by favourable economic performance, amid persistent challenges in the external environment. This signifies the country's strong fundamentals and diversified economic activities as well as investor confidence in the domestic market, anchored by sound Government policies. Furthermore, the Ekonomi MADANI framework, which focuses on restructuring and reforming Malaysia's economic agenda, coupled with the implementation of key policy plans such as the national energy Transition Roadmap (NETR) and new Industrial Master Plan 2030 ("**NIMP 2030**"), have started to yield positive results. During the first half of 2024, the economy posted a commendable growth of 5.1% driven by robust domestic demand, combined with further expansion in exports as well as positive growth in all economic sectors. Growth is forecast to continue its momentum in the second half of the year, albeit at a moderate pace. Overall, real GDP in 2024 is revised upward, ranging between 4.8% and 5.3%, surpassing the initial target of 4% to 5%.

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For 2025, the economy is projected to grow between 4.5% and 5.5%. On the supply side, the services sector continues to uphold its position as the main driver of growth contributed by tourism activities, sustained exports and acceleration of ICT related activities. Tourism-related industries, particularly food & beverages, accommodation and retail trade segments, are expected to increase further, while the wholesale trade as well as air and water transportations segments will benefit from sustained trade-related activities. Industries such as the utilities and professional services are anticipated to rise in tandem with the acceleration of ICT development, particularly in data centres. The manufacturing sector is projected to expand further attributed to better performance in export-oriented industries, primarily the electrical & electronic ("E&E") segment, as external demand for semiconductors continues to increase.

Additionally, the domestic-oriented industries are anticipated to remain favourable in line with higher domestic consumption and investment. The construction sector is expected to rise attributed to growth in all subsectors. Prospects for the agriculture sector remain positive supported by higher production of crude palm oil (CPO) and demand from food related industries. On the contrary, the mining sector is forecast to decline marginally due to scheduled plants shutdown for maintenance purposes.

*(Source: Economic Outlook 2025, Ministry of Finance of Malaysia)*

## **4.2 Overview and outlook of the manufacturing industry**

The manufacturing sector expanded by 3.3% during the first half of 2024 on the back of higher growth of domestic-oriented industries and a stronger performance of export-oriented industries. The domestic-oriented industries saw a steady growth of 5.9%, fuelled by rising demand, mainly in non-metallic mineral products, basic metal, and fabricated products subsector, backed by robust performance in construction activities. Meanwhile, export-oriented industries recorded a growth of 2.1%, supported by an upturn in demand of the E&E segment, attributed to positive market momentum in the global semiconductor industry.

The sector is projected to grow by 4.9% in the second half of 2024, owing to strengthening domestic demand and improving performance of the external sector. Within the domestic-oriented industries, growth is expected to remain resilient, propelled by consumer-related activities, particularly in food and beverages as well as transportation segments resulting from flourishing tourism activities. In addition, output for construction-related materials such as metals and cement is anticipated to rise, following the acceleration of ongoing infrastructure projects and upcoming development activities.

Meanwhile, within the export-oriented industries, the E&E segment is expected to further improve in line with the uptrend in global electronics demand, supported by evolving innovation as well as improvement in the consumer electronics market. In addition, increasing demand for AI chips, data centres, next-generation computing, and high-performance computing applications will further boost Malaysia's semiconductor industry. Overall, the manufacturing sector is forecast to register a strong growth of 4.1% in 2024.

Amid stable global economic growth, the manufacturing sector is expected to strengthen by 4.5% in 2025, mainly driven by the implementation of major policies such as the NIMP 2030 and national semiconductor strategy ("NSS"). Both domestic- and export-oriented industries continue to uphold the sector's performance in line with resilient domestic demand and a favourable external environment. On the domestic front, production in household and consumer goods-related industries such as food, beverages, and textiles is expected to sustain. This is in line with supportive policy measures such as salary adjustments for civil servants and the EPF Flexible Account withdrawal, which will stimulate consumer spending. In addition, favourable tourist arrivals in conjunction with major international events will also spur the demand for consumer goods.

On the other hand, increasing approved and realised investments signify a positive outlook for construction activities, thereby propelling the growth in the manufacturing of construction-related materials.

The export-oriented industries are also expected to continue their growth trajectory in line with higher global demand for electronics components. The electrical, electronic, and optical products subsector is expected to accelerate further, mainly underpinned by sustained demand for intermediate products, including advanced chips, which are used in next-generation smartphones and other consumer devices. Furthermore, rising realisation of approved investment in the semiconductor industry, coupled with concerted efforts by the Government to elevate the entire high-tech ecosystem under the NSS, will provide additional support to the growth of the subsector.

*(Source: Economic Outlook 2025, Ministry of Finance of Malaysia)*

Following the post-pandemic rebound, the global projection for GDP growth has been hovering at about 3%, both in the short and the medium term. Weak growth extends beyond the disinflation period, suggesting that potential growth has been durably affected.

The picture is far from monolithic, however, and important sectoral and regional shifts underpin the stable global outlook. Relative to pre-pandemic trends, goods prices remain elevated compared with those for services, a lingering effect of the pandemic and its aftermath, which saw strong demand for goods alongside supply constraints. Consequently, behind stable growth figures, a global shift from goods to services consumption is underway.

This rebalancing is tending to boost activity in the services sector in advanced and emerging markets but is dampening manufacturing. Manufacturing production is also increasingly shifting toward emerging market economies — in particular, China and India — as advanced economies lose competitiveness.

*(Source: World Economic Outlook, October 2024, International Monetary Fund)*

#### **4.3 Overview and outlook of the semiconductor industry**

The dynamic global economic landscape and rapid technological advancements require Malaysia to keep abreast of industrial developments, necessitating the formulation of the NIMP 2030. The NIMP 2030 sets strategic initiatives designed to position Malaysia as a global leader in industrial development to elevate the manufacturing and manufacturing-related services sectors to greater heights towards capitalising on emerging global trends such as artificial intelligence (AI), advanced robotics, and electric vehicles (EVs).

The NIMP 2030 identifies electrical and electronic (E&E) as one of the priority subsectors that can generate high economic and innovation knowledge spillovers. The E&E subsector forms approximately 40% of Malaysia's exports of manufactured goods, particularly to Singapore, the US, and China. Semiconductor industries constitute 60% of total E&E exports, mostly from back-end activities. With strong capabilities and rising global market trends on technological changes, Malaysia aims to move up to higher value-added segments and strengthen both the front- and back-end semiconductor ecosystem. This article highlights updates on the semiconductor industry, including the industry's performance, challenges, as well as strategies outlined in the NIMP 2030.

Malaysia has successfully developed its homegrown champions such as Inari, Vitrox, Oppstar, Pentamaster, and SkyeChip, as part of the semiconductor global value chain. Between 2009 and 2023, the semiconductor industry continued to play a vital role in driving Malaysia's economic growth, with expansion averaging 7.7% and recording an average share of 19.5% of total exports. The industry also contributed to Malaysia's GDP with an annual average share of 4.3% over the same period. Although this contribution is relatively small, Malaysia aims to elevate the semiconductor industry through quality investments, which entail the transfer of high-value technology, talent development, and high-impact spillover activities for the nation as prioritised under the NIMP 2030.

Malaysia's strength in the semiconductor industry is concentrated in the back-end segment, particularly the assembly, packaging, and testing activities, with lower participation in the front-end segment. Hence, in expanding the semiconductor value chain, the NIMP 2030 aims towards achieving a higher value-added front-end segment and modernising the back-end segment.

### **The National Semiconductor Strategy**

The National Semiconductor Strategy (NSS) was announced in May 2024 as part of the NIMP 2030, with the aim of enhancing Malaysia's role in the global semiconductor supply chain from design to production of high-value semiconductor products. Measures taken include prioritising new investments in advanced wafer fabrication and integrated circuit design activities. The extensive initiative of the NSS highlights the nation's strong commitment towards elevating the entire high-tech industry and enhancing the workforce to greater heights. The strategy sets forth five headline targets: investment, company growth, research and development hub, training, and fiscal support.

Malaysia's semiconductor industry is at a transformative juncture, buoyed by strategic national initiatives and a forward-looking vision. Supportive national policies, such as the Ekonomi MADANI framework, including the implementation of the NIMP 2030 and NSS, underscore the Government's commitment to fortify the industry's global competitiveness and sustainability. With all these policies and action plans in place, Malaysia is well-positioned to navigate through the complexities of the global semiconductor market, drive growth, and set new benchmarks of excellence in the coming years.

*(Source: Economic Outlook 2025, Ministry of Finance of Malaysia)*

## **4.4 Future prospects of the Group**

The Group generates revenue from two principal business segments: Engineered Polymer Products (EPP) and Factory Automation and Precision Engineering (FAPE). The EPP segment primarily focuses on the design, manufacturing, and sale of high-precision engineered polymer products, including fully assembled units and related accessories. The FAPE segment is involved in the design, production, and sale of automated machinery, high-precision metal parts, components, and associated accessories.

With Malaysia's manufacturing industry projected to expand in 2025, supported by strong growth in both export-oriented and domestic-focused sectors, as outlined in **Section 4.2** of this Circular, the Group is well-positioned to capitalise on emerging opportunities within its core business areas.

To support its growth trajectory, the Group has made strategic investments totalling RM116 million in its EPP and FAPE segments over the past 5 years. These investments include the acquisition of new subsidiaries, the procurement of advanced machinery, and the expansion of production facilities.

As a result of these efforts, the Group has significantly increased its total built-up area to approximately 350,000 square feet as at the LPD, up from 170,000 square feet in 2020. This expansion has enabled the Group to accommodate new orders while maintaining optimal turnaround times. As at the LPD, the Group's production area utilisation rate is approximately 66%, with a projected increase to 80% by the end of 2025.

### **Engineered Polymer Products (EPP)**

The EPP segment remains the core of the Group's operations, contributing approximately 74% of total revenue for the FYE 30 June 2024. Despite ongoing challenges in the business environment, the segment has experienced positive momentum. Notably, the Group has secured new customers in the hygiene and air-care products and is expected to commence mass production by end of calendar year 2025. As at the LPD, mass production has not commenced yet, and the Group is in the pipeline for mass production preparation including mould fabrication, hiring manpower and setting up automation facilities. This marks a significant step forward in expanding the Company's customer base and reinforcing its market position.

Additionally, to support new customers, dedicated assembly lines will be established separately from the current production line. This will ensure the production process remains efficient and tailored to the specific requirements of these products. As a result, the EPP segment's production area utilisation rate, which was 59% as at LPD, is projected to increase to 72% by end of 2025.

### **Factory Automation and Precision Engineering (FAPE)**

In the FAPE segment, the Group has secured new projects from both existing and new customers, particularly within the hard disk drive, semiconductor and medical/healthcare industry. Additionally, the Group has received several requests for quotations from prospective customers.

Looking ahead, both the EPP and FAPE segments are poised to benefit from the favorable outlook for the semiconductor industry, as detailed in **Section 4.3** of this Circular.

Premised on the above, and barring any unforeseen circumstances, the Board is of the view that the Group's financial performance moving forward is expected to be positive. The Board will continue to monitor and review the performance and progress of the Group's operations and financial performance, and to introduce measures to enhance the Group's financials, if required.

*(Source: Management of RGT)*

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## 5. EFFECTS OF THE PROPOSED SPECIAL ISSUE

### 5.1 Issued share capital

The pro forma effects of the Proposed Special Issue on the issued share capital of the Company as at the LPD are as follows:-

	Minimum Scenario		Maximum Scenario	
	No. of Shares	RM'000	No. of Shares	RM'000
Existing as at the LPD (excluding treasury shares)	343,768,083	242,600	343,768,083	242,600
Assuming full conversion of outstanding Warrants	-	-	69,229,718	60,922
	343,768,083	242,600	412,997,801	303,522
Proposed Special Issue	49,170,000	21,586	59,110,000	25,949
<b>Enlarged share capital</b>	<b>392,938,083</b>	<b>264,186</b>	<b>472,107,801</b>	<b>329,471</b>

### 5.2 NA per Share and gearing level

Based on the latest audited financial statements of RGT Group as at 30 June 2024, the proforma effects of the Proposed Special Issue on the consolidated NA per Share and gearing of the Group are set out below:-

#### Minimum Scenario

	Audited as at 30 June 2024	As at the LPD <sup>(1)</sup>	After Proposed Special Issue
	RM'000	RM'000	RM'000
Share capital	248,609	248,609	270,195
Treasury shares	(4,721)	(6,009)	(6,009)
Consolidation reserve	(121,610)	(121,610)	(121,610)
Retained profits	23,962	23,962	23,832 <sup>(2)</sup>
<b>Shareholders' equity/ NA</b>	<b>146,240</b>	<b>144,952</b>	<b>166,408</b>
No. of Shares in issue (excluding treasury shares) ('000)	345,827	343,768	392,938
NA per Share (RM)	0.42	0.42	0.42
Borrowings	59,798	59,798	59,798
Gearing (times)	0.41	0.41	0.36

#### Maximum Scenario

	Audited as at 30 June 2024	As at the LPD <sup>(1)</sup>	Assuming full conversion of outstanding Warrants	After Proposed Special Issue
	RM'000	RM'000	RM'000	RM'000
Share capital	248,609	248,609	309,531 <sup>(3)</sup>	335,480
Treasury shares	(4,721)	(6,009)	(6,009)	(6,009)
Consolidation reserve	(121,610)	(121,610)	(121,610)	(121,610)
Retained profits	23,962	23,962	23,962	23,832 <sup>(2)</sup>
<b>Shareholders' equity/ NA</b>	<b>146,240</b>	<b>144,952</b>	<b>205,874</b>	<b>231,693</b>
No. of Shares in issue (excluding treasury shares) ('000)	345,827	343,768	412,998	472,108
NA per Share (RM)	0.42	0.42	0.50	0.49
Borrowings	59,798	59,798	59,798	59,798
Gearing (times)	0.41	0.41	0.29	0.26

**Notes:-**

- (1) *From 1 July 2024 up until the LPD, the Company has acquired a total of 2,058,600 treasury shares at an aggregate purchase price of RM1.29 million*
- (2) *After taking into account the estimated expenses of RM0.13 million*
- (3) *Assuming the full exercise of 69,229,718 Warrants at the illustrative exercise price of RM0.88 each*

**5.3 Earnings and EPS**

The Proposed Special Issue is not expected to have any material effect on the earnings and EPS of RGT Group for the FYE 30 June 2025. However, there may be a corresponding dilution in the EPS of the Company as a result of the increase in the number of Shares issued pursuant to the Proposed Special Issue.

The Proposed Special Issue is expected to contribute positively to the future earnings of RGT Group when the benefits from the utilisation of proceeds to be raised from the Proposed Special Issue as set out in **Section 2.6** of this Circular are realised.

**5.4 Convertible securities**

Save for the outstanding Warrants, the Company does not have any outstanding convertible securities as at the LPD.

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## 5.5 Substantial shareholding structure

The pro forma effects of the Proposed Special Issue on the shareholdings of the substantial shareholders of RGT as at the LPD are as follows:-

### Minimum Scenario

Substantial shareholders	Shareholdings as at the LPD				After the Proposed Special Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(2)</sup>	No. of Shares	% <sup>(2)</sup>
RGT Equity	89,200,000	25.95	-	-	89,200,000	22.70	-	-
Datuk Lim Seat Hoe	6,120,000	1.78	89,200,000 <sup>(5)</sup>	25.95	6,120,000	1.56	89,200,000 <sup>(5)</sup>	22.70
Hor Lim Chee	22,666,666	6.59	97,826,666 <sup>(6)</sup>	28.46	22,666,666	5.77	97,826,666 <sup>(6)</sup>	24.90
Tan Song Chai	11,384,933	3.31	95,408,333 <sup>(6)</sup>	27.75	11,384,933	2.90	95,408,333 <sup>(6)</sup>	24.28
Ng Choon Keat	14,233,333	4.14	92,575,000 <sup>(7)</sup>	26.93	14,233,333	3.62	92,575,000 <sup>(7)</sup>	23.56
See Teck Wah	6,163,070	1.79	33,485,190 <sup>(8)</sup>	9.74	6,163,070	1.57	33,485,190 <sup>(8)</sup>	8.52
See Han Liong	1,855,310	0.54	37,792,950 <sup>(8)</sup>	10.99	1,855,310	0.47	37,792,950 <sup>(8)</sup>	9.62
See Seng Hong	1,167,666	0.34	18,650,264 <sup>(9)</sup>	5.43	1,167,666	0.30	18,650,264 <sup>(9)</sup>	4.75

### Maximum Scenario

Substantial shareholders	Shareholdings as at the LPD				Assuming full conversion of outstanding Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(3)</sup>	No. of Shares	% <sup>(3)</sup>
RGT Equity	89,200,000	25.95	-	-	107,040,000	25.92	-	-
Datuk Lim Seat Hoe	6,120,000	1.78	89,200,000 <sup>(5)</sup>	25.95	7,320,000	1.77	107,040,000 <sup>(5)</sup>	25.92
Hor Lim Chee	22,666,666	6.59	97,826,666 <sup>(6)</sup>	28.46	27,199,999	6.59	117,391,999 <sup>(6)</sup>	28.42
Tan Song Chai	11,384,933	3.31	95,408,333 <sup>(6)</sup>	27.75	13,661,919	3.31	114,489,999 <sup>(6)</sup>	27.72
Ng Choon Keat	14,233,333	4.14	92,575,000 <sup>(7)</sup>	26.93	17,079,999	4.14	111,090,000 <sup>(7)</sup>	26.90
See Teck Wah	6,163,070	1.79	33,485,190 <sup>(8)</sup>	9.74	7,395,683	1.79	40,182,227 <sup>(8)</sup>	9.73
See Han Liong	1,855,310	0.54	37,792,950 <sup>(8)</sup>	10.99	2,226,372	0.54	45,351,538 <sup>(8)</sup>	10.98
See Seng Hong	1,167,666	0.34	18,650,264 <sup>(9)</sup>	5.43	1,401,199	0.34	22,380,316 <sup>(9)</sup>	5.42

Substantial shareholders	After the Proposed Special Issue			
	Direct		Indirect	
	No. of Shares	% <sup>(4)</sup>	No. of Shares	% <sup>(4)</sup>
RGT Equity	107,040,000	22.67	-	-
Datuk Lim Seat Hoe	7,320,000	1.55	107,040,000 <sup>(5)</sup>	22.67
Hor Lim Chee	27,199,999	5.76	117,391,999 <sup>(6)</sup>	24.87
Tan Song Chai	13,661,919	2.89	114,489,999 <sup>(6)</sup>	24.25
Ng Choon Keat	17,079,999	3.62	111,090,000 <sup>(7)</sup>	23.53
See Teck Wah	7,395,683	1.57	40,182,227 <sup>(8)</sup>	8.51
See Han Liong	2,226,372	0.47	45,351,538 <sup>(8)</sup>	9.61
See Seng Hong	1,401,199	0.30	22,380,316 <sup>(9)</sup>	4.74

**Notes:-**

- (1) *Based on the total issued shares of 343,768,083 in RGT (excluding 8,727,633 treasury shares)*
- (2) *Based on the total issued shares of 392,938,083 in RGT (excluding 8,727,633 treasury shares) after the Proposed Special Issue under the Minimum Scenario*
- (3) *Based on the total issued shares of 412,997,801 in RGT (excluding 8,727,633 treasury shares) assuming the full conversion of 69,229,718 outstanding warrants under the Maximum Scenario*
- (4) *Based on the total issued shares of 472,107,801 in RGT (excluding 8,727,633 treasury shares) after the Proposed Special Issue under the maximum scenario*
- (5) *Deemed interested under Section 8(4) of the Act by virtue of his shareholding in RGT Equity*
- (6) *Deemed interested under Section 8(4) of the Act by virtue of their shareholdings in Vertical Portal Sdn Bhd and RGT Equity, and under Section 59(11)(c) of the Act pursuant to the interest of their spouse and/ or child*
- (7) *Deemed interested under Section 8(4) of the Act by virtue of his shareholding in Vertical Portal Sdn Bhd and RGT Equity*
- (8) *Deemed interested under Section 8(4) of the Act by virtue of their shareholdings in Pahangply Holdings Berhad, See Seng Lai & Sons Realty Sdn Bhd, Prime Forest Products (M) Sdn Bhd, NGE Leasing & Credit Sdn Berhad, Nanyang General Enterprises Sdn Bhd, Nanyang Timber Industry Sdn Berhad and Far East Navigation (Malaysia) Sdn Berhad, and under Section 59(11)(c) of the Act pursuant to the interest of their spouse and/ or child*
- (9) *Deemed interest pursuant to Section 8(4) of the Act by virtue of his shareholding in Pahangply Holdings Bhd, NGE Leasing & Credit Sdn Berhad, Nanyang General Enterprises Sdn Bhd, Nanyang Timber Industry Sdn Berhad and Far East Navigation (Malaysia) Sdn Berhad*

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## 6. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of RGT Shares for the past 12 months from the date of this Circular as traded on Bursa Securities from April 2024 to March 2025 are as follows:-

	High RM	Low RM
<b>2024</b>		
April	0.960	0.660
May	1.035	0.825
June	0.970	0.780
July	0.845	0.675
August	0.740	0.575
September	0.620	0.560
October	0.600	0.520
November	0.585	0.500
December	0.620	0.485
<b>2025</b>		
January	0.595	0.540
February	0.595	0.530
March	0.555	0.455

Last transacted market price as at 12 February 2025 (being the latest trading day prior to the announcement of the Proposed Special Issue) 0.570

Last transacted market price as at the LPD 0.500

(Source: Bloomberg)

## 7. APPROVALS REQUIRED/ OBTAINED AND CONDITIONALITY

The Proposed Special Issue is subject to the following approvals:-

- (i) Bursa Securities, for which the approval for the listing and quotation for the Special Issue Shares on the Main Market of Bursa Securities was obtained vide its letter dated 27 March 2025, subject to the following conditions:-

Conditions	Status of compliance
(a) RGT and UOBKH must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Special Issue;	To be complied
(b) UOBKH to inform Bursa Securities upon the completion of the Proposed Special Issue;	To be complied
(c) UOBKH to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Special Issue is completed;	To be complied
(d) RGT and UOBKH to furnish Bursa Securities with a certified true copy of the resolution passed by shareholders in general meeting approving the Proposed Special Issue prior to the listing and quotation of the Special Issue Shares	To be complied

- (ii) SC, for approving the resultant equity structure of RGT pursuant to the Proposed Special Issue under the equity requirement for public listed companies.

The SC had vide its letter dated 7 January 2025 approved the resultant equity structure of RGT pursuant to the Proposed Special Issue under the equity requirement for public listed companies;

- (iii) the shareholders of RGT for the Proposed Special Issue and the waiver of their pre-emptive rights under Section 85(1)<sup>\*1</sup> of the Act read together with Clause 62 of the Constitution of the Company to be offered new RGT Shares to be issued pursuant to the Proposed Special Issue at the forthcoming EGM of the Company, which will result in a dilution of their shareholding percentage in the Company;
- (iv) MITI, for identifying and/ or approving Bumiputera investors for the Company to implement the Proposed Special Issue.

The MITI had vide its letter dated 16 January 2025, taken note of the Proposed Special Issue to comply with the Bumiputera Equity Requirements and has no objection on the Proposed Special Issue; and

- (v) any other relevant authority, if required.

The Proposed Special Issue is not conditional upon any other proposals undertaken or to be undertaken by the Company.

**Note:-**

<sup>\*1</sup> Section 85(1) of the Act provides that:-

*"Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders."*

Clause 62 of the Constitution of the Company states that:-

*"Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled."*

*The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new share or security which (by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution."*

In view of the provisions of the Act and the Constitution, the Company would be required to seek the necessary shareholders' approval for the waiver of the pre-emptive rights provided by Section 85 of the Act and Clause 62 of the Constitution to undertake any issuance of new Shares, including the Proposed Special Issue. As such, the waiver of such pre-emptive rights by the shareholders of RGT will be tabled for shareholders' approval at the forthcoming EGM.

The resolution for the waiver of such pre-emptive rights by the shareholders of RGT, will exclude the shareholders' pre-emptive rights to be offered the Special Issue Shares pursuant to the Proposed Special Issue, and will consequently result in a dilution of the shareholders' shareholdings in the Company.

## **8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/ OR PERSONS CONNECTED WITH THEM**

None of the Directors, major shareholders, chief executive of RGT and/ or persons connected with them have any interest, whether direct or indirect, in the Proposed Special Issue.

## 9. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the Proposed Special Issue, including the rationale and justification and the effects of the Proposed Special Issue, is of the opinion that the Proposed Special Issue is in the best interest of the Company.

Accordingly, the Board recommends that you **VOTE IN FAVOUR** of the ordinary resolution pertaining to the Proposed Special Issue at the EGM.

## 10. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposed Special Issue is expected to be completed by the fourth quarter of calendar year 2025.

The tentative timetable for the Proposed Special Issue is set out below:-

Date	Events
15 May 2025	<ul style="list-style-type: none"><li>• Convening of EGM to obtain the approval from shareholders of RGT</li></ul>
End of May	<ul style="list-style-type: none"><li>• Identification and/ or approval of Bumiputera investors by MITI for the implementation of the Proposed Special Issue</li></ul>
End of September	<ul style="list-style-type: none"><li>• Listing and quotation for the Special Issue Shares</li><li>• Bumiputera Equity Condition met</li></ul>

## 11. PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save as disclosed below, and for the Proposed Special Issue, the Board is not aware of any other outstanding proposals, which have been announced but not yet completed prior to the printing of this Circular.

On 1 November 2024, the Company announced that Rapid Growth Technology Sdn Bhd, a wholly owned subsidiary of RGT, had on even date, entered into a sale and purchase agreement with Permai Gas Sdn Bhd for the acquisition of two parcels of land and building for a total consideration of RM16,800,000. As at the date of this Circular, the acquisition is pending completion, as the Properties are currently awaiting transfer to the Group.

## 12. EGM

The EGM, the notice of which is enclosed in this Circular, which will be held at The Executive Room, RGT Berhad, No. 1032, Jalan Perindustrian Bukit Minyak, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Pulau Pinang, Malaysia on Thursday, 15 May 2025 at 10.00 am or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification, the resolution to give effect to the Proposed Special Issue.

If you are unable to attend, participate, speak and vote at the EGM, you may appoint a proxy or proxies to attend, participate, speak and vote on your behalf. In such event, the Proxy Form must be lodged at the Company's Share Registrar's office at Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or email to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com) not less than forty-eight (48) hours before the time for holding the EGM or at any adjournment thereof. The lodging of the Proxy Form shall not preclude you from attending, participating, speaking and voting in person at the EGM should you subsequently wish to do so.

**13. FURTHER INFORMATION**

Shareholders are advised to refer to the **Appendix I** set out in this Circular for further information.

Yours faithfully,  
For and on behalf of the Board of  
**RGT BERHAD**

**DATO' IR. LOW KENG KOK**  
Independent Non-Executive Chairman



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**APPENDIX I – FURTHER INFORMATION**

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**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Board, and the Directors collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

**2. CONSENT**

UOBKH, being the Adviser and the Placement Agent for the Proposed Special Issue, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

**3. DECLARATION OF CONFLICT OF INTEREST**

UOBKH has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Adviser and Placement Agent to RGT for the Proposed Special Issue.

**4. MATERIAL COMMITMENTS**

Save as disclosed below, as at the LPD, the Board confirms that there are no material commitments incurred or known to be incurred by the Group that has not been provided for which, upon becoming enforceable, may have a material impact on the Group's financial results/ position:-

	<b>RM'000</b>
Acquisition of property, plant and equipment	15,259

**5. CONTINGENT LIABILITIES**

As at the LPD, the Board is not aware of any contingent liabilities incurred or known to be incurred by the Group which, upon becoming enforceable, may have a material impact on the financial results/ position of the Group.

**6. MATERIAL LITIGATION, CLAIMS OR ARBITRATION**

As at the LPD, the Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board is not aware and has no knowledge of any proceedings pending or threatened against the Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the financial position or business of the Group.

**7. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of the Company at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Penang during normal business hours from Monday to Friday (except public holidays) from the date of this Circular up to the date of the forthcoming EGM of the Company:-

- i. the Constitution of the Company;
- ii. the audited consolidated financial statements of the Group for the past 2 financial years up to the FYE 30 June 2024 and the latest unaudited quarterly financial results of the Group for the 6-month FPE 31 December 2024; and
- iii. the letters of consent and declaration of conflict of interest referred to in **Sections 2** and **3** above, respectively.

<b>THE REST OF THIS PAGE HAD BEEN INTENTIONALLY LEFT BLANK</b>
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**RGT BERHAD**

Registration No. 198101004909 (71024-T)  
(Incorporated in Malaysia)

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the Extraordinary General Meeting ("**EGM**") of RGT Berhad ("**RGT**" or the "**Company**"), which will be held at The Executive Room, RGT Berhad, No. 1032, Jalan Perindustrian Bukit Minyak, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Pulau Pinang, Malaysia on Thursday, 15 May 2025 at 10.00 am, or at any adjournment thereof, for the purpose of considering and if thought fit, passing the following resolution with or without modifications:-

**ORDINARY RESOLUTION**

**PROPOSED SPECIAL ISSUE OF UP TO 59,110,000 SPECIAL ISSUE SHARES TO BUMIPUTERA INVESTORS TO BE IDENTIFIED AND/ OR APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY ("MITI") ("PROPOSED SPECIAL ISSUE")**

"**THAT** subject to the approvals of all relevant authorities being obtained, approval be and is hereby given to the Board of Directors of RGT ("**Board**") to allot and issue up to 59,110,000 new ordinary shares in RGT ("**RGT Share(s)**") ("**Special Issue Share(s)**"), representing 17.19% of the existing total number of issued shares of RGT to Bumiputera investors to be identified and/ or approved by the MITI at an issue price to be determined later upon such terms and conditions as disclosed in the circular to the shareholders of the Company dated 14 April 2025 ("**Circular**");

**THAT** approval be and is hereby given to the Board to determine the issue price for each tranche of the Special Issue Shares at a later date based on not more than 10% discount to the 5-day volume weighted average market price of the RGT Shares immediately preceding the price-fixing date;

**THAT** the Special Issue Shares will, upon allotment and issuance, rank equally in all respects with the existing RGT Shares, save and except that the Special Issue Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the Special Issue Shares;

**THAT** pursuant to Section 85 of the Companies Act 2016 and read together with Clause 62 of the Constitution of RGT, approval be given to waive the pre-emptive rights of the shareholders of RGT to be offered new RGT Shares ranking equally to the existing issued RGT Shares arising from any issuance of new RGT Shares pursuant to the Proposed Special Issue. Subsequent to the passing of this resolution, if this paragraph is or is found to be in any way void, invalid or unenforceable, then this paragraph shall be ineffective to the extent of such voidness, invalidity or unenforceability and the remaining provisions of this resolution shall remain in full force and effect;

**AND THAT** the Board be and is hereby empowered and authorised to sign, execute, deliver and cause to be delivered on behalf of the Company all such documents and/ or arrangements as may be necessary, and to do all acts, deeds and things as may be required to give effect to and to complete the Proposed Special Issue with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps to enter into all such agreement, arrangement, undertaking, indemnities, transfer, assignment and guarantee with any party or parties and to do all acts and things in any manner as the Board may deem necessary or expedient to implement, finalise and give full effect to and to complete the Proposed Special Issue."

BY ORDER OF THE BOARD,  
**RGT BERHAD**

ONG TZE-EN (MAICSA 7026537) (SSM PC No. 202008003397)  
Company Secretary

Penang, Malaysia  
14 April 2025

**Notes:-**

1. A proxy may but need not be a member of the Company ("**Member**").
2. The instrument appointing a proxy shall be deposited at the Company's Share Registrar's office at Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5 Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or submitted via facsimile at 03-7890 4670 or emailed to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com), not less than forty-eight (48) hours before the time set for holding the EGM or any adjournment thereof.
3. A Member entitled to attend, participate, speak and vote at the EGM is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote instead of him. Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. Where a Member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
5. If the appointor is a corporation, the Proxy Form must be executed under the corporation's Common Seal or under the hand of an officer or attorney duly authorised.
6. In respect of deposited securities, only Members whose names appear on the Record of Depositors on 8 May 2025 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote in his/her behalf.



**RGT Berhad**

Registration No. 198101004909 (71024-T)  
(Incorporated in Malaysia)

## PROXY FORM

CDS Account No.	No. of Shares held

I/We \_\_\_\_\_  
(Full Name in Block Letters and NRIC No./Passport No./Registration No.)  
of \_\_\_\_\_ and \_\_\_\_\_  
(Address) (Tel.No./Email Address)

being a member/members of **RGT BERHAD** ("**RGT**" or the "**Company**"), hereby appoint

Full Name and Address (in Block Letters)	NRIC No./Passport No.	No. of Shares	% of Shareholding

\* and/or (\*delete if not applicable)

Full Name and Address (in Block Letters)	NRIC No./Passport No.	No. of Shares	% of Shareholding

as \*my/our \*proxy/proxies to vote for \*me/us on \*my/our behalf at the Extraordinary General Meeting ("**EGM**") of the Company, to be held at The Executive Room, RGT Berhad, No. 1032, Jalan Perindustrian Bukit Minyak, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Pulau Pinang, Malaysia on Thursday, 15 May 2025 at 10.00 am or at any adjournment thereof.

Please indicate with an "x" in the appropriate space(s) provided below on how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain from voting at \*his/her discretion.

Ordinary Resolution	For	Against
Proposed Special Issue		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

Signature of Member/Common Seal

\* Strike out whichever is not desired.

[Unless otherwise instructed, the proxy may vote as he/she thinks fit]

### Notes:-

1. A proxy may but need not be a member of the Company ("**Member**").
2. The instrument appointing a proxy shall be deposited at the Company's Share Registrar's office at Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5 Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or submitted via facsimile at 03-7890 4670 or emailed to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com), not less than forty-eight (48) hours before the time set for holding the EGM or at any adjournment thereof.
3. A Member entitled to attend, participate, speak and vote at the EGM is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote instead of him. Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. Where a Member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
5. If the appointor is a corporation, the Proxy Form must be executed under the corporation's Common Seal or under the hand of an officer or attorney duly authorised.
6. In respect of deposited securities, only Members whose names appear on the Record of Depositors on 8 May 2025 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote in his/her behalf.

### Personal Data Privacy:-

By submitting the duly executed Proxy Form or instrument appointing a proxy(ies) to attend, speak and/or vote at the EGM, the Member and his/her proxy(ies) give consent to the Company and/or its agents/service providers to collect, use and disclose the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the EGM and at any adjournment thereof.

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AFFIX  
STAMP

The Share Registrar  
**RGT Berhad**  
Registration No. 198101004909 (71024-T)  
  
11th Floor, Menara Symphony  
No. 5, Jalan Professor Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia

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