

Impact on Shareholding Structure Upon Completion of the Offering

As at the date of this offering, the shareholding structure of Lewre Holdings Sdn Bhd is as follows:-

| Shareholders | Ordinary Shares | Convertible Preference Shares (CPS) & Redeemable Convertible Preference Shares (RCPS) | TOTAL | % |
|-----------------------------------------------------------|------------------------|--------------------------------------------------------------------------------------------------|--------------|-------------|
| Dato' Lew Fong Voon | 50,000 | | 50,000 | 6.25% |
| Datin In Kwee Chin | 550,000 | | 550,000 | 68.75% |
| Dickson Lew Zhang Wei | 100,000 | | 100,000 | 12.50% |
| Goh Chin Aik | 50,000 | | 50,000 | 6.25% |
| AG Capital Worldwide Ltd | 50,000 | | 50,000 | 6.25% |
| Her Royal Highness Sultanah Kalsom Istana Abu Bakar (CPS) | | 166,000 | 166,000 | |
| Khoo Su-Lin (CPS) | | 34,000 | 34,000 | |
| Pang Shiou Fui (RCPS) | | 40,000 | 40,000 | |
| TOTAL | 800,000 | 240,000 | | 100% |

The CPS is convertible into ordinary shares on 1:1 basis ie. One (1) Ordinary Shares for every CPS.

Upon full issuance of the maximum new ordinary shares offered of 36,363 ordinary shares, the shareholding structure of Lewre Holdings Sdn Bhd shall be as follows:-

| Shareholders | Ordinary Shares | CPS & RCPS | TOTAL | % |
|-----------------------------------------------------------|------------------------|-----------------------|----------------|--------------|
| Dato' Lew Fong Voon | 50,000 | | 50,000 | 5.98% |
| Datin In Kwee Chin | 550,000 | | 550,000 | 65.76% |
| Dickson Lew Zhang Wei | 100,000 | | 100,000 | 11.96% |
| Goh Chin Aik | 50,000 | | 50,000 | 5.98% |
| AG Capital Worldwide Ltd | 50,000 | | 50,000 | 5.98% |
| ECF Investors | 36,364 | | 36,364 | 4.35% |
| Her Royal Highness Sultanah Kalsom Istana Abu Bakar (CPS) | | 166,000 | | |
| Khoo Su-Lin (CPS) | | 34,000 | | |
| Pang Shiou Fui (RCPS) | | 40,000 | | |
| TOTAL | 836,364 | 240,000 | 836,364 | 100% |

Existing Shareholders of Convertible Preference Shares (CPS) & Redeemable Convertible Preference Shares (RCPS) and The Impact Upon Full Conversion

As the date of the offering, the existing shareholders have extended a total of 200,000 CPS issuance to Her Royal Highness Sultanah Kalsom Istana Abu Bakar and Khoo Su-Lin amounting to RM4,120,000 (Par Value of RM0.01 at Premium of RM 20.59 per share).

In addition, the shareholders have also extended a total of 40,000 RCPS issuance to Phang Shiou Fui amounting to RM2,000,000 (Par Value of RM 0.01 at Premium of RM 49.99 per share)

Details of the Convertible Preference Shares are as follows:-

| Shareholders | Preference Shares at Par Value of RM0.01 | Subscribed Value RM |
|-----------------------------------------------------------|------------------------------------------|---------------------|
| Her Royal Highness Sultanah Kalsom Istana Abu Bakar (CPS) | 166,000 | 3,419,600 |
| Khoo Su-Lin (CPS) | 34,000 | 700,400 |
| Pang Shiou Fui (RCPS) | 40,000 | 2,000,000 |
| TOTAL | 240,000 | 6,120,000 |

The Key Terms of the **Convertible Preference Shares** are as follows:-

The respective Shareholder's Subscription Agreement provides the condition and timing of the conversion of the Convertible Preference Shares (CPS) into Ordinary Shares of Lewre Holdings Sdn Bhd

- The Company shall convert the CPS into ordinary shares at the stipulated Conversion ratio upon the Initial Public Offering (IPO) of the shares of the Company
- Conversion ratio for CPS: All CPS shall be converted into Ordinary Shares of the Company on a one Ordinary Share for one CPS share basis provided that the converted ordinary shares of the holders of CPS in the company shall not in any event be more than 20% of the total enlarged ordinary shares of the Company.
- The CPS shall rank equally in all respects with the other preference shares of the Company, but in priority to ordinary sales by way of Liquidation Preference.
- Subject to the provisions of laws, the holders of the CPS shall be entitled to receive the same dividends as may be payable to holders of other classes of shares in the company. The company shall not pay any dividends to the holders of the other classes of shares until the payable to the holders of CPS, if any, are duly paid.

The Key Terms of the **Redeemable Convertible Preference Shares** are as follows:-

The respective Shareholder's Subscription Agreement provides the condition and timing of the conversion and redemption of the Redeemable Convertible Preference Shares (RCPS) into Ordinary Shares of Lewre Holdings Sdn Bhd

- The Company shall convert the RCPS into ordinary shares at the stipulated Conversion ratio upon the Initial Public Offering (IPO) of the shares of the Company.
- Conversion ratio for RCPS : The RCPS shall be converted into ordinary shares of the Company which is equivalent to 4% of the enlarged share capital of the Company based on the agreed valuation for the Company of RM 50,000,000. In the event the valuation **during an IPO** is on a different basis, the conversion ratio shall be *adjusted* proportionately.
- The RCPS shall rank equally in all respects with the other preference shares of the Company, but in priority to ordinary sales by way of Liquidation Preference
- The company may redeem the RCPS at the Subscription Price by issuing a redemption notice to the holder of RCPS.
- Subject to the provisions of laws, the holder of the RCPS shall be entitled to receive the same dividends as may be payable to holders of other classes of shares in the company. The company shall not pay any dividends to the holders of the other classes of shares until the payable to the holders of the preference shares, if any, are duly paid.

Liquidation Preference for CPS & RCPS:

- In the event of dissolution, winding-up or liquidation of the company, the holders of CPS shall have priority in repayment over Subscription Price and unpaid dividends over the holders of ordinary shares. thereafter, the holders of CPS shall not be entitle to any participation right on the surplus of the company.

Conversion of CPS and RCPS to Ordinary Shares

| | US\$ | RM | % to be Converted | New Ordinary Shares |
|--------------------------------------------------------------------|------|----|-------------------|---------------------|
| Her Royal Highness Sultanah Kalsom Istana Abu Bakar (<i>CPS</i>) | | | 11.57% | 166,000 |
| Khoo Su-Lin (<i>CPS</i>) | | | 2.37% | 34,000 |
| Pang Shiou Fui (<i>RCPS</i>) | | | 2.79% | 40,000 |
| TOTAL | | | | 240,000 |

Shareholding Structure Upon Full Conversion to Ordinary Shares

| | Shareholdings Prior to Conversion | | Shareholdings After Conversion | |
|--------------------------------------------------------------------|-----------------------------------|---------------|--------------------------------|----------------|
| | % | Shares | Shares | % |
| Dato' Lew Fong Voon | 5.98% | 50,000 | 50,000 | 3.48% |
| Datin In Kwee Chin | 65.76% | 550,000 | 550,000 | 38.32% |
| Dickson Lew Zhang Wei | 11.96% | 100,000 | 100,000 | 6.97% |
| Goh Chin Aik | 5.98% | 50,000 | 50,000 | 3.48% |
| AG Capital Worldwide Ltd | 5.98% | 50,000 | 50,000 | 3.48% |
| ECF Investors | 4.35% | 36,364 | 36,364 | 2.53% |
| Her Royal Highness Sultanah Kalsom Istana Abu Bakar (<i>CPS</i>) | | 166,000 | 166,000 | 11.57% |
| Khoo Su-Lin (<i>CPS</i>) | | 34,000 | 34,000 | 2.37% |
| Pang Shiou Fui (<i>RCPS</i>) | | 40,000 | 40,000 | 2.79% |
| Public Investors (IPO)** | | | 358,788 | 25.00% |
| TOTAL | 100.00 | | 1,435,152 | 100.00% |

** The above are ***for illustration only*** and are based on the assumptions that all CPS and RCPS will be converted to Ordinary Shares upon IPO.

The issuer plans for an IPO of its shares in the future. The illustration above is based on the following assumptions :-

Assumptions that:

- The CPS and RCPS will convert to Ordinary Shares and be diluted accordingly.
- Valuation of company's stand at RM150 million
- The total new shares to be offered to the Public: 25%
- IPO price of RM105 per share
- The RCPS conversion value was adjusted to the IPO share price in the exercise above at the valuation of RM 150 million.

