

#### 4. DETAILS OF OUR IPO

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##### 4.1 INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative time and/or date:

<b>Events</b>	<b>Time and/or date</b>
Opening of the Institutional Offering <sup>(1)</sup>	[•]
Issuance of the Prospectus/Opening of the Retail Offering	10.00 a.m., [•]
Closing of the Retail Offering	5.00 p.m., [•]
Closing of the Institutional Offering	[•]
Price Determination Date	[•]
Balloting of applications for our Issue Shares under the Retail Offering	[•]
Allotment/Transfer of our IPO Shares to successful applicants	[•]
Listing	[•]

**Note:**

(1) *[Other than the Institutional Offering to the Cornerstone Investors. The Master Cornerstone Placement Agreement for the acquisition of our IPO Shares has been entered into on [•].]*

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

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

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##### 4.2 PARTICULARS OF OUR IPO AND PLAN OF DISTRIBUTION

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 and the Over-allotment Option as set out in Sections 4.2.3 and 4.2.4 of this Prospectus, respectively.

Our IPO consists of the Institutional Offering and the Retail Offering, totalling up to 300,000,000 IPO Shares, representing up to approximately 30.00% of our enlarged issued Shares. For the avoidance of doubt, our IPO Shares offered under the Institutional Offering and the Retail Offering do not include our Shares under the Over-allotment Option.

##### 4.2.1 Institutional Offering

The Institutional Offering involves the offering of up to 270,000,000 IPO Shares (comprising up to 50,000,000 Offer Shares and 220,000,000 Issue Shares), representing up to 27.00% of our enlarged issued Shares, subject to the clawback and reallocation provisions and the Over-allotment Option as set out in Sections 4.2.3 and 4.2.4 of this Prospectus, respectively at the Institutional Price in the following manner:

- (i) 125,000,000 IPO Shares, representing 12.50% of our enlarged issued Shares to Bumiputera investors approved by the MITI; and
- (ii) up to 145,000,000 IPO Shares, representing up to 14.50% of our enlarged issued Shares to the following persons:
  - (a) Malaysian institutional and selected investors (other than Bumiputera investors approved by the MITI); and
  - (b) foreign institutional and selected investors.

[As part of the Institutional Offering, on [•], our Company and the Selling Shareholders, entered into a Master Cornerstone Placement Agreement with the Global Coordinator, the Joint Bookrunners and the Cornerstone Investors whereby the Cornerstone Investors have agreed to acquire from the Selling Shareholders, subject to the terms of the Master Cornerstone Placement Agreement and the individual cornerstone placement agreements, an aggregate of [•] IPO Shares, representing [•]% of our enlarged issued Shares, at RM[•] per IPO Share or the Institutional Price, whichever is lower. None of the Cornerstone Investors will individually acquire 5.00% or more of our enlarged issued Shares under the individual cornerstone placement agreements.]

[The cornerstone placement agreements are conditional upon, among others, the Retail Underwriting Agreement and the Placement Agreement being entered into and not having been terminated pursuant to their respective terms.]

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

##### 4.2.2 Retail Offering

The Retail Offering involves the offering of 30,000,000 Issue Shares, representing approximately 3.00% 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 in the following manner:

##### (i) Allocation to the Eligible Persons

10,000,000 Issue Shares, representing approximately 1.00% of our enlarged issued Shares, are reserved for application by the Eligible Persons in the following manner:

Category of Eligible Persons	No. of Eligible Persons	Aggregate no. of Issue Shares allocated
Our Directors <sup>(1)</sup>	6	600,000
Eligible employees of our Group (including the directors of our subsidiaries) <sup>(2)</sup>	400	4,500,000
Persons who have contributed to the success of our Group <sup>(3)</sup>	200	4,900,000
<b>Total</b>	<b>606</b>	<b>10,000,000</b>

##### Notes:

- (1) *The Directors who are also the Selling Shareholders will not be allocated any Issue Shares. Clarice Ong and each of the Independent Directors have been allocated 100,000 Issue Shares and collectively, a total of 600,000 Issue Shares have been allocated to them.*
- (2) *The basis and criteria for allocation to the eligible employees of our Group (including the directors of our subsidiaries) are based on, among others, their length of service, job grade, seniority and job responsibilities, past contribution to our Group.*
- (3) *The criteria for allocation to persons who have contributed to the success of our Group are based on, among others, their length of business relationship with our Group and their contribution to the success of our Group.*

##### (ii) Allocation via balloting to the Malaysian Public

20,000,000 Issue Shares, representing approximately 2.00% of our enlarged issued Shares, are reserved for application by the Malaysian Public via balloting, of which 10,000,000 Issue Shares, have been set aside for application by Bumiputera citizens, companies, co-operatives, societies and institutions.

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

In summary, our IPO Shares will be allocated, subject to the clawback and reallocation provisions and the Over-allotment Option set out in Sections 4.2.3 and 4.2.4 of this Prospectus, respectively in the following manner:

Category	Offer for Sale		Public Issue		Total	
	No. of Shares	% of our enlarged issued Shares <sup>(1)</sup>	No. of Shares	% of our enlarged issued Shares <sup>(1)</sup>	No. of Shares	% of our enlarged issued Shares <sup>(1)</sup>
<b>Retail Offering:</b>						
Eligible Persons						
- Our Directors	-	-	600,000	0.06	600,000	0.06
- Eligible employees of our Group (including the directors of our subsidiaries)	-	-	4,500,000	0.45	4,500,000	0.45
- Persons who have contributed to the success of our Group	-	-	4,900,000	0.49	4,900,000	0.49
Malaysian Public (via balloting):						
- Bumiputera	-	-	10,000,000	1.00	10,000,000	1.00
- Non-Bumiputera	-	-	10,000,000	1.00	10,000,000	1.00
<b>Sub-total</b>	-	-	<b>30,000,000</b>	<b>3.00</b>	<b>30,000,000</b>	<b>3.00</b>
<b>Institutional Offering:</b>						
Bumiputera investors approved by the MITI	-	-	125,000,000	12.50	125,000,000	12.50
Other Malaysian and foreign institutional and selected investors	50,000,000	5.00	95,000,000	9.50	145,000,000	14.50
<b>Sub-total</b>	<b>50,000,000</b>	<b>5.00</b>	<b>220,000,000</b>	<b>22.00</b>	<b>270,000,000</b>	<b>27.00</b>
<b>Total</b>	<b>50,000,000</b>	<b>5.00</b>	<b>250,000,000</b>	<b>25.00</b>	<b>300,000,000</b>	<b>30.00</b>

**Note:**

(1) Based on our 1,000,000,000 Shares after our IPO.

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

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The completion of the Retail Offering and the Institutional Offering are inter-conditional. Our IPO is also subject to the public shareholding spread requirement under the Listing Requirements as set out in Section 4.2.6 of this Prospectus.

##### 4.2.3 Clawback and reallocation

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

- (i) if our IPO Shares allocated to Bumiputera investors approved by the MITI (“**MITI Tranche**”) are under-subscribed, such IPO Shares will first be made available for subscription by other Malaysian and foreign institutional and selected investors under the Institutional Offering.

If after the above reallocation, the MITI Tranche is still under-subscribed under the Institutional Offering, and there is a corresponding over-subscription for the Issue Shares by the Malaysian Public under the Retail Offering, the IPO Shares will be clawed back from the MITI Tranche and allocated firstly, to the Bumiputera Malaysian Public under the Retail Offering via balloting process as mentioned in Section 4.2.2(ii) of this Prospectus, and thereafter to the other Malaysian Public under the Retail Offering;

- (ii) subject to item (i) above, if there is an under-subscription in the Institutional Offering and an over-subscription in the Retail Offering, our IPO Shares may be clawed back from the Institutional Offering and allocated to the Retail Offering; and
- (iii) if there is an under-subscription in the Retail Offering and an over-subscription in the Institutional Offering, our Issue Shares may be clawed back from the Retail Offering and allocated to the Institutional Offering.

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 or the Retail Offering but no over-subscription in the other.

Any Issue Shares not taken up by any of the Eligible Persons (“**Excess Issue Shares**”) will be made available for application by the other Eligible Persons who have applied for excess Issue Shares in addition to their pre-determined allocation of Issue Shares. Such Excess Issue Shares will be allocated to these Eligible Persons on a fair and equitable basis in the following priority:

- (aa) firstly, allocation on a pro-rata basis to our Directors and eligible employees of our Group (including the directors of our Subsidiaries) who have applied for Excess Issue Shares based on the number of Excess Shares applied for;
- (bb) secondly, allocation of any surplus Excess Issue Shares after (aa) above on a pro-rata basis to persons who have contributed to the success of our Group who have applied for Excess Issue Shares based on the number of Excess Issue Shares applied for; and
- (cc) thirdly, to minimise odd lots.

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

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Our Board reserves the right to allot Excess Issue Shares applied for 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 (aa) to (cc) above is achieved. Our Board also reserves the right to accept any Excess Issue Shares application, in full or in part, without assigning any reason.

Once completed, the steps involving items (aa) to (cc) above will not be repeated. Should there be any balance of Excess Issue Shares thereafter, such balance will be made available for application by the Malaysian Public under the Retail Offering. 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 Over-allotment Option

The Over-allotment Option Providers may grant an Over-allotment Option to the Stabilising Manager (on behalf of the Placement Managers) 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 our Shares (on behalf of the Placement Managers) and subsequently, effect transactions to stabilise or maintain the market price of our 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 price of our Shares. If the Stabilising Manager creates a short position in our Shares in connection with the Institutional Offering, the Stabilising Manager may reduce that short position by purchasing our 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 Providers at any time, within 30 days from the date of our Listing to purchase from the Over-allotment Option Providers up to an aggregate of 45,000,000 Shares at the Institutional Price for each IPO Share, representing up to 15.00% of the total number of IPO Shares offered, solely for purposes of covering over-allotments of our Shares (if any).

Subject to there being an over-allotment, the Stabilising Manager will (on behalf of the Placement Managers) enter into the Share Lending Agreement with the Over-allotment Option Providers to borrow up to an aggregate of 45,000,000 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 Providers through the purchase of our 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 our Shares by the Over-Allotment Providers under our 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 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.

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

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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 45,000,000 Shares, representing up to 15.00% 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 such stabilising action. Such stabilising actions may commence on or after the commencement of trading of our Shares on the Main Market of Bursa Securities and, if commenced, may be discontinued at any time and cannot be effected after the earliest of (i) the date falling 30 days from the commencement of trading of our 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 45,000,000 Shares, representing 15.00% of the total number of IPO Shares offered to undertake the stabilising action.

Neither our Company, the Over-allotment Option Providers nor the Stabilising Manager makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our Shares. In addition, neither our Company, the Over-allotment Option Providers nor the Stabilising Manager makes any representation that the Stabilising Manager will engage in such transactions, or that such transactions once commenced, will not be discontinued without notice (unless such notice is required by law).

**4.2.5 Priority of the offering**

In the event the demand for our IPO Shares is less than 300,000,000 IPO Shares, our Public Issue shall take precedence over the Offer for Sale. The demand for our IPO Shares shall be firstly satisfied with our Issue Shares under our Public Issue, and following that, any excess demand will be satisfied with the Offer Shares under the Offer for Sale.

**4.2.6 Minimum subscription level**

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

Under the Listing Requirements, we are required to have a minimum of 25.0% 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. See Section 9.3.1 of this Prospectus for details in the event there is a delay in or termination of our Listing.

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

##### 4.2.7 Selling Shareholders

The Offer Shares to be offered by each Selling Shareholder and their respective shareholdings in our Company before and after our IPO and their material relationship with our Group within the past three years are as follows:

Name	Material relationship with our Group	Shareholding before our IPO		Offer For Sale		Shareholding after our IPO assuming the Over-allotment Option is not exercised		Over-allotment Option		Shareholding after our IPO assuming the Over-allotment Option is fully exercised	
		No. of Shares	(%) <sup>(1)</sup>	No. of Shares	(%) <sup>(2)</sup>	No. of Shares	(%) <sup>(2)</sup>	No. of Shares	(%) <sup>(2)</sup>	No. of Shares	(%) <sup>(2)</sup>
Dato' Seri Ong	Director, Key Senior Management, Promoter and substantial shareholder	226,053,600	30.14	19,021,600	1.90	207,032,000	20.70	17,119,500	1.71	189,912,500	18.99
Ooi Lean Hin	Director, Key Senior Management, Promoter and substantial shareholder	129,629,700	17.28	10,907,900	1.09	118,721,800	11.87	9,817,100	0.98	108,904,700	10.89
Chan Huan Hin	Director, Key Senior Management, Promoter and substantial shareholder	46,996,000	6.27	3,954,500	0.40	43,041,500	4.30	3,559,100	0.36	39,482,400	3.95
Lee Hock Saing	Key Senior Management, Promoter and substantial shareholder	108,969,900	14.53	9,169,400	0.92	99,800,500	9.98	8,252,500	0.83	91,548,000	9.15
Lee Kong Siong	Key Senior Management and Promoter	18,345,200	2.45	1,543,800	0.15	16,801,400	1.68	1,389,200	0.14	15,412,200	1.54
GDPL	Substantial shareholder	64,207,500	8.56	5,402,800	0.54	58,804,700	5.88	4,862,600	0.49	53,942,100	5.39

**Notes:**

(1) Based on our issued share capital of 750,000,000 Shares after the Pre-IPO Exercise.

(2) Based on our 1,000,000,000 Shares after our IPO.

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

##### 4.3 SHARE CAPITAL, CLASSES OF SHARES AND RANKING

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

	<b>No. of Shares</b>	<b>RM'000</b>
After the Share Split	750,000,000	402,251
New Shares to be issued pursuant to our Public Issue	250,000,000	<sup>(1)</sup> [●]
<b>Enlarged issued share capital upon Listing</b>	<b>1,000,000,000</b>	<b>[●]</b>

**Note:**

- (1) Calculated based on the Retail Price and after deducting the estimated listing expenses of approximately RM[●] million which is directly attributable to our Public Issue and allowed to be debited against our share capital.

As at the date of this Prospectus, we only have one class of shares, being 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 rights, dividends and other distributions that may be declared subsequent to the date of allotment of our Issue 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 up on our Shares held by them, be entitled to share the profits paid out by us as dividends or 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 any general meeting of our Company, each shareholder shall be entitled to vote in person, by proxy, by attorney or by 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. A proxy may but need not be a member of our Company and there shall be no restriction as to the qualification of the proxy.

##### 4.4 BASIS OF ARRIVING AT THE PRICE OF OUR IPO SHARES AND REFUND MECHANISM

###### 4.4.1 Retail Price

The Retail Price was determined and agreed upon by our Directors and the Selling Shareholders in consultation with the Global Coordinator, after taking into consideration the following factors:

- (i) PE Multiple of approximately [●] times based on our Group's EPS of 4.7 sen after taking into account our PATAMI of RM47.2 million of for the FYE 31 December 2020 and our 1,000,000,000 Shares upon Listing;
- (ii) pro forma consolidated NA per Share attributable to ordinary equity holders of our Company as at 31 March 2021 after our IPO of RM[●] based on our 1,000,000,000 Shares upon Listing; and

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

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- (iii) our competitive strengths, as follows:
  - (a) we own our fleet of vessels, ensuring greater control over our container liner shipping operations and enabling us to capture demand from the charter market;
  - (b) we provide weekly fixed-day shipping services and comprehensive port coverage across Peninsular Malaysia and East Malaysia;
  - (c) we are a leading player in container liner shipping between Peninsular Malaysia and East Malaysia with a 37.21% market share by total container throughput between Peninsular Malaysia and East Malaysia in 2020;
  - (d) we have established long-term business relationships with our suppliers and customers;
  - (e) we have digitalised our business operations for greater operational efficiency; and
  - (f) we have an experienced and long serving Key Senior Management team with substantial industry experience;
- (iv) our strategies and future plans, as follows:
  - (a) we intend to continue expanding our container liner shipping business in Malaysia and overseas, as well as our vessel chartering business by expanding our fleet of container vessels;
  - (b) we intend to expand our container depot and containerised automotive shipping business by setting up new container depots in Port Klang (Pulau Indah), Kota Kinabalu, Kuching and Bintulu;
  - (c) we intend to purchase additional containers to support our growing container liner shipping business;
  - (d) we intend to enhance our IT infrastructure to further improve our operational efficiency; and
  - (e) we may selectively pursue acquisitions and investments in companies as part of our growth strategy.
- (v) positive outlook of the container shipping industry in Malaysia and global vessel chartering industry, details of which are as described in Section 8 of this Prospectus; and
- (vi) prevailing market conditions which include among others, market performance of key global indices and companies involved in similar business listed on Bursa Securities, current market trends and investors' sentiments.

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

- (a) the Retail Price; or
- (b) the Institutional Price.

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

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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 without any interest thereon. Further details on the refund mechanism are set out in Section 4.4.3 of this Prospectus.

The Final Retail Price and the Institutional Price are expected to be announced within two Market Days from the Price Determination Date via Bursa Securities' 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 Issue Shares.

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

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

##### **4.4.3 Refund mechanism**

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 without any interest thereon. The refund will be in the form of cheques and despatched by ordinary post to the address maintained with Bursa Depository for applications made via the Application Form or by crediting into the accounts of the successful applicants with the Participating Financial Institution for applications made via the Electronic Share Application or by crediting into the accounts of the successful applicants with the Internet Participating Financial Institution for applications made via Internet Share Application, within ten Market Days from the date of final ballot of applications, at the successful applicants' own risk.

For further details on the refund mechanism, see Section 15.9 of this Prospectus.

##### **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[●] billion.

**You should note that the market price of our Shares upon our Listing is subject to the vagaries of market forces and other uncertainties. You are reminded to carefully consider the risk factors as set out in Section 9 of this Prospectus.**

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

##### 4.5 DILUTION

Dilution is the amount by which the price paid by retail, institutional and selected investors for our Shares exceeds our pro forma consolidated NA per Share after our IPO. Our pro forma consolidated NA per Share as at 31 March 2021 was RM0.53, based on the total number of our issued shares of 750,000,000 after the Pre-IPO Exercise but before adjusting for our IPO.

After taking into account our enlarged number of issued Shares from the issuance of the 250,000,000 Issue Shares and after adjusting for the use of proceeds from our Public Issue, our pro forma consolidated NA per Share as at 31 March 2021 would be RM[●]. This represents an immediate increase in NA per Share of RM[●] to our existing shareholders, and an immediate dilution in 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 to the Retail Price), to the retail and 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 consolidated NA per Share as at 31 March 2021 after the Pre-IPO Exercise but before adjusting for our IPO	0.53
Pro forma consolidated NA per Share as at 31 March 2021 after the Pre-IPO Exercise and after adjusting for the use of proceeds from our Public Issue	[●]
Increase in consolidated NA per Share to our existing shareholders	[●]
Dilution in pro forma consolidated NA per Share to retail and institutional and selected investors	[●]
Dilution in pro forma consolidated NA per Share to retail and institutional and selected investors as a percentage of the Final Retail Price/Institutional Price	[●]%

Save for our Shares issued pursuant to the Acquisitions as set out in Section 6.2.1 of this Prospectus, none of our Directors, Key Senior Management, substantial shareholders or persons connected with them have acquired any securities in our Company, neither have they entered into any transaction which grants them the right to acquire any of our Shares from the date of our incorporation to the date of this Prospectus.

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

##### 4.6 USE OF PROCEEDS

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

Description of use of proceeds	Estimated timeframe for use from the date of our Listing	RM'000	%
Purchase of vessels and containers	Within 36 months	[●]	[●]
Repayment of bank borrowings	Within 6 months	[●]	[●]
Land acquisitions for the setting-up of new container depots	Within 36 months	[●]	[●]
Investment in IT infrastructure	Within 36 months	[●]	[●]
Working capital	Within 12 months	[●]	[●]
Defray fees and expenses relating to our IPO and our Listing	Within 3 months	[●]	[●]
	<b>Total</b>	[●]	[●]

**Note:**

(1) We have assumed that the Institutional Price and the Final Retail Price will be equal to the Retail Price.

##### 4.6.1 Purchase of vessels and containers

###### Purchase of vessels

We intend to expand our Group's container liner shipping and vessel chartering business operations by enlarging our fleet size and optimise our fleet composition.

We intend to use RM[●] million of the proceeds from our Public Issue to part finance the acquisition of additional new and/or second-hand container vessels with nominal capacity range approximately between 800 TEUs and 2,500 TEUs. Any shortfall will be funded via internally generated funds and/or bank borrowings. As at the LPD, we have yet to identify container vessel(s). The exact type, quantity and usage of the container vessels to be identified are subject to the prevailing market demand and conditions and cannot be determined at this juncture.

We intend to use the additional container vessels in our existing and/or new service routes as well as vessel chartering business in the future as set out in Section 7.15.1 of this Prospectus. The estimated acquisition cost will depend on the prices of the container vessels and foreign currency exchange rates at the point of acquisition.

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

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Purchase of new containers

We intend to use RM[●] million of the proceeds from our Public Issue to part finance the acquisition of new containers. Any shortfall will be funded via internally generated funds and/or bank borrowings. These containers which we intend to purchase include standard dry cargo containers, refrigerated containers and special containers for oversized cargo. These types of containers come in 20-ft and 40-ft sizes. These new containers will be used to support the container liner shipping operations of our Group where containers are provided to shippers for shipment of their cargo.

As at the LPD, the prices of a new 20-ft container and 40-ft container are approximately USD3,800 and USD6,500 respectively based on quotations we obtained from container manufacturers. The market prices of containers are subject to fluctuations depending on demand and supply conditions for containers and global steel prices.

We intend to purchase approximately 4,000 containers from container manufacturers based in China. The actual quantity, size and purchase price of new containers to be purchased are subject to changes as they will depend on, market prices of new containers and foreign currency exchange rates at the time of purchase.

In the event that we incur these capital expenditure before the receipt of the proceeds from our Public Issue, the proceeds will be used to replenish our internally generated funds and/or repay bank borrowings drawn down for the funding of the purchase of vessels and containers.

4. DETAILS OF OUR IPO (Cont'd)

4.6.2 Repayment of bank borrowings

We intend to use RM[●] million of the proceeds from our Public Issue to partly repay our bank borrowings, the details of which are as follows:

Bank/ Type of banking facility	Facility amount (RM'000 unless otherwise stated)	Amount outstanding as at the LPD (RM'000)	Proposed repayment amount (RM'000)	Interest rate (% per annum)/ Maturity date	Purpose of borrowing
Affin Bank Berhad/ term loan	12,800	[●]	[●]	4.10%/ April 2025	To part finance the acquisition of our vessel, MTT Pasir Gudang
Affin Bank Berhad/ term loan	10,800	[●]	[●]	4.10%/ May 2025	To part finance the acquisition of our vessel, MTT Bintulu
Affin Bank Berhad/ overdraft	15,700	[●]	[●]	3.85%/ April 2027	To part finance the acquisition of our vessel, MTT Kuching Dua and its drydocking costs
Affin Bank Berhad/ overdraft	17,200	[●]	[●]	3.85%/ February 2028	To part finance the acquisition of our vessel, MTT Perawang
CIMB Bank Berhad/ term loan	10,000	[●]	[●]	4.10%/ June 2029	To part finance the acquisition of an approximately 8,038 square metres industrial land in Klang, Selangor
Chailease International Financial Services (Singapore) Pte Ltd/ term loan	USD16,000,000 (equivalent to RM66,432,000 <sup>(1)</sup> )	[●]	[●]	4.54%/ March 2024	To part finance the acquisition of our vessel, MTT Semporna
<b>Total</b>	<b>132,932</b>	<b>[●]</b>	<b>[●]</b>		

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

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**Note:**

- (1) *Based on the exchange rate of USD1.00 : RM4.1520, being the middle rate quoted by Bank Negara Malaysia at 5.00 p.m. as at the LPD.*

The repayment of these borrowings is expected to give rise in interest savings of approximately RM[●] million per annum based on their respective interest rates.

The increase in our total equity from issuance of new Shares under our Public Issue coupled with the proposed repayment will reduce our overall gearing level from 0.9 times to [●] times after our IPO.

If the actual repayment amount required as at the payment date is higher than the amount set out above, the shortfall will be financed through internally generated funds. However, if the actual repayment amount required as at the payment date is lower than the amount set out above, the surplus will be used for our working capital.

**4.6.3 Land acquisitions for the setting-up of new container depots**

We intend to use RM[●] million of the proceeds from our Public Issue to part finance the acquisitions of land to set up new container depots in East Malaysia in line with our future plan of expanding our container depot business. We are still in the midst of identifying suitable land in Kuching and Bintulu with an estimated land area of between 10 to 12 acres for each location. The land cost for each location is expected to be approximately between RM20.0 million to RM30.0 million.

The acquisitions are expected to be completed within 24 months from the date of our Listing. The setting-up and construction of each container depot which will be undertaken thereafter will take approximately 12 months to complete.

The land costs and construction works for two container depots are expected to cost approximately RM75.0 million with RM[●] million to be funded using the proceeds from our Public Issue with the balance of RM[●] million to be financed through bank borrowings.

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

##### 4.6.4 Investment in IT infrastructure

We intend to use RM[●] million of the proceeds from our Public Issue for investment in IT infrastructure, the details of which are as follows:

	<b>RM'000</b>
Upgrade in iKapal's Shipping System, being the existing software we use for our container liner shipping business	[●] <sup>(1)</sup>
Upgrade in SOVY-Depot System, being the existing software we use for our container depot business	[●] <sup>(1)</sup>
Purchase of ship management software	[●] <sup>(2)</sup>
Upgrade in internet connectivity of our vessels	[●] <sup>(2)</sup>
Upgrade in network infrastructure	[●] <sup>(3)</sup>
<b>Total</b>	<b>[●]</b>

**Notes:**

- (1) *The proceeds allocated for the enhancement and upgrade works of iKapal's Shipping System and SOVY-Depot System are expected to be used within 12 months from the date of our Listing and for its subsequent system updates/upgrades and modification within 36 months from the date of our Listing.*
- (2) *The proceeds allocated for the purchase of ship management software and upgrade in internet connectivity of our vessels is expected to be used on a staggered basis within 36 months from the date of our Listing.*
- (3) *The proceeds allocated for the upgrade in network infrastructure is expected to be used within 12 months from the date of our Listing.*

##### Upgrade in iKapal's Shipping System

Currently, we are using iKapal's Shipping System, a software solely developed by a third party vendor for us, to facilitate the daily operations of our container liner shipping business. We intend to use RM[●] million of the proceeds from our Public Issue to upgrade the current software. Under iKapal's Shipping System, there is an online portal for customers to place bookings, track their shipments, check sailing schedule, fill in and update their shipment details. See Section 7.5.3 of this Prospectus for further details on iKapal's Shipping System.

We intend to enhance this customer online portal in terms of user experience and functionality. The enhanced online portal will encourage more customers to switch from manual booking to online booking, thereby reducing reliance on manual labour and human errors. We also intend to add new functions which include, among others, sailing schedule request, freight rate enquires, invoicing and payment to the existing customer online portal. While customers have access to an improved online portal, these new features will also help to increase the level of automation in our Group's operations.

To enable these additional functions on the customer online portal, our iKapal's Shipping System will need to be integrated with our other IT systems and business intelligence systems. This integration will allow us to collect more data on our operations (e.g. shipment statistics, and container and shipment tracking reports) to have more insights on our business operations which will help us in decision-making and formulating business strategy and plans.

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

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##### Upgrade in SOVY-Depot System

We intend to use RM[●] million of the proceeds from our Public Issue for the upgrade in SOVY-Depot System, being the depot management system that we use in our day-to-day container depot operation. The upgraded SOVY-Depot System will allow us to have more detailed costing, better visibility of empty containers returned and released, and higher level of automation in our container depot operation.

##### Purchase of ship management software

We intend to use RM[●] million of the proceeds from our Public Issue to purchase a ship management software with multiple modules on a staggered basis and in phases over a period of 36 months from the date of our Listing so that we have time to familiarise one or two modules before purchasing the full modules. This software will integrate and improve our in-house vessel management processes such as crew management, procurement of spare parts and planning of repair and maintenance of our vessels, which currently rely on spreadsheet application.

##### Upgrade in internet connectivity of our vessels

We intend to use RM[●] million of the proceeds from our Public Issue to set up 4G LTE internet connectivity on our vessels in phases over a period of 36 months from the date of our Listing. This will provide our vessels with a stronger and stable internet connection when operating near-shore as compared to the existing internet access which is provided via satellite connection. The improved connectivity with stable connection between our vessels and ship management software will improve operational decision-making across our vessels.

##### Upgrade in network infrastructure

As we rely on a variety of IT and operating systems to manage and support our operations, our hardware and software require upgrade from time to time to avoid any disruption to our Group's operations. We intend to use RM[●] million of the proceeds from our Public Issue for the upgrade in our network infrastructure. We will be purchasing servers and ancillary network equipment such as security infrastructure, switches, fibre cabling and routers, among others. We also plan to upgrade or purchase other software such as antivirus software and document management software which help to convert all hardcopy document to electronic copy.

#### **4.6.5 Working capital**

Our Group's general working capital requirement is expected to increase in tandem with our business expansion or future plans as described in Section 7.15 of this Prospectus. We intend to use RM[●] million of the proceeds from our Public Issue as working capital to finance our Group's day-to-day operations, including, but not limited to, purchase of bunker fuel, payment for terminal handling charges, marine charges, container leasing cost and vessel maintenance cost.

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

##### 4.6.6 Defray fees and expenses relating to our IPO and our Listing

The estimated expenses and fees incidental to our IPO and our Listing amounting to approximately RM[●] million will be borne by us, the details of which are as follows:

	<b>RM'000</b>
Professional fees <sup>(1)</sup>	[●]
Fees payable to authorities	[●]
Brokerage fee, underwriting commission and placement fees	[●]
Other fees and expenses relating to our IPO and our Listing <sup>(2)</sup>	[●]
<b>Total</b>	<b>[●]</b>

**Notes:**

- (1) This includes advisory fees for, among others, our Principal Adviser, legal advisers, auditors, company secretary, Reporting Accountants, Independent Market Researcher and Share Registrar.
- (2) This includes any other related fees and expenses in connection with our IPO, such as printing and advertising fees, travel and roadshow expenses, translator fees, media related expenses and IPO event expenses.

If the actual listing expenses are higher than estimated, the shortfall will be funded through our internally generated funds. However, if the actual listing expenses are lower than estimated, the surplus will be used for our working capital.

The actual proceeds accruing to our Company will depend on the Institutional Price and the Final Retail Price. If the actual proceeds are higher than budgeted above, the excess will be used for our working capital. However, if the actual proceeds are lower than budgeted above, the proceeds allocated for capital expenditure will be reduced.

Given the timing of the use of proceeds to be raised from our Public Issue may not be immediate and as part of our efficient capital management to maximise profit income, we intend to place the proceeds raised from our Public Issue or any balance (including accrued profit, if any) in the profit-bearing accounts with licensed financial institution(s) and/or in money-market deposit instruments/funds.

Our Company will not receive any proceeds from the Offer for Sale. The total gross proceeds from the Offer for Sale of up to approximately RM[●] million will accrue entirely to the Selling Shareholders. The Selling Shareholders will bear placement fees in relation to the Offer for Sale which is estimated to be approximately RM[●] million.

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

##### 4.7.1 Brokerage Fee

We will pay the brokerage in respect of the Issue Shares under the Retail Offering at the rate of 1.0% (exclusive of applicable tax) of the Final Retail Price in respect of successful applications bearing 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 or the Issuing House.

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

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The Global Coordinator 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 Joint Managing Underwriters and the Joint Underwriters have agreed to underwrite our Issue Shares under the Retail Offering for an underwriting commission of [•]% of the Retail Price multiplied by the total number of Issue Shares underwritten under the Retail Offering in accordance with the terms of the Retail Underwriting Agreement.

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

The Selling Shareholders for the Offer Shares and us for our Issue Shares will pay the Global Coordinator and Joint Bookrunners a placement fee and selling commission of [•]% and may pay the Global Coordinator and Joint Bookrunners a discretionary fee of up to [•]% of the Institutional Price multiplied by the number of IPO Shares sold to Malaysian and foreign institutional and selected investors in accordance with the terms of the Placement Agreement.

#### **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 Joint Managing Underwriters and the Joint Underwriters to severally and not jointly (nor jointly and severally) underwrite 30,000,000 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 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 Placement Managers in relation to the placement of up to 270,000,000 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 4.2.4 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 Placement Managers against certain liabilities in connection with our IPO.

##### **4.8.3 Lock-up arrangements**

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#### 4. DETAILS 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 CDS, which is operated by Bursa Depository. This will be effected in accordance with the Rules of Bursa Depository and the provisions of the SICDA. Accordingly, we will not deliver share certificates to the subscribers of our IPO Shares.

Beneficial owners of our Shares are required under the Rules of Bursa Depository 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 as determined by Bursa Depository from time to time, after consultation with the SC.

Trading for 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 the payment for the securities is generally settled on the third Market Day following the transaction date.

It is expected that our Shares will not commence trading on Bursa Securities until approximately ten 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.