4. DETAILS OF OUR IPO

4.1 INDICATIVE TIMETABLE

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

Event	Time and/or Date
Opening of the Institutional Offering[1]	[●]
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 purchase and/or subscription of our IPO Shares by the Cornerstone Investors was entered into on [●].

In the event there is any change to the timetable, we will advertise the notice of changes in widely circulated English and Bahasa Malaysia daily newspapers within Malaysia and make an announcement on the website of Bursa Securities.

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, totaling up to 1,428,000,000 IPO Shares, representing up to 17.0% 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 1,218,000,000 IPO Shares (comprising up to 1,028,000,000 Offer Shares and 190,000,000 Issue Shares), representing up to 14.5% 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) 1,050,000,000 IPO Shares comprising up to 860,000,000 Offer Shares and 190,000,000 Issue Shares, representing 12.5% of our enlarged issued Shares to Bumiputera investors approved by the MITI; and

(ii) up to 168,000,000 Offer Shares, representing 2.0% of our enlarged issued Shares to Malaysian institutional and selected investors (other than Bumiputera investors approved by the MITI).

As part of the Institutional Offering, on [●], our Group, the Selling Shareholders, the Sole Bookrunner and the Cornerstone Investors entered into the Master Cornerstone Placement Agreement where the Cornerstone Investors have agreed to acquire, subject to the terms of the Master Cornerstone Placement Agreement and the individual cornerstone placement agreements, an aggregate of [●] IPO Shares, representing approximately [●]% 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 or subscribe for 5.0% or more of our enlarged issued Shares under the 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.

4.2.2 Retail Offering

The Retail Offering involves the offering of 210,000,000 Issue Shares, representing 2.5% 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:

(i) Allocation to the Eligible Persons

42,000,000 Issue Shares, representing 0.5% 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 [(1)]	9	3,000,000
Eligible employees of our Group[(2)]	[●]	6,150,000
Persons who have contributed to the success of our Group[(3)]	[●]	32,850,000
Total	**[●]**	**42,000,000**

Notes:

(1) The allocation is based on, amongst others, our Directors' respective roles and responsibilities in our Company. Our Non-Independent Non-Executive Chairman, namely Dato' Chua Tia Guan has been allocated 500,000 Issue Shares, our Senior Independent Non-Executive Director, namely Ho Tat Heng has been allocated 200,000 Issue Shares, while each of our Independent Non-Executive Directors, namely Nirmalah A/P V.Thurai, Serina Binti Abdul Samad, Dato' Abdul Latif Bin Abu Seman and Ting Seng Hook @ Ting Seng Hee have been allocated 200,000 Issue Shares. Our Executive Director, namely Lee Lay Liang and the alternate directors, namely Leong Sau Chan and Lee Yan Zhong have also been allocated 500,000 Issue Shares each in recognition of their responsibilities as part of our Board and their roles in our Group's operations.

(2) The allocation of our IPO Shares to the eligible employees of our Group is to be made to full-time confirmed employees of our Group, including our Key Senior Management, based on, amongst others, their job grade, length of service, performance and their past contributions to our Group.

(3) The criteria for the allocation of our IPO Shares to persons who have contributed to the success of our Group are based on, amongst others, their length of business relationship with our Group and their contributions to the success of our Group. Such persons would include our business associates, suppliers and service providers.

(ii) Allocation via balloting to the Malaysian Public

168,000,000 Issue Shares, representing 2.0% of our enlarged issued Shares, are reserved for application by the Malaysian Public, of which 84,000,000 Issue Shares (equivalent to 50.0% of the total Issue Shares to be made available under balloting) have been set aside for application by Bumiputera citizens, companies, co-operatives, societies and institutions.

In summary, our IPO Shares will be allocated, 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, in the following manner:

	Offer for Sale		**Public Issue**		**Total**	
Category	**No. of Shares ('000)**	**%(1)**	**No. of Shares ('000)**	**%(1)**	**No. of Shares ('000)**	**%(1)**
Retail Offering:						
Eligible Persons:						
- Our Directors	-	-	3,000	*	3,000	*
- Eligible employees of our Group	-	-	6,150	*	6,150	*
- Persons who have contributed to the success of our Group	-	-	32,850	0.4	32,850	0.4
Malaysian Public (via balloting):						
- Bumiputera	-	-	84,000	1.0	84,000	1.0
- Non-Bumiputera	-	-	84,000	1.0	84,000	1.0
Sub-total	**-**	**-**	**210,000**	**2.5**	**210,000**	**2.5**
Institutional Offering:						
- Bumiputera investors approved by the MITI	860,000	10.2	190,000	2.3	1,050,000	12.5
- Malaysian institutional and selected investors	168,000	2.0	-	-	168,000	2.0
Sub-total	**1,028,000**	**12.2**	**190,000**	**2.3**	**1,218,000**	**14.5**
Total	**1,028,000**	**12.2**	**400,000**	**4.8**	**1,428,000**	**17.0**

Notes:

* *Negligible. Collectively, the number of shares allocated to our Directors and eligible employees of our Group under the Retail Offering total to approximately 0.1% of our enlarged issued Shares of 8,400,000,000 upon our Listing.*

(1) Based on our enlarged issued Shares of 8,400,000,000 upon our Listing.

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 4.2.8 of this Prospectus.

4.2.3 Clawback and reallocation

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

(i) if our Issue Shares allocated to the Eligible Persons are under-subscribed, such Issue Shares may be allocated to the other 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 Bookrunner and us;

(ii) if our IPO Shares allocated to Bumiputera investors approved by the MITI ("**MITI Tranche**") are under-subscribed, such IPO Shares may be allocated to other Malaysian 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, our IPO Shares will be clawed back from the MITI Tranche and allocated firstly, to the Bumiputera public investors under the Retail Offering via balloting process, and thereafter to the other Malaysian Public under the Retail Offering and subsequently to the institutional and selected investors under the Institutional Offering;

(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 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.

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 the Excess Issue Shares 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 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 item (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 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 (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.

Once completed, the steps involving items (a) to (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 in item (i) 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 Underwriter.

To the best of our knowledge and belief, there is no person who intends to subscribe for more than 5.0% of our IPO Shares.

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 together with our Company 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 214,200,000 Shares, representing 15.0% of the total number of our 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 enter into the Share Lending Agreement with the Over-allotment Option Providers to borrow up to an aggregate of 214,200,000 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 either through the purchase of our Shares in the open market by the Stabilising Manager in the conduct of the 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 Option 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.

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 214,200,000 Shares, representing 15.0% of the total number of our IPO Shares offered. However, there is no obligation on the Stabilising Manager (or person(s) acting on behalf of the Stabilising Manager) to undertake 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 earlier 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 214,200,000 Shares, representing 15.0% of the total number of our 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 Classes of shares and ranking

As at the date of this Prospectus, we only have 1 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 our Issue Shares, subject to any applicable Rules of Bursa Depository.

Our 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 our Offer Shares, subject to any applicable Rules of Bursa Depository.

Subject to any special rights attaching to any Shares we may issue in the future, our shareholders will, 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 will 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 will be entitled to vote in person, by proxy, 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 will have 1 vote for each Share held or represented. A proxy may but need not be a member of our Company.

4.2.6 Share capital

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

	No. of Shares	RM'000
After the Subdivision	8,000,000,000	474,506
To be issued under our Public Issue	400,000,000	(1)[●]
Enlarged number of issued Shares and share capital upon Listing	**8,400,000,000**	**[●]**
Retail Price (RM)		**[●]**
Market capitalisation upon Listing (based on the Retail Price and the enlarged number of issued Shares after our IPO) (RM'000)		**[●]**

Note:

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

4.2.7 Priority of the offering

In the event the demand for our IPO Shares is less than 1,428,000,000 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 our Offer Shares under the Offer for Sale.

4.2.8 Minimum subscription level

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. We intend to seek Bursa Securities' approval to accept a lower public shareholding spread of 15.0% upon our Listing.

There is no minimum subscription level in terms of proceeds to be raised under our IPO. However, the minimum subscription level in terms of the number of IPO 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.

If the above requirement is not met, we may not be able to proceed with our Listing. For further details in the event there is a delay in or termination of our Listing, see Section 5.3.4 of this Prospectus.

4.3 SELLING SHAREHOLDERS

Our Offer Shares to be offered by the Selling Shareholders and their direct shareholding in our Company before and after our IPO and their material relationship with our Group within the past 3 years are as follows:

Selling Shareholders	Material relationship with our Group	Shareholding after the Subdivision		Shares to be offered under the Offer for Sale		Shareholding after our IPO assuming the Over-allotment Option is not exercised		Shares under the Over-allotment Option		Shareholding assuming the Over-allotment Option is fully exercised[3]	
		No. of Shares ('000)	[1]%	No. of Shares ('000)	[2]%	No. of Shares ('000)	[2]%	No. of Shares ('000)	[2]%	No. of Shares ('000)	[2]%
Lee Thiam Wah	Promoter, substantial shareholder and CEO	3,354,001	41.9	986,880	11.7	2,367,121	28.2	205,632	2.5	2,161,489	25.7
Ng Lee Tieng	Shareholder and Non-Independent Non-Executive Director	320,000	4.0	41,120	0.5	278,880	3.3	8,568	0.1	270,312	3.2
Total		**3,674,001**	**45.9**	**1,028,000**	**12.2**	**2,646,001**	**31.5**	**214,200**	**2.6**	**2,431,801**	**28.9**

Notes:

(1) Based on our issued Shares of 8,000,000,000 after the Subdivision.

(2) Based on our enlarged issued Shares of 8,400,000,000 upon our Listing.

(3) Based on the Over-allotment Option of 214,200,000 Shares, representing 15.0% of the total number of our IPO Shares offered.

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 between our Directors and the Selling Shareholders in consultation with the Sole Bookrunner, after taking into consideration the following factors:

(i) our Group's growth in revenue, PAT and Adjusted EBITDA demonstrated by their positive CAGR of 8.6%, 9.0% and 7.8% respectively from the FYE 2020 to FYE 2022. Additionally, our Adjusted EBITDA margins were at 7.2%, 8.2%, 7.1% and 6.7% in the FYE 2020, FYE 2021 and FYE 2022 as well as the FPE 30 September 2023 respectively;

(ii) price-to-earnings multiple of approximately [●] times based on our EPS of 3.89 sen derived from our PAT of RM326.7 million for the FYE 2022 and our enlarged issued Shares of 8,400,000,000 upon our Listing;

(iii) our competitive strengths, as follows:

   (a) we are the largest Malaysian home-grown mini-market chain retailer which enables us to capitalise on the strong growth potential of the grocery retail segment in Malaysia;

   (b) we offer attractive product pricing and a curated range of daily necessities for the value-conscious mass market;

   (c) we have a nationwide network of DCs supported by a centralised retail management and control system throughout our outlet network which allows for highly efficient operations;

   (d) we have developed a robust business platform that offers us the flexibility to accommodate future growth and scale efficiently;

   (e) we consistently deliver resilient financial performance demonstrating our ability to create value and deliver sustainable growth; and

   (f) we are led by a highly experienced management team with proven track record and industry expertise.

(iv) our future plans and strategies, as follows:

   (a) further developing our outlet network and expanding our outlet footprint and presence across Malaysia;

   (b) expanding our network of DCs and logistical capabilities across Malaysia;

   (c) selective opportunistic expansion into international markets to enhance our sourcing capabilities or expand outlet network; and

   (d) further enhance our bulk sales capabilities through our e-commerce-driven business model, facilitating bulk sales across Malaysia.

(v) growing prospects of the retail and mini-market segment due to growth in population and the resilient economic outlook which has led to higher income and expenditure by households as described in Section 8 of this Prospectus; and

(vi) prevailing market conditions, including market performance of key global indices and companies involved in similar businesses listed on Bursa Securities and regional stock exchanges, current market trends as well as investors' sentiments.

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

(i) the Retail Price; 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 without any interest thereon. For further details on the refund mechanism, see Section 4.4.3 of this Prospectus.

The Final Retail Price and the Institutional Price will be announced within 2 Market Days from the Price Determination Date via 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.

4.4.2 Institutional Price

The Institutional Price will be determined by a bookbuilding process wherein prospective Malaysian 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 Sole Bookrunner 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. The refund will be made:

(i) in the form of cheques to be despatched by ordinary post to the address maintained with Bursa Depository for applications made via the Application Form; or

(ii) by crediting into the accounts of the successful applicants with the Participating Financial Institution for applications made via the Electronic Share Application or the Internet Participating Financial Institution for applications made via the Internet Share Application,

within 10 Market Days from the date of final ballot of applications, at the successful applicants' own risk.

For further details on the refund mechanism, see Sections 15.8 and 15.9 of this Prospectus.

You should also 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 5 of this Prospectus.

4.5 DILUTION

Dilution is the amount by which our pro forma combined NA per Share after our IPO is less than the price paid by retail, institutional and selected investors for our Shares.

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

	RM
Final Retail Price/Institutional Price	[•]
Pro forma combined NA per Share as at 30 September 2023 after the Subdivision and before adjusting for our IPO	0.05
Pro forma combined NA per Share as at 30 September 2023 after the Subdivision and after adjusting for the use of proceeds from our Public Issue	[•]
Increase in pro forma combined NA per Share to our existing shareholders	[•]
Dilution in pro forma combined NA per Share to the retail/institutional and selected investors	[•]
Dilution in pro forma combined NA per Share to the retail/institutional and selected investors as a percentage of the Retail Price/Institutional Price	[•]

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 since incorporation of our Company up to the LPD:

Date allotted/ subscribed	Name	No. of Shares	Allotted/ Subscribed	Total consideration (RM)
15 May 2023	Lee Thiam Wah	100	Allotted for incorporation	100
14 December 2023	Lee LYG Holdings	256,589,283	(1)Allotted	256,589,283
14 December 2023	Lee Thiam Wah	198,936,767	(1)Allotted	198,936,767
14 December 2023	Ng Lee Tieng	18,980,252	(1)Allotted	18,980,252
[●]	Lee Thiam Wah	3,155,064,110	[Allotted]	(2)Nil
[●]	Lee LYG Holdings	4,069,409,809	[Allotted]	(2)Nil
[●]	Ng Lee Tieng	301,019,679	[Allotted]	(2)Nil

Notes:

(1) Shares are allotted as consideration pursuant to the acquisition of 99SM and 99EM, as set out in Section 6.1.2(i) of this Prospectus.

(2) Shares are allotted pursuant to the Subdivision, as set out in Section 6.1.2(ii) of this Prospectus.

4.6 USE OF PROCEEDS

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

No.	Details of use of proceeds	Estimated timeframe for use from the date of our Listing	RM (million)	%
1.	**Outlet and DC expenditure**			
	(i) Expansion of network of outlets	Within 36 months	[●]	[●]
	(ii) Establishment of new DCs	Within 36 months	[●]	[●]
	(iii) Purchase of delivery trucks	Within 36 months	[●]	[●]
	(iv) Upgrading of existing outlets	Within 36 months	[●]	[●]
2.	**Repayment of existing bank borrowings**	Within 6 months	[●]	[●]
3.	**Defray fees and expenses for our Public Issue**	Within 6 months	[●]	[●]
	Total		**[●]**	**100.0**

Note:

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

The actual proceeds accruing to the 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 outlet and DC expenditure. If the actual proceeds are lower than budgeted above, the shortfall will be funded via internally generated funds of our Group and/or borrowings and will be allocated firstly for our outlet and DC expenditure.

Due to the 36-month timeframe to utilise the proceeds allocated for our outlet and DC expenditure and in response to the competitive and dynamic nature of the industry in which we operate, our Group may have to revise our intended funding requirements and use of proceeds on account of various factors, such as our Group's financial condition, business and strategy, as well as external factors which may not be within our control. This may entail rescheduling the timing for our planned capital expenditure to expand our outlets and DCs as well as increasing and decreasing the quantum for a particular planned expenditure should the need arise.

Given the timing of our use of proceeds from the Public Issue may not be immediate, we intend to place the proceeds raised from our Public Issue or any balance in interest-bearing accounts with licensed financial institution(s) and/or in money-market deposit instruments/funds while pending utilisation.

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 their own professional fees and placement fees as well as other miscellaneous expenses for the Offer for Sale which are estimated to be approximately RM[●] million.

Further details on the use of proceeds from our Public Issue are as follows:

4.6.1 Outlet and DC expenditure

We are committed to strengthening our position as the largest mini-market chain retailer in Malaysia. Our expenditure requirements are associated with our Group's intentions to expand our outlet network, upgrade the equipment within our existing outlets, and to invest in improving our logistics capabilities. These expenditures are geared toward sustaining and enhancing efficiency in supporting our growing outlet network and product range.

(i) Expansion of new outlets in Malaysia

We intend to use RM[●] million or about [●]% of the total gross proceeds from our Public Issue to expand our business operations and reach in Malaysia.

Our target is to open on average 250 new outlets annually with an immediate target to have a total of approximately 3,000 outlets operating nationwide by end of 2025. Of the 750 new outlets targeted to be opened between 2025 and 2027, 600 new outlets are expected to be opened in Peninsular Malaysia and 150 new outlets in East Malaysia. Our primary objective is to further expand our footprint in regions with lower outlet penetration rates such as the northern and east coast regions of Peninsular Malaysia, as well as the whole of East Malaysia whilst we continue to expand in areas where we currently have a high outlet penetration rate in, seeking opportunities where available to establish outlets.

The factors that we take into consideration when selecting new outlet locations are as set out below:

(a) the approximate number of households present in new areas with potential growth and areas that are underserved by us;

(b) the proximity of the new outlets vis-à-vis the nearby residential communities;

(c) the customer traffic, presence of competitors, street visibility and accessibility to the outlets;

(d) the surrounding neighbourhood including nearby businesses, infrastructure; and

(e) the rental terms of the outlets and around the locality.

The capital expenditure required for the setting up of new outlets include, amongst others, expenses in relation to renovation works, rental deposits, racking systems, freezers and chillers, air conditioning, signboard, IT equipment, legal costs and licensing application costs. We estimate that the average capital expenditure (excluding inventory) for each new outlet will amount to approximately RM[●], whereas the initial inventory stocking cost for each new outlet is approximately RM[●].

Out of the RM[●] million of our gross proceeds from the Public Issue allocated for the expansion of new outlets, we intend to allocate RM[●] million (or [●]%) to fully fund the capital expenditure for all the new outlets. The remaining gross proceeds of approximately RM[●] million (or [●]%) will be utilised for the initial inventory stocking cost for approximately 50% of the new outlets, equivalent to about 371 outlets with the remaining initial inventory stocking cost to be funded via internally generated funds. If our actual expenditure required for the expansion of outlets is higher than estimated, the deficit will be funded via borrowings or internally generated funds.

As at the LPD, the exact breakdown of outlets to be opened by their locality or states within Malaysia over the next 36 months from our Listing is yet to be determined. Such decisions to open new outlets will be made continuously throughout the period subject to ongoing evaluation of suitable locations and other considerations set out above.

(ii) Establishment of new DCs

The anticipated growth in our outlet network is expected to increase our Group's distribution and storage needs. We expect to open 750 new outlets between 2025 and 2027. In order to support our planned outlet growth, we anticipate that we would need to establish at least 8 new DCs, at least 6 of which will be funded using the proceeds from our Public Issue, and 2 of which will be funded through our internally generated funds and/or borrowings.

We intend to allocate approximately RM[●] million or about [●]% of the total gross proceeds from our Public Issue to establish at least 6 new DCs over 36 months commencing from 2025 until the end of 2027.

As at the LPD, we have identified locations in Kedah and Sabah to establish 2 of the new DCs to be funded by the proceeds from our Public Issue. In respect of the DC in Kedah, we have in February 2024 acquired a piece of land at a cost of RM3.7 million through our internally generated funds. Save for this, as at the LPD, no amount has been incurred towards any of the DCs to be funded by our proceeds from our Public Issue. We intend to additionally incur approximately RM[●] million to complete the construction of this DC in Kedah by 2025. The new DC in Sabah is proposed to replace the Sipitang DC which is currently rented. Save for Kedah and Sabah, we have not identified any other locations for the remaining DCs to be funded by the proceeds from our Public Issue as they are subject to ongoing evaluation of factors such as proximity to our outlets, costs and availability of land and/or existing DCs. The expected timeframe for the commencement of the new DCs will also be subject to, amongst others, our business strategies, our requirements at that point in time and outlet openings in the vicinity.

The total expenditure required to commission a DC mainly comprise of the cost relating to land acquisition and associated construction costs, or acquisition and renovation costs if we acquire an existing building that can be converted into a DC. During the Periods Under Review and up to the LPD, our total cost incurred for establishing a new DC ranged from RM8.6 million to RM44.8 million each.

(iii) Purchase of delivery trucks

We intend to allocate approximately RM[●] million or about [●]% of the total gross proceeds from our Public Issue, towards the acquisition of 400 new delivery trucks to facilitate the expansion of our business operations at an average cost of approximately RM[●] per truck.

As at the LPD, we operate a fleet of 578 delivery trucks, which handle logistics including delivery of the goods from our DCs to our outlets and to support our "99 Bulksales" deliveries. We plan to improve our fleet of delivery trucks by prioritising the phase out and replacement of our trucks which are more than 15 years old. In order to optimise operational efficiency, mitigate unnecessary maintenance costs as well as improve fuel efficiency and overall reliability of our delivery trucks, we intend to purchase 300 new delivery trucks to replace an equivalent number of our existing delivery trucks. We also plan to acquire 100 additional new delivery trucks to support the logistical requirements associated with the construction of our planned new DCs. The target timing for the purchase of the delivery trucks is as follows:

No. of trucks	2025	2026	2027	Total
Replacement of existing delivery trucks	200	50	50	300
Delivery trucks for new DCs	40	40	20	100
Total	**240**	**90**	**70**	**400**

For further information on our future plans in relation to the expansion of our network of DCs and logistical capabilities across Malaysia, see Section 7.2.2(b) of this Prospectus.

(iv) Upgrading of existing outlets

We intend to allocate approximately RM[●] million or about [●]% of the total gross proceeds from our Public Issue for the upgrading and refurbishment of up to 1,070 of our existing outlets over 36 months from our Listing.

Our outlet refurbishments are aimed at improving customer experience and prioritising the improvement of our outlet's energy efficiency in line with our commitment to improve the energy efficiency management of our outlets as demonstrated through our green pilot building project initiative as set out in Section 7.16.1 of this Prospectus. This initiative also intends to contribute to reducing our utilities expenses.

The upgrading and refurbishment will entail the following:

(a) the installation of new equipment namely, inverter refrigerators, inverter air conditioners and non-heated glass freezers, at a cost of up to RM[●] each, to replace existing ones;

(b) where permissible, the installation of solar photovoltaic systems at certain outlets subjects to terms and conditions of the tenancy agreements, at a cost of approximately RM[●] per outlet; and

(c) the replacement of racks and shelving for wear and tear at our existing outlets, as and when required, at a cost of approximately RM[●] per outlet.

The upgrading and refurbishing activities for our outlets are scheduled to commence in the 4th quarter of 2024.

4.6.2 Repayment of existing bank borrowings

As at the LPD, our Group's existing bank borrowings amounted to approximately RM51.5 million and we intend to use RM[●] million or about [●]% of the total gross proceeds from our Public Issue to repay some of our term loan facilities with Alliance Bank Berhad, CIMB Bank Berhad, Hong Leong Bank Berhad and RHB Bank Berhad.

The above term loan facilities were drawn down between 21 March 2014 and 20 January 2022 for the purpose of financing the acquisition of land and buildings to commission some of our DCs and our headquarters, with maturity dates of between 21 March 2029 to 20 January 2042.

The term loan facilities to be repaid from the gross proceeds of our Public Issue has a weighted average effective interest rate of 4.6% for the FPE 30 September 2023. From the LPD until the full repayment of the term loans, we will continue to service the monthly principal payments and interest expenses of the term loan from internally generated funds.

The repayment of the above term loan facilities is expected to have a positive financial impact on our Group with interest savings of approximately RM[●] million per annum based on the weighted average effective interest rate of 4.6%.

4.6.3 Estimated listing expenses

We estimate that approximately RM[●] million or about [●]% of the total gross proceeds from our Public Issue will be used for our listing expenses comprising the following:

	RM'000
Professional fees	[●]
Fees to authorities	[●]
Brokerage, underwriting and placement fees	[●]
Other fees and expenses such as printing, advertising, travel and roadshow expenses	[●]
Total	**[●]**

If the actual amount of our listing expenses is higher than estimated, the deficit will be funded via our internally generated funds. If the actual amount of our listing expenses are lower than budgeted, the difference will be used to fund our general working capital requirements.

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 [●]% (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 Sole Bookrunner is 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 Underwriter(s)] have agreed to underwrite our Issue Shares under the Retail Offering for an underwriting commission of up to [●]% (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 Retail Underwriting Agreement.

4.7.3 Placement fee

The Selling Shareholders for the Offer Shares and us for our Issue Shares will pay the Sole Bookrunner a placement fee and selling commission of [●]% (exclusive of applicable tax) and may pay the Sole Bookrunner a discretionary fee of up to [●]% (exclusive of applicable tax) of the Institutional Price multiplied by the number of IPO Shares sold to the 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 [Managing Underwriter and the Underwriter(s)] to severally and not jointly (nor jointly and severally) underwrite 210,000,000 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 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 Sole Bookrunner in relation to the placement of up to 1,218,000,000 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 to give various representations, warranties and undertakings, and to indemnify the Sole Bookrunner against certain liabilities in connection with our IPO. The terms of the Placement Agreement are subject to negotiations and may include termination events that are different from those under the Retail Underwriting Agreement as set out in Section 4.8.1 of this Prospectus.

4.8.3 Lock-up arrangement

[●]

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 of Bursa Depository 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 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 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 second Market Day following the transaction date, and payment for the securities is generally settled on the second 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.