

## 4. PARTICULARS OF OUR IPO

### 4.1 INDICATIVE TIMETABLE

The following events are intended to take place on the following tentative dates:

Events	Tentative Dates
Opening of the Institutional Offering	[•]
Issuance of Prospectus / Opening of the Retail Offering	[•]
Closing of the Retail Offering	[•]
Closing of the Institutional Offering	[•]
Price Determination Date	[•]
Balloting of applications for our IPO Shares under the Retail Offering	[•]
Allotment / Transfer of our IPO Shares to successful Applicants	[•]
Listing on the Main Market of Bursa Securities	[•]

In the event there is any change to the indicative timetable above, we will advertise the notice of changes in a widely circulated English and Bahasa Malaysia daily newspapers in Malaysia.

### 4.2 DETAILS OF OUR IPO

Our IPO is subject to the terms and conditions of this Prospectus. Upon acceptance, our IPO Shares are expected to be allocated in the manner described below, subject to the clawback and reallocation provisions as set out in Section 4.2.3 of this Prospectus.

#### 4.2.1 Institutional Offering

The Institutional Offering involves the offering of up to 275,209,400 IPO Shares at the Institutional Price, representing approximately 30.93% of our enlarged issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.2.3 of this Prospectus, at the Institutional Price in the following manner:

- (i) up to 157,000,000 Offer Shares, representing 17.64% of our enlarged issued Shares will be offered to institutional and selected investors; and
- (ii) up to 118,209,400 Issue Shares, representing 13.29% of our enlarged issued Shares will be offered to institutional and selected investors, including Bumiputera investors approved by MITI.

**4. PARTICULARS OF OUR IPO (Cont'd)****4.2.2 Retail Offering**

Our Company is offering 38,933,500 Issue Shares, representing 4.37% of our enlarged issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.2.3 of this Prospectus, at the Retail Price to be allocated in the following manner:

**(a) Malaysian Public**

17,796,200 Issue Shares, representing 2.00% of our enlarged issued Shares, are available for application by the Malaysian Public via balloting, of which at least 8,898,100 Issue Shares, representing 1.00% of our enlarged issued Shares is to be set aside strictly for Bumiputera investors. Any Issue Shares not subscribed for by such Bumiputera investors will be made available for application by other Malaysia investors under the Retail Offering.

**(b) Eligible Persons**

21,137,300 Issue Shares, representing 2.37% of our enlarged issued Shares are reserved for application by the Eligible Persons, subject to the clawback and reallocation provisions as set out in Section 4.2.3 of this Prospectus, in the following manner:

<b>Eligibility</b>	<b>No. of persons</b>	<b>Aggregate number of Issue Shares allocated</b>
Our Directors <sup>(1)</sup>	4	1,600,000
Employees <sup>(2)</sup>	2,937	16,328,000
Persons who have contributed to the success of our Group <sup>(3)</sup>	Up to 50	3,209,300
<b>Total</b>	<b>Up to 2,991</b>	<b>21,137,300</b>

**Notes:**

- (1) The criteria of allocation to our eligible Directors are based on, among others, their respective roles and responsibilities in our Group.
- (2) The criteria of allocation to the eligible employees of our Group (as approved by our Board) are based on, among others, the following factors:
  - (i) The employee must be a full time employee and on the payroll of our Group; and
  - (ii) The number of Issue Shares allocated to the eligible employees is based on their position, their length of service and their past performance / contribution as well as other factors deemed relevant by our Board.
- (3) The Issue Shares to be allocated to the persons who have contributed to the success of our Group, comprising our business contacts, suppliers and customers, shall be based on their contribution to our Group and as approved by our Board.

#### 4. PARTICULARS OF OUR IPO (Cont'd)

The number of Issue Shares to be allocated to our Directors is as follows:

<b>Name</b>	<b>Designation</b>	<b>Number of Issue Shares allocated</b>
Tan Sri Dato Sri Abi Musa Asa'ari Bin Mohamed Nor	Independent Non-Executive Chairman	500,000
Datuk Noripah Binti Kamso	Independent Non-Executive Director	500,000
Dato' Gopikrishnan A/L N.S. Menon	Independent Non-Executive Director	500,000
Rozainah Binti Awang	Independent Non-Executive Director	100,000
<b>Total</b>		<b>1,600,000</b>

As at the LPD, save as disclosed in Section 4.2.2(b) of this Prospectus, to the extent known to our Company:

- (a) there are no substantial shareholders, Directors or key senior management of our Company who have indicated to us that they intend to subscribe for our Issue Shares; and
- (b) there are no persons who have indicated to us that they intend to subscribe for 5% or more of our Issue Shares.

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#### 4. PARTICULARS OF OUR IPO (Cont'd)

In summary, our IPO Shares will be allocated subject to the clawback and reallocation provisions as set out in Section 4.2.3 of this Prospectus, in the following manner:

Category	Offer for Sale		Public Issue		Total	
	No. of Shares	% of our enlarged issued Shares	No. of Shares	% of our enlarged issued Shares	No. of Shares	% of our enlarged issued Shares
<b>Retail Offering:</b>						
Eligible Persons:						
-Our Directors	-	-	1,600,000	0.18	1,600,000	0.18
-Employees	-	-	16,328,000	1.83	16,328,000	1.83
-Persons who have contributed to the success of our Group	-	-	3,209,300	0.36	3,209,300	0.36
Malaysian Public (via balloting)						
-Bumiputera	-	-	8,898,100	1.00	8,898,100	1.00
-Non-Bumiputera	-	-	8,898,100	1.00	8,898,100	1.00
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>38,933,500</b>	<b>4.37</b>	<b>38,933,500</b>	<b>4.37</b>
<b>Institutional Offering:</b>						
Institutional and selected investors	157,000,000	17.64	6,983,800	0.79	163,983,800	18.43
Bumiputera investors approved by MITI	-	-	111,225,600	12.50	111,225,600	12.50
<b>Sub-total</b>	<b>157,000,000</b>	<b>17.64</b>	<b>118,209,400</b>	<b>13.29</b>	<b>275,209,400</b>	<b>30.93</b>
<b>Total</b>	<b>157,000,000</b>	<b>17.64</b>	<b>157,142,900</b>	<b>17.66</b>	<b>314,142,900</b>	<b>35.30</b>

The completion of the Retail Offering and the Institutional Offering are inter-conditional. Our IPO is also subject to the public shareholding spread requirement, as approved by Bursa Securities as set out in Section 4.2.7 of this Prospectus.

#### 4. PARTICULARS OF OUR IPO (Cont'd)

##### 4.2.3 Clawback and Reallocation

The Institutional Offering and Retail Offering will be subject to the following clawback and reallocation provisions:

- (i) if our IPO Shares allocated to the Eligible Persons are under-subscribed, such IPO Shares may be allocated to the Malaysian Public under the Retail Offering or the institutional and selected investors under the Institutional Offering or a combination of both, at the discretion of the Joint Lead Bookrunners and us;
- (ii) if our IPO Shares allocated to Bumiputera investors approved by MITI ("**MITI Tranche**") are under-subscribed, such IPO Shares may be allocated to other institutional investors under the Institutional Offering;
- (iii) If after the above reallocation, the MITI Tranche is still under-subscribed under the Institutional Offering, and there is a corresponding over-subscription for our Issue Shares by the Malaysian Public under the Retail Offering, our IPO Shares will be clawed back from the MITI Tranche and allocated first, to the Bumiputera public investors under the Retail Offering, and thereafter to the other Malaysian Public under the Retail Offering;
- (iv) subject to items (i), (ii) and (iii) above, if there is an over-subscription in the Retail Offering and there is a corresponding under-subscription in the Institutional Offering, our IPO Shares may be clawed back from the Institutional Offering and allocated to the Retail Offering; and
- (v) subject to item (i) above, if there is an over-subscription in the Institutional Offering and there is a corresponding under-subscription in the Retail Offering, our Issue Shares may be clawed back from the Retail Offering and allocated to the Institutional Offering.
- (vi) There will be no clawback and reallocation if there is an over-subscription or under-subscription in both the Institutional Offering and the Retail Offering or an under-subscription in either the Institutional Offering and Retail Offering but no over-subscription in the other.
- (vii) Any Issue Shares not taken up by the Eligible Persons ("**Excess Issue Shares**") will be made available for application by the Eligible Persons who have applied for excess on top of their pre-determined allocation and allocated on a fair and equitable basis and in the following priority:
  - (a) firstly, allocation on a pro-rata basis to our Directors and eligible employees of our Group (including directors of our subsidiaries) who have applied for the Excess Issue Shares based on the number of Excess Issue Shares applied for;
  - (b) secondly, allocation of any surplus Excess Issue Shares after (a) above on a pro-rata basis to persons who have contributed to the success of our Group who have applied for the Excess Issue Shares based on the number of Excess Issue Shares applied for; and
  - (c) thirdly, to minimise odd lots.

Our Board reserves the right to allot Excess Issue Shares applied in such manner as it may deem fit and expedient in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in items (a) to (c) above is achieved. Our Board also reserves the right to accept or reject any Excess Issue Shares application, in full or in part, without assigning any reason.

#### 4. PARTICULARS OF OUR IPO (Cont'd)

Once completed, the steps involving items (a) and (c) above will not be repeated. Should there be any balance of Excess Issue Shares thereafter, such balance will be made available for clawback and reallocation as described above. Any Issue Shares under the Retail Offering not applied for after being subject to the clawback and reallocation provisions above shall be underwritten by the Joint Underwriters.

##### 4.2.4 Share capital

Upon completion of our IPO, our share capital will be as follows:

	<b>No. of Shares</b>	<b>Share capital (RM'000)</b>
Issued share capital as at the date of this Prospectus	732,661,602	228,042
New Shares to be issued under the Public Issue	157,142,900	<sup>(1)</sup> [ • ]
<b>Total upon Listing</b>	<b>889,804,502</b>	<b>[ • ]</b>

**Note:**

- (1) Calculated based on the Retail Price and before adjusting against our share capital, the estimated listing expenses of approximately RM[ • ] million assumed to be directly attributable to the Public Issue.

##### 4.2.5 Classes of shares and ranking

As at the date of this Prospectus, we only have one class of shares, being ordinary shares.

Our Issue Shares will, upon allotment and issue, rank equally in all respects with our existing issued Shares including voting rights, and will be entitled to all rights, dividends and other distributions that may be declared subsequent to the date of allotment of the Issue Shares, subject to any applicable Rules.

The Offer Shares rank equally in all respects with our other existing issued Shares including voting rights and will be entitled to all rights, dividends and other distributions that may be declared subsequent to the date of transfer of the Offer Shares, subject to any applicable Rules.

Subject to any special rights attaching to any Shares we may issue in the future, our shareholders shall, in proportion to the amount paid on our Shares held by them, be entitled to share the profits paid out by us in the form of dividends and other distributions. Similarly, if our Company is liquidated, our shareholders shall be entitled to the surplus (if any), in accordance with our Constitution after the satisfaction of any preferential payments in accordance with the Act and our liabilities.

At every general meeting of our Company, each of our shareholders shall be entitled to vote in person, by proxy or by attorney or by other duly authorised representative. Any resolution set out in the notice of any general meeting or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll. On a poll, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have one vote for each Share held or represented. A proxy may but need not be a member of our Company.

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**4. PARTICULARS OF OUR IPO (Cont'd)**

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**4.2.6 Over-allotment Option and Stabilisation**

Persada Bina, as the Over-allotment Option Provider may grant an Over-allotment Option to the Stabilising Manager (on behalf of the Joint Lead Bookrunners and Joint Bookrunners) and may appoint the Stabilising Manager to undertake any price stabilisation actions. The Stabilising Manager (or person(s) acting on behalf of the Stabilising Manager) may at its absolute discretion, over-allot the Shares (on behalf of the Joint Lead Bookrunners and Joint Bookrunners) and subsequently, effect transactions to stabilise or maintain the market price of the Shares at levels that might not otherwise prevail in the open market. Such transactions consist of bids or purchases to peg, fix or maintain the market price of the Shares. If the Stabilising Manager creates a short position in the Shares in connection with the Institutional Offering, the Stabilising Manager may reduce that short position by purchasing the Shares in the open market. The Stabilising Manager may also elect to reduce any short positions by exercising all or part of the Over-allotment Option. If granted, the Over-allotment Option will be exercisable in whole or in part by the Stabilising Manager, on one or more occasions, by giving written notice to the Over-allotment Option Provider at any time within 30 days from the date of the Listing, to purchase from the Over-allotment Option Provider up to an aggregate of 20,000,000 Shares at the Institutional Price for each IPO Share, representing up to approximately 6.37% of the total number of IPO Shares offered, solely for purposes of covering over-allotments of the Shares (if any).

Subject to there being an over-allotment, the Stabilising Manager will (on behalf of the Joint Lead Bookrunners and Joint Bookrunners) enter into the Share Lending Agreement with the Over-allotment Option Provider to borrow up to 20,000,000 Shares to cover the over-allotments. Any Shares that may be borrowed by the Stabilising Manager under the Share Lending Agreement will be returned by the Stabilising Manager to the Over-allotment Option Provider through the purchase of the Shares in the open market by the Stabilising Manager in the conduct of stabilisation activities or deemed returned through the exercise of the Over-allotment Option by the Stabilising Manager, or a combination of both. The exercise of the Over-allotment Option will not increase the total number of Shares issued and is not intended to constitute an offer for sale of the Shares by the Over-allotment Option Provider under the IPO.

Purchases of a security to stabilise the price or to cover the over-allotment may cause the price of the security to be higher than it might be in the absence of these purchases. Such transactions may be effected on to the Main Market of Bursa Securities and in other jurisdictions where it is permissible to do so, in each case, in compliance with all applicable laws and regulations, including the CMSA and any regulations thereunder. The number of Shares that the Stabilising Manager (or person(s) acting on behalf of the Stabilising Manager) may buy to undertake stabilising action, shall not exceed an aggregate of 20,000,000 Shares, representing approximately 6.37% of the total number of IPO Shares offered. However, there is no obligation on the Stabilising Manager (or person(s) acting on behalf of the Stabilising Manager) to undertake any commencement of trading of the Shares on the Main Market of Bursa Securities and, if commenced, may be discontinued at any time and cannot be effected after the earlier of (i) the date falling 30 days from the commencement of trading of the Shares on the Main Market of Bursa Securities; or (ii) the date when the Stabilising Manager has bought, on the Main Market of Bursa Securities, an aggregate of 20,000,000 Shares, representing approximately 6.37% of the total number of IPO Shares offered to undertake the stabilising action.

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**4. PARTICULARS OF OUR IPO (Cont'd)**

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**4.2.7 Minimum subscription level**

There is no minimum subscription level in terms of proceeds to be raised under our IPO. However, in order to comply with the public shareholding spread requirement under the Listing Requirements, the minimum subscription level in terms of the number of Shares will be the number of Shares required to be held by the public shareholders of our Company to comply with the minimum public shareholding spread requirement under the Listing Requirements or as approved by Bursa Securities.

Under the Listing Requirements, we are required to have a minimum of 25.00% of our Shares held by at least 1,000 public shareholders, each holding not less than 100 Shares at the point of our Listing.

If the above requirement is not met, we may not be able to proceed with our Listing. Please refer to Section 8.3.6 of this Prospectus for more details in the event there is a delay in or termination of our Listing.

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#### 4. PARTICULARS OF OUR IPO (Cont'd)

##### 4.3 SELLING SHAREHOLDERS

The details of our Selling Shareholders and their relationship with our Group are as follows:

Name	Address	Nature of relationship	Before our IPO		Offer for Sale		After our IPO – Assuming the Over-allotment Option is not exercised		After our IPO – Assuming the Over-allotment Option is fully exercised	
			No. of Shares	%*	No. of Shares	%	No. of Shares	%	No. of Shares	%#
Persada Bina	Unit No.206, 2nd Floor Wisma Methodist Lorong Hang Jebat 50150 Kuala Lumpur Wilayah Persekutuan	Promoter and substantial shareholder	[454,208,502]	[61.99]	115,000,000	15.70* /12.92#	[339,208,502]	[38.12]	[319,208,502]	[35.87]
KWAP	Level 36, Integra Tower The Intermark 348 Jalan Tun Razak 50400 Kuala Lumpur Wilayah Persekutuan	Substantial shareholder	[99,682,794]	[13.61]	18,500,000	2.53* / 2.08#	[81,182,794]	[9.12]	[81,182,794]	[9.12]
Bluefin	P.O. Box 2251 The Grand Pavilion Commercial Centre Suite SW6 Alamander Way 802 West Bay Road Grand Cayman KY1-1107	Substantial shareholder	[87,777,342]	[11.98]	18,500,000	2.53* / 2.08#	[69,277,342]	[7.79]	[69,277,342]	[7.79]
Kenanga Private Equity	Level 17, Kenanga Tower 237 Jalan Tun Razak 50400 Kuala Lumpur Wilayah Persekutuan	Shareholder	[30,976,968]	[4.23]	5,000,000	0.68* / 0.56#	[25,976,968]	[2.92]	[25,976,968]	[2.92]

##### Notes:

\* Based on our issued Shares of 732,661,602 Shares after the Share Split but before our IPO.

# Based on our enlarged issued Shares of 889,804,502 Shares after our IPO.

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**4. PARTICULARS OF OUR IPO (Cont'd)**

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**4.4 BASIS OF ARRIVING AT THE PRICE OF OUR IPO SHARES AND REFUND MECHANISM****4.4.1 Retail Price**

Our Directors and the Selling Shareholders in consultation with the Joint Lead Bookrunners, had determined and agreed upon the IPO Price after taking into consideration the following factors:

- (i) our Group's EPS of 5.8 sen (based on the existing number of issued Shares of 732,661,602 Shares) for the FYE 31 December 2020 based on our Group's PAT of RM42.5 million and 4.8 sen (based on the enlarged number of issued Shares of 889,804,502 Shares upon Listing) which translates into PE Multiple of [ • ] times and [ • ] times respectively;
- (ii) our Group's EV/EBITDA multiple of [ • ] times is below the range of average EV/EBITDA multiple of companies which are in business similar to ours listed on Bursa Securities of 11.5 times;
- (iii) our detailed financial performance and operating history are outlined in Sections 11 and 6.1.1 of this Prospectus, respectively;
- (iv) our competitive advantages and key strengths, as outlined in Section 6.1.2 of this Prospectus, which are summarised as follows:
  - (a) our comprehensive coverage of the main seaports in Peninsular Malaysia for container haulage;
  - (b) our business as an integrated logistics service provider which is supported by our warehouses, container depot and other facilities;
  - (c) we own and operate our fleet of commercial vehicles to support our container haulage and land transportation services;
  - (d) cost and service advantages from our in-house supporting services;
  - (e) track record of approximately 10 years in the provision of integrated logistics services to serve as a platform to grow our business;
  - (f) access to direct and indirect distribution channels to grow our business; and
  - (g) our experienced Directors and key senior management team to grow the business;
- (v) our business strategies and plans which includes the expansion of our operational facilities, fleet operations and business activities via acquisitions as outlined in Section 6.21 of this Prospectus;
- (vi) expected growth in Malaysia's external trade activities by 8.6% amidst projected real GDP of 6.0% to 7.5% for Malaysia and 6.0% for the global economy in 2021. Please refer to Section 7 of this Prospectus for more details; and
- (vii) our prevailing market conditions including among others, market performance of key global indices, domestic and foreign exchanges, and investors' sentiments.

#### **4. PARTICULARS OF OUR IPO (Cont'd)**

The Final Retail Price will be determined after the Institutional Price is determined on the Price Determination Date and will be the lower of:

- (i) the Retail Price of RM[●] per IPO Share; or
- (ii) the Institutional Price.

If the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to the successful applicants with applicants without any interest thereon. Further details of the refund mechanism are set out in Section 4.4.3 of this Prospectus.

Prospective retail investors should be aware that the Final Retail Price will not, in any event, be higher than the Retail Price of RM[●] per IPO Share.

The Final Retail Price and the Institutional Price are expected to be announced within 2 Market Days from the Price Determination Date via the Bursa Listing Information Network. In addition, all successful applicants will be given written notice of the Final Retail Price and the Institutional Price, together with the notices of allotment for our IPO Shares.

You should note that the market price of our Shares upon and subsequent to our Listing is subject to the vagaries of market forces and other uncertainties, which may affect the trading price of our Shares. You should form your own views on the valuation of our IPO Shares before deciding to invest in our Shares. You are also reminded to carefully consider the risk factors set out in Section 8 of this Prospectus before deciding to invest in our Shares.

##### **4.4.2 Institutional Price**

The Institutional Price will be determined by way of a bookbuilding process where prospective institutional and selected investors will be invited to bid for portions of the Institutional Offering by specifying the number of IPO Shares that they would be prepared to acquire and the price that they would be prepared to pay for such IPO Shares. This bookbuilding process will commence on [●] and will end on [●]. Upon the completion of the bookbuilding process, the Institutional Price will be fixed by our Directors and the Selling Shareholders in consultation with the Joint Lead Bookrunners on the Price Determination Date.

##### **4.4.3 Refund Mechanism**

In the event that the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and Final Retail Price will be refunded to the successful applicants without any interest thereon in the following manner:

- (i) If you have provided bank account information to Bursa Depository for the purposes of cash dividend/distribution, the above refund will be credited into your bank account;
- (ii) If you have not provided such bank account information to Bursa Depository, the above refund will be despatched to you in the form of cheques and by ordinary post to your address as maintained with Bursa Depository;
- (iii) If you have made your applications via the Electronic Share Application, the above refund will be credited into your account with the Electronic Participating Financial Institutions; or
- (iv) If you have made your applications via the Internet Share Application, the above refund will be credited into your account with the Internet Participating Financial Institutions.

The above refund will be carried out within 10 Market Days from the date of final ballot of application at your own risk. Please refer to Section 14.9 of this Prospectus for further details of the refund mechanism.

#### 4. PARTICULARS OF OUR IPO (Cont'd)

##### 4.4.4 Expected market capitalisation

Based on the Retail Price, the total market capitalisation of our Company upon our Listing would be approximately RM[ • ] million.

##### 4.5 DILUTION

Dilution is the amount by which our pro forma NA per Share after our IPO is less than the price paid by retail/institutional and selected investors for our Shares. Our pro forma NA per Share as at 31 December 2020 after the Share Split and before adjusting for our IPO was RM0.59 based on the issued Shares of 732,661,602 Shares following the Share Split.

After taking into account our enlarged number of issued Shares from the issuance of 157,142,900 Issue Shares and after adjusting for the use of proceeds from the Public Issue, our pro forma NA as at 31 December 2020 would be RM[ • ] million. This represents an immediate increase in NA per Share of RM[ • ] to our existing shareholders and an immediate dilution in pro forma NA per Share of RM[ • ], representing [ • ] % of the Retail Price and the Institutional Price (assuming the Final Retail Price and the Institutional Price will equal the Retail Price) to the retail/institutional and selected investors.

The following table illustrates such dilution on a per Share basis assuming the Retail Price is equal to the Final Retail Price and the Institutional Price:

	<u>RM</u>
Final Retail Price/Institutional Price	[ • ]
Pro forma NA per Share as at 31 December 2020 after the Share Split and before adjusting for our IPO	0.59
Pro forma NA per Share as at 31 December 2020 after the Share Split and adjusting for the use of proceeds from the Public Issue	[ • ]
Increase in NA per Share to our existing shareholders	[ • ]
Dilution in pro forma NA per Share to retail/institutional and selected investors	[ • ]
Dilution in pro forma NA per Share to retail/institutional and selected investors as a percentage of the Retail Price/Institutional Price	[ • ]

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**4. PARTICULARS OF OUR IPO (Cont'd)**

Save as disclosed below, none of our substantial shareholders, Directors, key senior management, or persons connected to them had acquired, obtained the right to acquire and/or subscribe for our Shares in the past 3 years up to the LPD:

<b>Date Allotted / Transferred</b>	<b>Name</b>	<b>No. of Shares</b>	<b>Allotted / Transferred</b>	<b>Total Consideration (RM)</b>	<b>Average price per Share<sup>(1)</sup> (RM)</b>
22 June 2018 <sup>(2)</sup>	Persada Bina	6,327,113	Allotted	16,070,867	[0.42]
22 June 2018 <sup>(2)</sup>	Bluefin	3,149,606	Allotted	7,999,999	[0.42]
22 June 2018 <sup>(2)</sup>	KWAP	1,158,764	Allotted	2,943,261	[0.42]
22 June 2018 <sup>(2)</sup>	Ng Chee Kin	12,124	Allotted	30,795	[0.42]
23 December 2019	Persada Bina	3,001,522	Transferred	13,500,000	[0.75]
7 May 2021 <sup>(3)</sup>	Persada Bina	7,241,919	Allotted	18,394,474	[0.42]
10 May 2021 <sup>(4)</sup>	Bluefin	42,007,518	Allotted	106,862,925	[0.42]
10 May 2021	Persada Bina	30,527,567	Transferred	159,375,055	[0.87]

**Notes:**

- (1) Calculated after taking into account the effect of the Share Split.
- (2) Pursuant to a share issuance and allotment exercise undertaken by our Company.
- (3) As a result of the conversion of 18,394,474 RCPS held by Persada Bina.
- (4) As a result of the conversion of 106,862,842 CRLS held by Bluefin.

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#### 4. PARTICULARS OF OUR IPO (Cont'd)

##### 4.6 USE OF PROCEEDS FROM OUR IPO

We expect to use the gross proceeds from the Public Issue amounting to RM[ • ] million<sup>(1)</sup> in the following manner:

Purpose	RM'000	%	Estimated time frame for utilisation (from the date of Listing)
Capital expenditure:			
- Construction of a new warehouse	[ • ]	[ • ]	} Within 18 months
- Purchase of land	[ • ]	[ • ]	
- Purchase of prime movers	[ • ]	[ • ]	
Repayment of bank borrowings	[ • ]	[ • ]	Within 6 months
Estimated listing expenses	[ • ]	[ • ]	Within 3 months
<b>Total</b>	<u>[ • ]</u>	<u>100.0</u>	

**Note:**

(1) Assuming that the Institutional Price and the Final Retail Price will be equal to the Retail Price.

Moving forward, our strategic business growth direction is focused on leveraging on our core competencies and strengths in integrated logistics as a platform to address business opportunities and grow our business. From that perspective, our business strategies and plans will be based on strengthening and expanding our operational facilities including warehousing and container depot as well as expanding our fleet operations.

Further details of our Group's business strategies and plans are set out in Section 6.21 of this Prospectus.

To support these strategies, the gross proceeds from the Public Issue of RM[ • ] million are expected to be utilised for the following purposes:

##### 4.6.1 Capital expenditure

###### (a) Construction of a new warehouse

We intend to construct a new warehouse on a piece of leasehold land of approximately 300,564 sq. ft. in Port Klang Free Zone in Selangor. As at the LPD, we have executed the lease agreement. The leasehold land tenure is for a period of 30 years commencing from 31 March 2021. Our plan is to build an ambient temperature warehouse for the storage of general goods with approximately 178,000 sq. ft. of floor storage and racking space.

#### 4. PARTICULARS OF OUR IPO (Cont'd)

Upon completion of the warehouse construction, we will relocate our existing warehousing operations at the Westport Warehouse, which is currently under rented premises, to this new warehouse. The anticipated benefits of the relocation include the following:

- The new warehouse has a larger capacity with a planned floor space of approximately 178,000 sq. ft. compared to the Westport Warehouse, which has 54,300 sq. ft.;
- The larger capacity would enable us to serve our existing and potential customers as the Westport Warehouse was fully utilised in the FYE 2019 and FYE 2020; and
- This new warehouse will enable us to address business opportunities in providing warehousing services to potential as well as existing customers within the Port Klang Free Zone.

During the FYE 2020, we also operated approximately 354,300 sq. ft of warehousing space (SLC Warehouse, Port Klang Warehouse and Westport Warehouse) within the vicinity of Port Klang with a utilisation rate of approximately 94%. In light of the rental agreement for the Westport Warehouse expiring at the end of October 2021, we will relocate to the new warehouse in the Port Klang Free Zone.

As at the LPD, the construction of the warehouse has not commenced but we have submitted the building plan for approval. Based on the indicative timeline, we expect to complete the construction of the new warehouse by the fourth quarter of 2021, and to commence operations there by the first quarter of 2022.

The estimated cost of constructing the new warehouse is estimated at RM[ • ] million, which will be funded by our IPO proceeds.

Kindly refer to Section 6.21.2.1 of this Prospectus for further details on the construction of the abovementioned new warehouse.

##### (b) Purchase of land

On 28 May 2021, we entered into a share sale agreement to acquire the entire equity interest in Ann Joo Properties, a company involved in investment holding and letting of real property, for a total consideration of RM10.0 million. The acquisition of Ann Joo Properties is expected to be completed by the third quarter of 2021.

Ann Joo Properties has, among others, leased the Bandar Sultan Sulaiman Land from the developer, PKNS. The Bandar Sultan Sulaiman Land is approximately 1,263,231 sq. ft. in size, and it is a leasehold land with land tenure valid until 30 June 2105. It is currently leased out to 2 external tenants.

As part of the lease agreement for the Bandar Sultan Sulaiman Land, Ann Joo Properties has the option to purchase the Bandar Sultan Sulaiman Land from PKNS ("**Option to Purchase**").

On 8 June 2021, Ann Joo Properties made an offer to PKNS to purchase the Bandar Sultan Sulaiman Land at a price of RM59.0 million ("**Offer Price**"). The total price of the Bandar Sultan Sulaiman Land has not been finalised pending negotiations between Ann Joo Properties and PKNS. It should be noted that this Offer Price is separate from the RM10.0 million for the purchase of the entire equity interest in Ann Joo Properties.

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**4. PARTICULARS OF OUR IPO (Cont'd)**

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The completion of the acquisition of Ann Joo Properties is conditional upon our acceptance of the Option to Purchase.

We expect to complete the acquisition of the Bandar Sultan Sulaiman Land by the first quarter of 2022, following which we intend to continue leasing the Bandar Sultan Sulaiman Land to the 2 existing tenants. After the tenancy agreements expire in the first quarter of 2022, we intend to use the land to expand our existing container haulage, land transportation and/or warehousing and container depot services. However, should our plans be delayed, we propose to extend the tenancy to the 2 existing tenants accordingly.

Part of the estimated cost of acquiring the Bandar Sultan Sulaiman Land of RM[ ● ] million will be funded by our IPO proceeds while the balance will be settled using internally generated funds/bank borrowings.

Kindly refer to Section 6.21.2.2 of this Prospectus for further details on the purchase of the land.

**(c) Purchase of prime movers**

Part of our strategy is to purchase new prime movers for our business operations in Malaysia throughout 2022 with the aim of expanding our commercial vehicle fleet. These prime movers are similar to the ones that we currently own and operate to provide our integrated logistics services.

For the FYE 2020, the average utilisation rate of prime movers for our container haulage operations and inland transportation and distribution operations in Malaysia were 81% and 89% respectively, while the average utilisation rate of prime movers for our cross-border transportation for Malaysia and Thailand were 88% and 86% respectively. In this respect, the acquisition of new prime movers will provide us with the capacity to grow our container haulage, and land transportation business operations.

We intend to purchase 30 new prime movers, which are estimated to cost RM[ ● ] million, by using our IPO proceeds.

Kindly refer to Section 6.21.4.1 of this Prospectus for further details on the purchase of prime movers.

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**4. PARTICULARS OF OUR IPO (Cont'd)****4.6.2 Repayment of bank borrowings**

Name of financial institution / Type of facility	Purpose	Interest rate/ Maturity date	Outstanding amount as at the LPD RM'000	Proposed repayment RM'000
AmBank Islamic Berhad / Trade financing	Working capital	3.05% / 1 to 3 months	39,848	[ • ]
OCBC Al-Amin Bank Berhad / Trade financing	Working capital	3.03% / 1 to 3 months	39,138	[ • ]
United Overseas Bank (Malaysia) Berhad / Trade financing	Working capital	3.02% / 1 to 3 months	33,139	[ • ]
<b>Total bank borrowings</b>			<b>112,125</b>	<b>[ • ]</b>

We intend to utilise approximately RM[ • ] million of our IPO proceeds to partially repay the abovementioned facilities. Our Group prioritises the repayment of the trade financing facilities as opposed to long term borrowings such as unrated Islamic medium term notes, term loans and finance lease payable facilities.

In FYE 2020, our Group had restructured some of our existing term loans from short term borrowings to long term borrowings via the Sukuk Programme, which has improved our current ratio from 0.7 as at FYE 2019 to 0.9 as at FYE 2020, as set out in Section 11.3 of this Prospectus.

The repayment of above short term borrowings will further improve our Group's current ratio and pare down our Group's current liabilities.

Based on the pro forma statements of financial position of our Group (after the Share Split and the IPO) as at 31 December 2020, our net current liabilities position of RM28.4 million is expected to improve to a net current assets position of RM[ • ] million, which represents a current ratio of [ • ] times.

Further, the repayment of bank borrowings will result in approximately RM[ • ] million in savings in finance cost per annum.

**4.6.3 Estimated listing expenses**

Our listing expenses are estimated to be approximately RM[ • ] million (or [ • ]%), details of which are as follows:

	RM'000
Professional fees	[ • ]
Fees payable to authorities	[ • ]
Brokerage, underwriting and placement fees	[ • ]
Fees and expenses for printing, advertising and roadshow	[ • ]
Miscellaneous expenses and contingencies	[ • ]
<b>Total</b>	<b>[ • ]</b>

#### **4. PARTICULARS OF OUR IPO (Cont'd)**

If the actual listing expenses are higher than budgeted, the deficit will be funded by internally generated funds. Conversely, if the actual listing expenses are lower than budgeted, the excess will be used for repayment of bank borrowings purposes.

There is no minimum subscription to be raised from the IPO.

Pending the eventual use of proceeds raised from the Public Issue, the proceeds will be placed in interest-bearing short-term deposits or money market instruments with licensed financial institutions.

Our Company will not receive any proceeds from the Offer for Sale. Based on the IPO Price, the gross proceeds from the Offer for Sale of approximately RM[ • ] million will accrue entirely to the Selling Shareholders. The Selling Shareholders shall bear the entire incidental expenses and fees in relation to the Offer for Sale, amounting to RM[ • ] million.

The financial impact of the use of proceeds from our Public Issue is illustrated in the Pro Forma Statements of Financial Position as at 31 December 2020 set out in Section 11.9 of this Prospectus.

#### **4.7 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE**

##### **4.7.1 Brokerage fee**

We will pay brokerage in respect of our Issue Shares under the Retail Offering at the rate of 1.0% (exclusive of applicable tax) of the Final Retail Price in respect of all successful applications which bear the stamp of either the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and/or the Issuing House.

The Joint Lead Bookrunners and Joint Bookrunners are entitled to charge brokerage commission to successful applicants under the Institutional Offering. For the avoidance of doubt, such brokerage commission under the Institutional Offering will not be payable by us or the Selling Shareholders.

##### **4.7.2 Underwriting commission**

As stipulated in the Retail Underwriting Agreement, the Managing Underwriter and the Joint Underwriters have agreed to underwrite our Issue Shares under the Retail Offering for an underwriting commission of up to 2.5% (exclusive of applicable tax) of the Retail Price multiplied by the total number of Issue Shares underwritten under the Retail Offering in accordance with the terms of the Underwriting Agreement.

##### **4.7.3 Placement fee**

The Selling Shareholders for the Offer Shares and us for the Issue Shares will pay the Joint Lead Bookrunners and Joint Bookrunners a placement fee of up to 2.5% (exclusive of applicable tax) of the Institutional Price multiplied by the number of IPO Shares sold to institutional and selected investors in accordance with the terms of the Placement Agreement.

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#### **4. PARTICULARS OF OUR IPO (Cont'd)**

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#### **4.8 DETAILS OF THE UNDERWRITING, PLACEMENT AND LOCK-UP ARRANGEMENTS**

##### **4.8.1 Underwriting**

We have entered into the Retail Underwriting Agreement with the Managing Underwriter and the Joint Underwriters to jointly underwrite 38,933,500 Issue Shares under the Retail Offering, subject to the clawback and reallocation provisions as set out in Section 4.2.3 of this Prospectus and upon the terms and subject to the conditions of the Retail Underwriting Agreement.

Details of the underwriting commission are set out in Section 4.7.2 of this Prospectus, while the salient terms of the Retail Underwriting Agreement are as follows:

[•]

##### **4.8.2 Placement**

We and the Selling Shareholders expect to enter into the Placement Agreement with the Joint Lead Bookrunners and Joint Bookrunners in relation to the placement of up to 275,209,400 IPO Shares under the Institutional Offering, subject to the clawback and reallocation provisions and the Over-Allotment Option as set out in Sections 4.2.3 and 4.2.6 of this Prospectus, respectively. We and the Selling Shareholders will be requested, on a several basis, to give various representations, warranties and undertakings, and to indemnify the Joint Lead Bookrunners and Joint Bookrunners against certain liabilities in connection with our IPO.

##### **4.8.3 Lock-up arrangement**

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#### **4. PARTICULARS OF OUR IPO (Cont'd)**

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##### **4.9 TRADING AND SETTLEMENT IN SECONDARY MARKET**

Upon our Listing, our Shares will be traded through Bursa Securities and settled by book-entry settlement through the CDS, which is operated by Bursa Depository. This will be effected in accordance with the Rules and the provisions of the SICDA. Accordingly, we will not deliver share certificates to subscribers or purchasers of our IPO Shares.

Beneficial owners of our Shares are required under the Rules to maintain our Shares in CDS accounts, either directly in their names or through authorised nominees. Persons whose names appear in the Record of Depositors maintained by Bursa Depository will be treated as our shareholders in respect of the number of Shares credited to their respective CDS accounts.

Transactions in our Shares under the book-entry settlement system will be reflected by the seller's CDS account being debited with the number of Shares sold and the buyer's CDS account being credited with the number of Shares acquired. No transfer stamp duty is currently payable for our Shares that are settled on a book-entry basis, although there is a nominal transfer fee of RM10.00 payable for each transfer not transacted on the market.

Shares held in CDS accounts may not be withdrawn from the CDS except in the following instances:

- (i) to facilitate a share buy-back;
- (ii) to facilitate conversion of debt securities;
- (iii) to facilitate company restructuring process;
- (iv) where a body corporate is removed from the Official List;
- (v) to facilitate a rectification of any error; and
- (vi) in any other circumstances determined by Bursa Depository from time to time, after consultation with the SC.

Trading of shares of companies listed on Bursa Securities is normally done in "board lots" of 100 shares. Investors who desire to trade less than 100 shares are required to trade under the odd lot board. Settlement of trades done on a "ready" basis on Bursa Securities generally takes place on the third Market Day following the transaction date, and payment for the securities is generally settled on the third Market Day following the transaction date.

It is expected that our Shares will commence trading on Bursa Securities approximately 10 Market Days after the close of the Institutional Offering. Subscribers of our Shares will not be able to sell or otherwise deal in our Shares (except by way of book-entry transfer to other CDS accounts in circumstances which do not involve a change in beneficial ownership) prior to the commencement of trading on Bursa Securities.

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