

4. DETAILS OF OUR IPO

4.1 PARTICULARS OF OUR IPO

Our IPO is subject to the terms and conditions of this Prospectus and upon acceptance, our IPO Shares are expected to be allocated or transferred in the manner described below, subject to the clawback and reallocation provisions as set out in Section 4.1.4 of this Prospectus:

4.1.1 Public Issue

The Public Issue of 74,197,600 Issue Shares, representing approximately 18.5% of our enlarged total number of issued Shares, at the IPO Price is subject to the terms and conditions of this Prospectus and shall be allocated in the following manner:

(i) Malaysian Public

20,000,000 Issue Shares, representing 5.0% of our enlarged total number of issued Shares, will be made available for application by the Malaysian Public by way of balloting, of which 50.0% will be set aside for Bumiputera investors.

(ii) Eligible Persons

4,197,600 Issue Shares (being Pink Form Allocations), representing approximately 1.0% of our enlarged total number of issued Shares, will be reserved for application by the Eligible Persons as follows:

Eligible Persons	Number of Eligible Persons	Aggregate number of Pink Form Allocations
Eligible Directors of our Group	3	209,100
Eligible employees	87	3,568,500
Persons who have contributed to the success of our Group	30	420,000
Total	120	4,197,600

The allocation to our eligible Directors is based on, among others, their respective roles, responsibilities and anticipated contributions to our Group. The number of Issue Shares to be allocated to our eligible Directors is as follows:

Eligible Directors	Designation	No. of Pink Form Allocations
Dato' Ng Wan Peng	Senior Independent Non-Executive Director	69,700
Lim Su May	Independent Non-Executive Director	69,700
Goh Teck Hong	Independent Non-Executive Director	69,700
Total		209,100

The criteria of allocation to our eligible employees who have contributed to the success of our Group (as approved by our Board) are based on, among others, the following factors:

- (a) the eligible employee must be a full time and confirmed employee of our Group and on our Group's payroll; and
- (b) the number of Issue Shares allocated to the eligible employees is based on their seniority, job grade, length of service, past performance and contributions to our Group.

4. DETAILS OF OUR IPO (CONT'D)

The number of Issue Shares to be allocated to our Key Senior Management is as follows:

Key Senior Management	Designation	No. of Pink Form Allocations
Hong Chong Chet	Deputy Chief Executive Officer	210,000
Thean Yain Peng	Chief Financial Officer	210,000
Teh Peng Ting	Chief Commercial Officer	210,000
Sum Sheau San	Senior Vice President (Service Operations)	210,000
Choo Mei Peng	Chief People Officer	210,000
Total		1,050,000

The allocation to the persons who have contributed to the success of our Group such as, among others, our business associates and suppliers, shall be based on their length of business relationship with our Group and the level of support and contribution to the success of our Group.

(iii) Private placement

50,000,000 Issue Shares, representing 12.5% of our enlarged total number of issued Shares, will be made available for subscription by way of private placement to Bumiputera investors approved by the MITI.

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4. DETAILS OF OUR IPO (CONT'D)**4.1.2 Offer for Sale**

Our Offerors will offer up to 50,000,000 Offer Shares, representing approximately 15.3% of our existing total number of Shares before our IPO and 12.5% of our enlarged total number of issued Shares, at the IPO Price by way of private placement to institutional and selected investors. Details of our Offerors are as follows:

Name/Address	Nature of relationship	Shareholdings before our IPO		Offer for Sale			Shareholdings after our IPO	
		No. of Shares	(1)%	No. of Shares	(1)%	(2)%	No. of Shares	(2)%
Liew Yoon Poh 36, Jalan Eco Santuari 2/2C Eco Santuari 42500 Telok Panglima Garang Selangor	Promoter, Substantial Shareholder and Group Chief Executive Officer	95,678,700	29.4	20,000,000	6.1	5.0	75,678,700	18.9
Liew Yoon Kit 29, Jalan Anggerik Vanda 31/168 Kota Kemuning 40460 Shah Alam Selangor	Substantial Shareholder and Non-Independent Non-Executive Chairman	74,416,100	22.8	15,000,000	4.6	3.8	59,416,100	14.9
Giam Teck Eng 1, PJU 1A/51B, Idaman Villa Damansara Idaman 47301 Petaling Jaya Selangor	Substantial Shareholder	74,416,100	22.8	15,000,000	4.6	3.8	59,416,100	14.9
				50,000,000	15.3	12.5		

Notes:

(1) Based on our total number of 325,802,400 Shares after the Acquisitions.

(2) Based on our enlarged total number of 400,000,000 Shares after our IPO.

Based on the IPO Price, the Offer for Sale will raise gross proceeds of up to RM[●] million, which will accrue entirely to our Offerors. The Offer Shares are not underwritten as they will be made available for subscription by way of private placement to institutional and selected investors, the expenses of which will be fully borne by our Offerors.

4. DETAILS OF OUR IPO (CONT'D)

4.1.3 Underwriting and allocation of the IPO Shares

A summary of our IPO Shares offered under the Retail Offering and Institutional Offering (subject to the clawback and reallocation provisions as set out in Section 4.1.4 of this Prospectus) is as follows:

	Issue Shares		Offer Shares		IPO Shares	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%
Retail Offering						
Malaysian Public (via balloting)						
• Bumiputera	10,000,000	2.5	-	-	10,000,000	2.5
• Non-Bumiputera	10,000,000	2.5	-	-	10,000,000	2.5
Eligible Persons	4,197,600	1.0	-	-	4,197,600	1.0
Institutional Offering						
Private placement						
• Institutional and selected investors	-	-	50,000,000	12.5	50,000,000	12.5
• Bumiputera investors approved by the MITI	50,000,000	12.5	-	-	50,000,000	12.5
Total	74,197,600	18.5	50,000,000	12.5	124,197,600	31.0

Note:

(1) Based on the enlarged total number of 400,000,000 Shares after our IPO.

The Retail Offering has been fully underwritten, while the Institutional Offering is not underwritten. Irrevocable undertakings have been or will be obtained from investors who subscribe for our IPO Shares made available under the Institutional Offering.

Our IPO is subject to the public spread requirements as stipulated under the Listing Requirements.

The number of IPO Shares will not increase via any over-allotment or “greenshoe” option.

4.1.4 Clawback and reallocation

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

- (i) if our IPO Shares allocated to the Bumiputera investors approved by the MITI (“**MITI Tranche**”) are under-subscribed, and there is an over-subscription for our IPO Shares by the Bumiputera public investors under the Retail Offering, such IPO Shares will be clawed back from the remaining MITI Tranche and allocated to the Bumiputera public investors under the Retail Offering.

If after the above reallocation, the MITI Tranche is still under-subscribed, the IPO Shares will be clawed back from the remaining MITI Tranche and allocated in the following manner:

- (a) firstly, to the Malaysian institutional investors under the Institutional Offering; and
- (b) secondly, if there is a corresponding over-subscription for our IPO Shares by the Malaysian Public under the Retail Offering, to the Malaysian Public under the Retail Offering;

4. DETAILS OF OUR IPO (CONT'D)

- (ii) if our IPO Shares allocated to the Eligible Persons are under-subscribed following the allocation procedures of the Excess Shares (as defined below) set out below, such IPO Shares may be allocated to the institutional and selected investors under the Institutional Offering or the Malaysian Public under the Retail Offering or a combination of both, at the discretion of the Sole Placement Agent and us;
- (iii) subject to items (i) and (ii) 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
- (iv) subject to items (i) and (ii) above, if there is an over-subscription in the Institutional Offering and there is a corresponding under-subscription in the Retail Offering, our IPO Shares may be clawed back from the Retail Offering and allocated to the Institutional Offering.

The clawback and reallocation provisions will not apply in the event there is an oversubscription or under-subscription in both the Retail Offering and Institutional Offering.

Any IPO Shares allocated to Eligible Persons but not taken up by them ("**Excess Shares**") shall be made available to other Eligible Persons who have applied for excess IPO Shares (if any) in addition to their pre-determined allocation of IPO Shares. The Excess Shares will be allocated to these other Eligible Persons in the following priority:

- (a) firstly, allocation on a proportionate basis to Eligible Persons who have applied for the Excess Shares based on the number of Excess Shares applied for; and
- (b) secondly, to minimise odd lots.

Our Board reserves the right to allot the Excess 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) and (b) above are achieved. Our Board also reserves the right to accept or reject any Excess Shares application, in full or in part, without assigning any reason.

Once completed, the steps involving items (a) and (b) above will not be repeated. Should there be any Excess Shares thereafter, such balance will be made available for clawback and reallocation as described in (ii) above. Any IPO Shares under the Retail Offering not applied for after being subject to the clawback and reallocation provisions above shall be underwritten by our Sole Underwriter in accordance with the terms and conditions of the Underwriting Agreement.

Notwithstanding the above, in the event there is an under-subscription for our IPO Shares, the subscriptions received for our IPO Shares will first be applied towards subscribing in full the Issue Shares under the Public Issue. Thereafter, any additional subscription for our IPO Shares will be allocated from the Offer Shares offered by the Offerors under the Offer for Sale and any remaining Offer Shares not subscribed for after the aforementioned allocation will be retained by the Offerors. For the avoidance of doubt, the Public Issue will take priority over the Offer for Sale in the event of an under-subscription of our IPO Shares.

Our IPO Shares will be allocated in a fair and equitable manner and the basis of allocation for such IPO Shares shall take into account the desirability of distributing our IPO Shares to a reasonable number of applicants with a view of broadening our Company's shareholding base to meet the public shareholding spread requirements of Bursa Securities and to establish a liquid market for our Shares.

As at the LPD, to the best of our knowledge and belief:

- (i) there are no substantial shareholders, Directors or Key Senior Management who have indicated that they intend to subscribe for the IPO Shares, save for the IPO Shares made available for application under the Pink Form Allocations; and
- (ii) there is no person who intends to subscribe for more than 5.0% of our IPO Shares.

4. DETAILS OF OUR IPO (CONT'D)

4.1.5 Share capital

	No. of Shares	RM'000
Issued share capital after the Acquisitions	325,802,400	48,870
New Shares to be issued under the Public Issue	74,197,600	⁽¹⁾ [•]
Enlarged issued share capital upon Listing	400,000,000	[•]
Existing Shares to be offered under the Offer for Sale	50,000,000	[•]
IPO Price per IPO Share (RM)		[•]
Market capitalisation upon Listing (based on the IPO Price and enlarged number of issued Shares after our IPO)		[•]
Pro forma NA per Share (based on the pro forma combined statements of financial position as at 31 December 2024)		⁽²⁾ [•]

Notes:

- (1) After deducting the estimated listing expenses of approximately RM[•] million which is directly attributable to the issuance of our IPO Shares and offset against our share capital.
- (2) Computed based on the pro forma NA after our IPO and adjusting for the use of proceeds from the Public Issue, and the enlarged total number of 400,000,000 Shares after our IPO.

The Offer for Sale would not have any effect on our issued share capital as the Offer Shares are our existing Shares prior to our IPO.

4.1.6 Classes of shares and ranking

As at the date of this Prospectus, we have only 1 class of shares in our Company, namely ordinary shares.

Our Issue Shares will, upon allotment and issuance, rank equally in all respects with our existing Shares including voting rights, and will be entitled to all dividends, rights and distributions that may be declared, paid or made after the date of allotment of the Issue Shares, subject to any applicable Rules of Bursa Depository.

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

Subject to any special rights attached to any Shares which we may issue in the future, our shareholders shall, in proportion to the amount paid or credited as paid on the Shares held by them, be entitled to share in the profits paid out by us as dividends or other distributions. Similarly, if we are 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 our general meeting, each shareholder shall be entitled to vote in person, by proxy, by attorney or by other duly authorised representative. Subject to the Listing Requirements, any resolution put to vote at the meeting shall be decided by way of poll. On a poll, each shareholder present either in person or by proxy, attorney or other duly authorised representative, shall have 1 vote for every Share held or represented. A proxy may but need not be a member of our Company.

4. DETAILS OF OUR IPO (CONT'D)

4.1.7 Minimum subscription level

There is no minimum subscription in terms of the amount of proceeds to be raised from our IPO. However, in order to comply with the public spread requirements of 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 public shareholders. Under the Listing Requirements, we are required to have at least 25.0% of the total number of our Shares in the hands of a minimum number of 1,000 public shareholders, each holding not less than 100 Shares at the point of our Listing.

If the aforementioned public shareholding spread requirement is not met, we may not be able to proceed with our Listing. In such event, monies paid in respect of all applications for our IPO Shares will be returned in full without interest. If such monies are not returned in full within 14 days after we become liable to do so, the provision of Section 243(2) of the CMSA shall apply whereby in addition to our liability, our officers shall be jointly and severally liable to repay such monies with interest at the rate of 10% per annum or at such other rate as may be prescribed by the SC from the expiration of that period. Please refer to Section 9.3.4 of this Prospectus for details in the event there is a delay in or termination of our Listing.

4.2 BASIS OF ARRIVING AT THE IPO PRICE

Our Directors, Promoter and Offerors have determined the IPO Price of RM[●] per IPO Share in consultation with our Principal Adviser, Sole Underwriter and Sole Placement Agent, based on the following factors:

- (i) our EPS of approximately 5.1 sen based on our audited combined PAT attributable to owners of approximately RM20.4 million for the FYE 2024 and our enlarged total number of 400,000,000 Shares after our IPO, which translates into a price-to-earnings multiple of approximately [●] times;
- (ii) our pro forma combined NA per Share of RM[●] as at 31 December 2024 based on our enlarged total number of 400,000,000 Shares after our IPO and after taking into consideration the use of proceeds from the Public Issue;
- (iii) our operating history and financial performance as set out in Sections 6 and 12 of this Prospectus respectively;
- (iv) our competitive advantages and key strengths as set out in Section 7.3 of this Prospectus; and
- (v) our strategies and plans as set out in Section 7.20 of this Prospectus.

You should note that the market price of our Shares upon Listing is subject to the vagaries of market forces and other uncertainties. You should form your own views on the valuation of our IPO Shares and reasonableness of the bases used before deciding to invest in our Shares. You are also reminded to carefully consider the risk factors as set out in Section 9 of this Prospectus.

4. DETAILS OF OUR IPO (CONT'D)

4.3 DILUTION

Dilution is the amount by which the IPO Price exceeds our pro forma combined NA per Share after our IPO. Our audited combined NA per Share as at 31 December 2024 was RM0.15 per Share, based on our total number of 325,802,400 Shares after the Acquisitions.

After taking into account our enlarged total number of Shares from the issuance of 74,197,600 Issue Shares and after adjusting for the use of the proceeds from our IPO, our pro forma combined NA per Share as at 31 December 2024 would be RM[●] per Share. This represents:

- (i) an immediate increase in pro forma combined NA per Share of RM[●] or [●]% to our existing shareholders; and
- (ii) an immediate dilution in pro forma combined NA per Share of RM[●] or [●]% from the IPO Price to our new investors.

The table below illustrates such dilution on a per Share basis:

	RM
IPO Price	[●]
Audited combined NA per Share as at 31 December 2024	0.15
Pro forma combined NA per Share as at 31 December 2024 after the Public Issue and the use of proceeds	[●]
Increase in pro forma combined NA per Share to existing shareholders	[●]
Dilution in pro forma combined NA per Share to new investors	[●]
Dilution in pro forma combined NA per Share to new investors as a percentage of the IPO Price	[●]%

Save as disclosed below, there has been no acquisition of any of our Shares by our Directors, Promoter, Substantial Shareholders or Key Senior Management or persons connected with them, or any transaction entered into by them which grants them the right to acquire any of our Shares since our incorporation:

	No. of Shares held after the Acquisitions	Total consideration (RM)	Average cost per Share (RM)
<u>Promoter/Director/Substantial Shareholder</u>			
Liew Yoon Poh	95,678,700	14,351,807	0.15
<u>Directors/Substantial Shareholders</u>			
Liew Yoon Kit	74,416,100	11,162,417	0.15
Chan Yue Mun	74,416,100	11,162,417	0.15
<u>Substantial Shareholder</u>			
Giam Teck Eng	74,416,100	11,162,417	0.15

4. DETAILS OF OUR IPO (CONT'D)

4.4 USE OF PROCEEDS

We expect to use the gross proceeds from the Public Issue amounting to approximately RM[●] million in the following manner:

Details	RM'000	%	Estimated time frame for use of proceeds from the date of our Listing
Capital expenditure			
- Setting up new head office and warehouse	[●]	[●]	Within 36 months
- Expansion of Indonesian business	[●]	[●]	Within 36 months
- Establishment of EaaS and MEAMS segments	[●]	[●]	Within 36 months
Repayment of bank borrowings	[●]	[●]	Within 12 months
Working capital	[●]	[●]	Within 24 months
Estimated listing expenses	[●]	[●]	Within 1 month
	<u>[●]</u>	<u>100.0</u>	

Further details of the proposed use of the gross proceeds from the Public Issue are as follows:

4.4.1 Setting up new head office and warehouse

We have allocated RM[●] million, representing approximately [●]% of the gross proceeds to be raised from the Public Issue, for our capital expenditure to set up a new head office and warehouse in Selangor by purchasing a ready-built property with an estimated aggregate built-up area of between 25,000 sq ft and 30,000 sq ft.

As at the LPD, we operate from offices located in Kelana Jaya, Selangor, which are rented from Glocomp (a related party), and have a total built-up area of approximately 10,398 sq ft that are used for office and storage purposes.

We intend to relocate our operations to a ready-built property in Selangor to be purchased, that will house our head office, expanded storage facilities and showroom. This relocation is to accommodate the need for additional space, particularly for storage, in anticipation of business expansion. In addition, we intend to establish a showroom within the new premises to serve as a demonstration area for our medical equipment.

As at the LPD, we have yet to identify a location for the relocation. We estimate to save RM[●] million per annum in rental expenses (based on the current average rental rate and the built-up area of the new head office and warehouse) after relocating. After our Listing, we will seek shareholders' approval for the acquisition of property for purposes of setting up our new head office and warehouse, if required under the Listing Requirements.

Besides purchasing the new head office and warehouse, we also plan to allocate proceeds from the Public Issue towards renovation costs, purchase of fixed equipment and furniture as well as relocation expenses, the breakdown of which is as set out below:

Details	RM'000
Purchasing new head office and warehouse	[●]
Renovation costs	[●]
Purchase of equipment and furniture	[●]
Relocation expenses	[●]
Total	<u>[●]</u>

4. DETAILS OF OUR IPO (CONT'D)

As at the LPD, we are in the midst of identifying the location of the new head office and warehouse. The exact location and size of the land are subject to changes depending on the price and availability. The indicative timeline to set up our new head office and warehouse is as follows:

Details	Indicative timeline
Identification of suitable property as our new head office and warehouse	By 1 st half of 2026
Execution of sale and purchase agreement for the property	By 2 nd half of 2026
Vacant possession	By 1 st half of 2027
Completion of renovation works	By 2 nd half of 2027
Completion of relocation	By 2 nd half of 2028

Please refer to Section 7.20(i) of this Prospectus for further details.

4.4.2 Expansion of Indonesian business

We have allocated RM[●] million, representing approximately [●]% of the gross proceeds to be raised from the Public Issue, to expand our core business in the supply and integration of medical devices in Indonesia. The proceeds are allocated for purposes as set out below:

Details	RM'000
Payroll expenses	[●]
Purchase of equipment and furniture	[●]
Marketing expenses	[●]
Rental of office and warehouse	[●]
Total	[●]

In December 2024, as part of our expansion strategy, we incorporated PT Fairmed to capture business opportunities in Indonesia. Currently, PT Fairmed operates from a rented office in Jakarta and has 18 personnel. To enhance our market presence and grow our business in Indonesia, we plan to allocate proceeds from the Public Issue to set up a branch office each in Sumatra, Surabaya, and Kalimantan within the next 3 years, subject to our Group securing contracts from potential customers through tenders and proposals.

Pursuant to the Foreign Exchange Notices issued by BNM, a resident entity will only be required to seek prior approval from BNM to invest in foreign currency assets if the investment of its group companies exceeds RM50.0 million annual aggregate limit. In view that aggregate of the existing foreign investment of our Group and the fund allocated by us to expand our Indonesia business is less than RM50.0 million, no approval from BNM would be required for purposes of such investment. In the event the annual aggregate of the foreign investment of our Group exceeds RM50.0 million, we will apply for BNM's approval.

Please refer to Section 7.20(iv) of this Prospectus for further details.

4.4.3 Establishment of EaaS and MEAMS segments

As part of our plans and strategies to expand our products and services, we have allocated approximately RM[●] million, representing approximately [●]% of the gross proceeds to be raised from the Public Issue, to establish the following new business segments:

(i) EaaS segment

We intend to expand into an asset-owner business model by establishing an EaaS segment where we will offer customised solutions comprising equipment bundled with our managed software platform and charge user a fee on a subscription-based model for the use of our facilities.

4. DETAILS OF OUR IPO (CONT'D)

With EaaS, we will offer customised solutions comprising equipment bundled with our new managed software platform to meet the specific needs of medical service providers. These solutions allow them access to the latest medical technology without the upfront capital investment.

Under the EaaS model, we are responsible for maintenance, repair and upgrade, which will reduce the customers' need for in-house technical expertise and minimise equipment downtime. Our rationale for offering EaaS is to provide an alternative to traditional equipment sales, fostering long-term partnerships between us and the medical service providers.

We plan to allocate proceeds from the Public Issue towards establishing the EaaS segment as follows:

Details	RM'000
Purchase of medical equipment and software	[•]
Investment in digital infrastructure	[•]
Maintenance of equipment	[•]
Hiring of technical support team	[•]
Total	[•]

Please refer to Section 7.20(iii) of this Prospectus for further details.

(ii) MEAMS segment

We aim to expand our healthcare informatics segment by introducing new software management solutions for medical equipment by incorporating tracking technologies such as radio-frequency identification (RFID) and barcodes to locate and monitor the assets in real-time, as well as maintenance management. This approach will enhance asset availability, equipment reliability, minimise downtime and optimise utilisation.

With the bundling of software integration, this will enable us to provide predictive and preventive maintenance services supported by AI-driven analytics using machine learning algorithms to predict equipment failure based on usage patterns, data and historical records. We will also be able to provide cloud-based asset management, which enables us to maintain a cloud-accessible platform with details of all medical devices, including locations, service history, warranty and compliance records.

We plan to allocate proceeds from the Public Issue towards establishing the MEAMS segment as follows:

Details	RM'000
Software development	[•]
Investment in digital infrastructure	[•]
Hiring of technical support team	[•]
Marketing expenses	[•]
Total	[•]

Please refer to Section 7.20(ii) of this Prospectus for further details.

4. DETAILS OF OUR IPO (CONT'D)

4.4.4 Repayment of borrowings

We have allocated RM[●] million, representing approximately [●]% of the gross proceeds from the Public Issue, to pare down our existing trade financing facilities over the next 12 months as and when they are utilised for the purchase of medical devices from our suppliers as follows:

Trade financing facility	Interest rate / maturity date	Facility limit (RM'000)	Outstanding amount as at the LPD (RM'000)	Proposed repayment (RM'000)
OCBC Bank (Malaysia) Berhad / Letter of credit	0.1% per month / 60 - 120 days	13,000	4,572	[●]
Alliance Bank Malaysia Berhad / Letter of credit	0.1% per month / 60 - 120 days	10,500	1,478	[●]
CIMB Bank Berhad / Letter of credit	0.1% per month / 60 - 120 days	4,000	3,105	[●]
United Overseas Bank (Malaysia) Berhad / Letter of credit	0.1% per month / 60 - 120 days	5,000	1,907	[●]
		32,500	11,062	[●]

We have utilised the trade financing facilities set out above to fund the purchase of medical devices from our suppliers through letters of credit. Typically, some of our major suppliers such as Philips require letters of credit as a condition for shipment to provide payment assurance and mitigate counterparty risk.

As at the LPD, the total outstanding amount under these facilities stood at approximately RM11.1 million. However, we have allocated a higher amount of RM[●] million for the proposed repayment of these trade facilities after taking into consideration our expected drawdowns over the next 12 months from the date of our Listing for purchases of medical devices to fulfil our order book. For information purposes, our purchases of medical devices from Philips amounted to approximately RM92.1 million for the FYE 2024.

By allocating proceeds from the Public Issue for the proposed repayment above, we will be able to conserve cash generated from our operations for our business expansion purposes. Such repayment will not result in any penalties or early repayment charges, and there are no restrictive covenants that would have any impact on our proposed repayment. We expect to save approximately RM[●] million in interest based on the prevailing interest rate of 0.1% for the said facilities.

4.4.5 Working capital

We have allocated approximately RM[●] million, representing approximately [●]% of the gross proceeds from the Public Issue, for our working capital requirements. The proposed allocation of the proceeds is set out below:

Details	RM'000
Sales and marketing expenses	[●]
Payment of supplies	[●]
Staff costs	[●]
Purchase of inventories	[●]
Total	[●]

The working capital allocation is expected to enhance our liquidity and cash flow position to support our day-to-day operations as well as to enable our Group to conduct our operations and expansion without being overly dependent on external sources of funding.

4. DETAILS OF OUR IPO (CONT'D)

Sales and marketing expenses are expected to increase in tandem with our plans to expand our business in Malaysia and Indonesia as well as our product range. Likewise, our purchases of supplies such as radiographic equipment, MRI machines and ultrasound machines are also expected to increase in order to support our business expansion.

In addition, we generally keep a certain level of inventories such as ultrasound machines and consumables in order to shorten the lead time for delivery of products to our customers or to loan to our customers as demonstration units.

4.4.6 Estimated listing expenses

We estimate that RM[●] million of the gross proceeds from the Public Issue will be used for our listing expenses as follows:

Details	RM'000
Professional fees	[●]
Fees to authorities	[●]
Underwriting commission, placement fees and brokerage fees	[●]
Miscellaneous expenses and contingencies	[●]
Total	[●]

Miscellaneous expenses and contingencies include any other incidental charges or related expenses in connection with our IPO, such as translation services, printing and advertising expenses, applicable service tax and roadshow expenses of our IPO.

If the actual listing expenses are higher than anticipated, the deficit will be funded from proceeds allocated for working capital and vice versa. Pending the eventual use of the gross proceeds from the Public Issue for the above intended purposes, the funds will be placed in short-term deposits with licensed financial institutions or short-term money market instruments.

We will not receive any proceeds from the Offer for Sale. The Offer for Sale will raise gross proceeds of up to RM[●] million which will accrue entirely to our Offerors. Our Offerors will be bearing their own placement fee in respect of our IPO.

4.5 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE

4.5.1 Brokerage fee

We will pay brokerage fee in respect of the Issue Shares under the Retail Offering at a rate of 1.0% (exclusive of any applicable tax) of the IPO Price for 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.

Our Sole Placement Agent is entitled to charge brokerage commission to successful applicants under the Institutional Offering. For the avoidance of doubt, such brokerage commission will be paid by successful applicants under the Institutional Offering and will not be borne by us nor the Offerors.

4.5.2 Underwriting commission

As stipulated in the Underwriting Agreement, we will pay our Sole Underwriter an underwriting commission of the rate of 2.0% (exclusive of any applicable tax) of the total value of the underwritten 24,197,600 Issue Shares under the Retail Offering.

4. DETAILS OF OUR IPO (CONT'D)

4.5.3 Placement fee

We and the Offerors will pay the Sole Placement Agent a placement fee of 2.0% (exclusive of applicable tax) and may pay a discretionary incentive fee of up to 0.5% (exclusive of applicable tax) of the value of the 50,000,000 Issue Shares and 50,000,000 Offer Shares successfully placed out under the Institutional Offering.

4.6 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

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