

3. PROSPECTUS SUMMARY

This Prospectus Summary only highlights the key information from other parts of this Prospectus. It does not contain all the information that may be important to you. You should read and understand the contents of the whole Prospectus prior to deciding on whether to invest in our Shares.

3.1 PRINCIPAL DETAILS RELATING TO OUR IPO

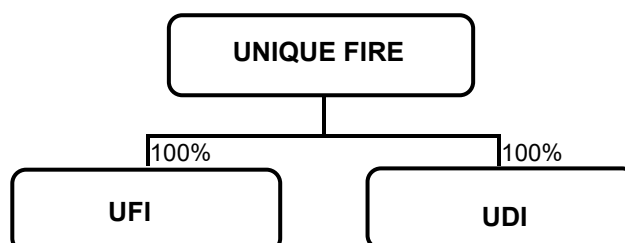
The following details relating to our IPO are derived from the full text of this Prospectus and should be read in conjunction with that text:

Number of Shares to be offered under the Public Issue	83,750,000
- <i>Malaysian Public</i>	20,000,000
- <i>Eligible Directors, employees and persons who have contributed to the success of our Group</i>	8,000,000
- <i>Private placement to selected investors</i>	5,750,000
- <i>Private placement to Bumiputera investors approved by the MITI</i>	50,000,000
Number of Shares to be offered under the Offer for Sale	30,000,000
Enlarged issued share capital upon Listing	RM[●] comprising 400,000,000 Shares
IPO Price per Share	RM[●]
Market capitalisation upon Listing (based on the IPO Price and our enlarged issued share capital after the IPO)	RM[●]

Further details on our IPO and moratorium on our Shares are set out in Sections 4.1 and 2.2 of this Prospectus. Our Promoters' entire shareholdings after IPO will be held under moratorium for six (6) months from the date of admission of our Company to the Official List. Thereafter, our Promoter UFGs' shareholdings amounting to 45% of our total number of issued Shares (adjusted for any bonus issue or subdivision of shares) will remain under moratorium for another six (6) months. UFG may sell, transfer or assign up to a maximum of one-third per year (on a straight-line basis) of their Shares held under moratorium upon expiry of the second six (6)-month period.

3.2 BACKGROUND AND OVERVIEW

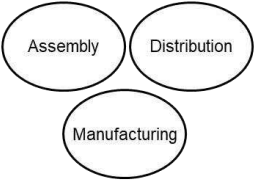


Our Company was incorporated in Malaysia under the Act on 13 April 2021 as a private limited company under the name of Unique Fire Holdings Sdn Bhd and on 8 September 2021 converted to a public limited company. Our Group structure as at the LPD is as follows:



Our Company is an investment holding company. UFI's principal activity is the assembly, manufacture and distribution of active fire protection systems, equipment and accessories for built environment; and UDI's principal activity is the distribution of custom graphics designed fire extinguishers, and other active fire protection systems, equipment and accessories and related services.

Our business model is depicted in the following diagram. Please refer to Section 6.1 for further information on our Group and Section 6.4 for further details of our business model.

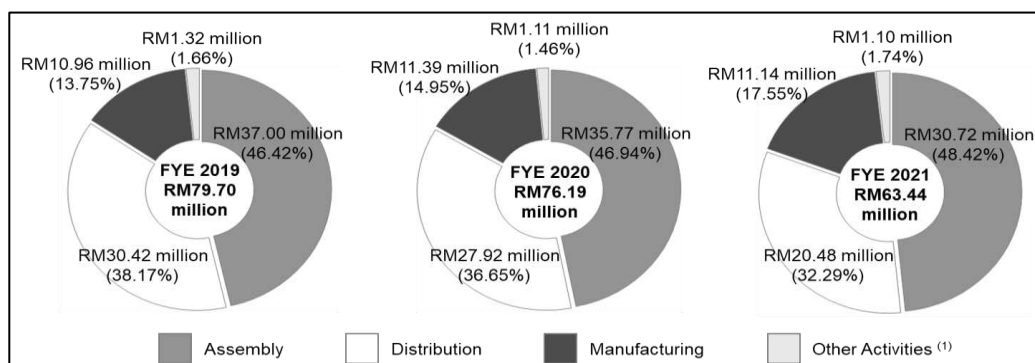
3. PROSPECTUS SUMMARY (Cont'd)

Business activities and revenue streams	Branding	Geographical markets	Distribution channel and customer base
Principal activities Fire protection systems, equipment and accessories 	Own brands 	Principal market Malaysia 	Main channel Indirect M&E and FPS contractors FPS maintenance providers Retailers and wholesalers
Other activities ⁽¹⁾ <ul style="list-style-type: none"> Assisting in Bomba eFEIS application Sales of dry chemical fire extinguisher refilling machines Servicing of fire protection equipment 	Third party brands ⁽²⁾ <ul style="list-style-type: none"> Orient Kidde CD ZYfire Viking Demco System Sensor Ansul 	Foreign markets ⁽³⁾ <ul style="list-style-type: none"> Hong Kong Vietnam Cambodia Brunei Other countries 	Complementary channel Direct ⁽⁴⁾ <ul style="list-style-type: none"> Vehicle manufacturers End-users

Notes:

- (1) Other activities collectively accounted for 1.66%, 1.46% and 1.74% of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.
- (2) Third party brands collectively accounted for 23.24%, 20.06% and 17.87% of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.
- (3) Foreign markets collectively accounted for 1.25%, 1.01% and 1.30% of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively.
- (4) Direct distribution channel accounted for 6.12%, 6.32% and 5.85% of our total revenue for the FYE 2019, FYE 2020 and FYE 2021, respectively. Please see Glossary of Technical Terms and Section 6.4.4 for further details on the direct and indirect distribution channel.

Our revenue segmentation by business activities is summarised in the following pie chart:



Note:

- (1) Other activities include assisting in Bomba eFEIS application, sales of dry chemical fire extinguisher refilling machines and servicing of fire protection equipment.

Please see Section 6.4.2.1 for further details of our revenue segmentation by business activities. Further details of our revenue segmentation by type of products, brands and geographical markets are also set out in Sections 6.4.2.2, 6.4.2.3 and 6.4.3 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

3.3 COMPETITIVE ADVANTAGES AND KEY STRENGTHS

Our Group's competitive advantages and key strengths are summarised as below:

- (a) **We have an established track record of approximately 24 years as a provider of fire protection systems, equipment and accessories which will serve as a platform to grow our business**

We have an established track record of approximately 24 years of operating in the fire protection industry commencing as a distributor in 1997. Throughout our 24 years of operations in the fire protection industry, our Group has evolved from a distributor to a manufacturer of fire protection systems, equipment and accessories. We have been involved in the assembly of fire protection systems and equipment since 2000 commencing with fire hoses, and manufacture of fire extinguishers since 2009.

- (b) **We have our brands of fire protection systems, equipment and accessories to cultivate customer loyalty and brand recognition**

As at LPD, we market our fire protection systems, equipment and accessories under our own Unique, Unique227, Unique5112, Commander and Yama brands. Having our brand is important in cultivating customer loyalty and brand recognition which are important in facilitating repeat orders from customers as well as referrals. For the Financial Years Under Review, revenue derived from our brands collectively accounted for RM59.90 million (75.16%), RM59.89 million (78.59%) and RM51.09 million (80.52%) for the FYE 2019, FYE 2020 and FYE 2021, respectively. This indicates that our brands and products have gained market acceptance and customer loyalty.

- (c) **We are an assembler and manufacturer of our brands of fire protection systems and equipment**

We assemble our brands of fire suppression systems, fire extinguishers, fire hose reels and fire hoses. We also manufacture our brand of hand portable dry chemical fire extinguishers. As an assembler and manufacturer of fire protection systems and equipment, we can initiate and continually strive to improve our finished products to meet changing needs, technologies, regulations as well as customer preferences and requirements, and have direct control over the quality of our products. For the Financial Years Under Review, the assembly and manufacture of our brands of fire protection systems and equipment collectively accounted for RM47.96 million (60.17%), RM47.17 million (61.89%) and RM41.86 million (65.97%) of our total revenue.

- (d) **We market a wide range of fire protection systems, equipment and accessories to meet the diverse needs of our customers**

We market a range of fire protection systems, equipment and accessories to meet the diverse needs of our customers and the market, including fire suppression systems, sprinkler systems, wet and dry riser systems and hydrants, fire extinguishers, fire hose reels, fire hoses, fire alarm and detection devices, batteries, cabinets and fire blankets. Our range of fire protection systems, equipment and accessories enable us to meet the requirements of a range of situations, applications and built environment, capable of addressing Class A, B, C, E and F fires.

- (e) **We are an authorised distributor of third party brands of fire protection systems, equipment and accessories**

As at the LPD, we are an authorised distributor of 8 (eight) third party brands of fire protection systems, equipment and accessories. For each of the respective third party brands, our Group has entered into distributorship agreements with our suppliers. As an authorised distributor, we benefit from the brand equity and customer loyalty developed by our suppliers.

3. PROSPECTUS SUMMARY (Cont'd)

(f) Our fire protection systems, equipment and accessories are used in diverse sectors which will provide us with business growth and opportunities

Our fire protection systems, equipment and accessories are used in a cross-section of applications in diverse sectors including residential, commercial, industrial, leisure and hospitality, institution, infrastructure, public amenities and facilities, as well as commercial vehicles. The wide applications of our fire protection systems, equipment and accessories will provide us with the platform to sustain and grow our business.

(g) The fire protection systems, equipment and accessories that we assemble, distribute and manufacture are critical products mandated by various regulatory bodies

Fire protection systems, equipment and accessories are critical products that are mandatory in built environment that supports human activities, including properties, community facilities and amenities, and infrastructure. As the population, society and community continue to grow, the demand for fire protection systems, equipment and accessories will also increase in tandem to ensure safety from the destructive nature of unwanted fires. As such, there will always be a market for fire protection systems, equipment and accessories.

(h) We have experienced Directors and key management team to grow our business

We have an experienced management team headed by our Managing Director, Liew Sen Hoi who has approximately 50 years in the fire protection industry. He is supported by a team of experienced key senior management with 10 to 26 years of experiences in the fire protection and related industry.

Further details of our Group's competitive advantages and key strengths are set out in Section 6.1.2 of this Prospectus.

3.4 BUSINESS STRATEGIES AND PLANS

Our business strategies and plans are focused on leveraging our core competencies and strengths in assembly, distribution and manufacture of fire protection systems, equipment and accessories. We intend to implement the following business strategies and plans between 2022 and 2025. We may experience delays compared to the expected timeline disclosed in this Prospectus if COVID-19 containment measures are reintroduced in the future. Please refer to Section 6.17.1 of this Prospectus for further details on the impact of the COVID-19 pandemic on our business and financial performance and Section 8.1.2 on risks of the COVID-19 pandemic on our business operations.

(a) Enhance our manufacturing facilities and develop new fire extinguishers

(i) New hand portable dry chemical fire extinguisher cylinder manufacturing lines

We plan to enhance our manufacturing facilities by installing two (2) new manufacturing lines to manufacture hand portable dry chemical fire extinguisher cylinders. These cylinders will be used for our four (4) kg, six (6) kg and nine (9) kg hand portable dry chemical fire extinguishers. We intend to use the new manufacturing lines to manufacture cylinders that comply with MS and BS for our hand portable dry chemical fire extinguishers.

The new hand portable dry chemical cylinder manufacturing lines will provide us with additional capacity. Our existing cylinder manufacturing line has been experiencing high utilisation rates at 88.16%, 73.13% and 83.74% for the FYE 2019, FYE 2020 and FYE 2021 respectively. As such the new manufacturing lines will enable us to address opportunities for the domestic and export markets.

3. PROSPECTUS SUMMARY (Cont'd)

(ii) New hand portable dry chemical fire extinguishers that comply with MS and BS

The hand portable dry chemical fire extinguishers that will be manufactured by the new manufacturing lines will need to be certified to various standards to comply with authorities in various countries including Malaysia. The MS-certified dry chemical fire extinguishers are targeted at the Malaysian market, while the BS-certified fire extinguishers are targeted at export markets that accept BS for dry chemical fire extinguishers such as Hong Kong and Saudi Arabia.

(b) Enhancing our operational capabilities

(i) Increase storage capacity and implementing a warehouse management system

We plan to install two (2) new mezzanine levels within our Operational Facility in Shah Alam, Selangor, one above the existing manufacturing area and one above the existing warehouse area. These new mezzanine levels will increase the usable floor area by approximately 10,228 sq ft or 8.92% from approximately 114,656 sq ft to approximately 124,884 sq ft. Subsequently we intend to install a racking system on the existing ground floor and the new mezzanine levels. Our plans also include equipping our warehouse with a new warehouse management system (“WMS”) to digitalise and automate our inventory management functions. We also intend to purchase three (3) new forklifts to handle goods at our warehouse; and two (2) new lorries for deliveries.

(ii) Digital fire extinguisher identification data system and enhance IT system

We intend to digitalise the process of generating, recording and marking fire extinguishers' identification data by replacing the manual process with two (2) automated systems. We also plan to enhance our IT system at our head office and to develop a client portal that provides functionality to authorised customers. In addition, we will also purchase additional software licences to allow the new sales offices and warehouses that we intend to set up to access to our existing ERP system.

(c) Expand our geographical coverage

(i) Establish new sales offices and warehouses in Johor and Penang

We intend to expand our geographic coverage by establishing new sales offices and warehouses in Johor and Penang which will cover the northern and southern regions of Peninsular Malaysia, respectively.

Our new sales offices and warehouses will be on rented premises. As at the LPD, we have not identified any prospective premises. We have budgeted rental of RM24,000 per month for each rented premise. Setting up of each new sales offices and warehouses will involve purchasing one (1) lorry and one (1) forklift, purchasing and installing a racking system, office equipment and furniture, and carrying out renovations for each new sales office and warehouse. We will hire new staff, including one (1) general manager, three (3) sales and marketing officers, four (4) warehouse personnel and two (2) delivery personnel for each new sales office and warehouse.

(ii) Enhance advertising and marketing activities

We intend to enhance our advertising and marketing activities in Malaysia and some targeted foreign countries including Hong Kong and the Middle East. In addition, we plan to appoint new distributors in foreign countries such as Brunei, Cambodia, Hong Kong, Myanmar and Vietnam to expand our geographic reach and grow our export sales.

(d) Use of renewable energy – install rooftop solar photovoltaic system

We intend to install a solar photovoltaic (“PV”) system with an installed capacity of approximately 269 kilowatt-peak on the roof of our Operational Facility in Shah Alam, Selangor under the self-consumption (“Selco”) programme to reduce our utility costs.

Further details of our Group's business strategies and plans are set out in Section 6.18 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

3.5 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with other matters in this Prospectus, certain risks and investment considerations (which may occur either individually or in combination, at the same time or around the same time) that may have a significant impact on our future financial performance.

The following are the key risks and investment considerations that we are currently facing or that may develop in the future:

(a) We are dependent on the building construction and property development industries.

Our main customers, namely M&E and FPS contractors and FPS maintenance service providers, operate in the building construction and property development industries, where they are involved in new building construction, and renovations or remodelling. From this perspective, the demand for our fire protection products would be adversely affected if there is a slowdown in the building construction and property development industries.

(b) Our business operations and financial performance may be adversely affected if the COVID-19 pandemic is prolonged or occurrence of similar epidemic or pandemic in the future.

Any deterioration in the COVID-19 pandemic in Malaysia could result in the tightening of economic and social constraints and other restrictions. This could adversely affect our business operations and financial performance. The COVID-19 pandemic may also result in delays in implementing our business strategies and plans in accordance with the expected timeline as set out in Section 6.18 of this Prospectus. Such delays may adversely affect the development of our business and future financial performance.

(c) We could lose or fail to renew our distributorship agreements if we are unable to fulfil the agreed sales target and/or other obligations.

There is a risk that we may not be able to renew our distributorship agreements for products used in our assembly and distribution business segments (see Section 6.4.2.3 for an overview of the products and brands) if we are unable to fulfil our obligations under the respective distributorship agreements, such as achieving sales targets (where relevant) and abiding by the agreed payment terms. There is also a risk that our distributorship agreements may not be renewed even if we meet our obligations as renewal is under the discretion of the respective supplier. If a distributorship agreement is not renewed or terminated for any reason, we may need to source products from other suppliers to supply to our customers.

(d) We mainly adopt an indirect distribution channel strategy where we are dependent on intermediaries to buy our products for installation, maintenance or resale.

For the FYE 2019, FYE 2020 and FYE 2021, indirect distribution channels accounted for 93.88%, 93.68% and 94.15% of our total revenue, respectively. As the revenue for our fire protection systems, equipment and accessories are mainly derived from intermediaries (including M&E contractors, FPS contractors and FPS maintenance service providers, and wholesalers and retailers), our financial performance will be dependent on the demand from this group of customers.

(e) We are exposed to fluctuations in the market price of steel.

Empty cylinders and steel coils and plates collectively accounted for 27.49%, 24.12% and 29.49% of our purchases of input materials and services for the FYE 2019, FYE 2020 and FYE 2021, respectively. Fluctuations in the market price of steel may have an adverse effect on our business operations and/or financial performance in particular any increases could consequently increase the costs of the fire protection systems, equipment and accessories that we assemble, distribute and manufacture.

Please refer to Section 8 of this Prospectus for further details and the full list of risk factors which should be considered before investing in our Shares.

3. PROSPECTUS SUMMARY (Cont'd)

3.6 OUTBREAK OF COVID-19 PANDEMIC

The World Health Organisation declared COVID-19 a pandemic on 11 March 2020. Commencing from 18 March 2020, the Government implemented measures to reduce COVID-19 transmission in the country, which included, among others, controls on the movement of people within Malaysia, controls on international travel, and restrictions on business, government, educational, cultural, recreational and other activities. Our business operations in Malaysia were temporarily interrupted by these measures.

Effects on our business operations

2020: For the period of 18 March 2020 to 31 December 2020, other than a period from 18 March 2020 to 3 May 2020, where our Operational Facility in Shah Alam, Selangor was temporarily closed and all activities related to assembly and manufacturing were temporarily halted, we were able to operate at normal workforce capacity, with the various applicable approvals from MITI throughout the period. In the first MCO period from 18 March 2020 to 3 May 2020 (MCO 1.0), we closed our operational facility on 18 March 2020. Subsequently, UFI received written approval from MITI on 27 March 2020 to resume operations at our operational facility, subject to implementing the relevant standard operating procedures (“SOP”) and guidelines. However, we did not resume operations during the first MCO period as most of our customers whose operations are dependent on the building construction and property development industries, namely M&E and FPS contractors, and FPS maintenance service providers, also temporarily ceased operations during MCO 1.0. This was because most building and construction worksites were closed pursuant to MCO 1.0, and consequently, building and construction activities, including installation of fire protection systems, were temporarily halted.

2021: In 2021, pursuant to the National Recovery Plan (“NRP”) requirements and the relevant written approvals from MITI, we were required to scale down our workforce capacity and operations to 60% capacity during Phase 1 of the NRP (commencing from 1 June 2021). However, due to EMCO imposed in Selangor our operations were temporarily closed from 3 July 2021 and we resumed operations on 17 July 2021 at 60% workforce capacity. We then returned to normal workforce capacity commencing from 23 August 2021 and continued to operate at normal workforce capacity based on SOP and guidelines throughout the various phases of the NRP from Phases 1 to 4 in 2021. As at 29 December 2021, all of our employees have been vaccinated, and there has been no breach of laws relating to COVID-19 restrictions or SOP which may lead to penalties by relevant authorities.

From 18 March 2020 and up to the LPD, we did not face any material disruptions to our supply chain that were related to COVID-19 due to our inventory forecasting and planning. In addition, our inventory levels were sufficient for normal manufacturing operations and able to meet all customers’ orders without delay. As at the 29 December 2021, our Group has not experienced any termination or cancellation of orders as a result of COVID-19 and MCO or variations thereof.

Effects of of COVID-19 on our financial performance

FYE 2021: Measures implemented by the Government to control the spread of COVID-19 had affected our revenue during the relevant quarters of FYE 2021, as summarised in the following table:

	Fourth Quarter FYE 2020 <i>(Jan - Mar 2020)</i>	First Quarter FYE 2021 <i>(Apr - Jun 2020)</i>	Second Quarter FYE 2021 <i>(July - Sept 2020)</i>	Third Quarter FYE 2021 <i>(Oct - Dec 2020)</i>	Fourth Quarter FYE 2021 <i>(Jan - Mar 2021)</i>
Revenue (RM'000)	15,385	7,631	18,757	19,679	17,377
Quarter-on-quarter change (%)	-	(50.40)	145.80	4.92	(11.70)

Our revenue for FYE 2021 as a whole was affected by, among others, measures taken by the Government to control COVID-19. Our total revenue for FYE 2021 decreased by RM12.75 million or 16.73% to RM63.44 million (FYE 2020: RM76.19 million). Our GP for the FYE 2021 decreased by RM5.47 million or 24.68% to RM16.69 million (FYE 2020: RM22.16 million), in line with the lower overall sales recorded due to the COVID-19 pandemic.

3. PROSPECTUS SUMMARY (Cont'd)

Notwithstanding the decrease in revenue and GP for FYE 2021, out net operating cash from operating activities was RM11.24 million for FPE 2021, partially offset by net cash for investing and financing activities of RM0.05 million and RM9.58 million, respectively, resulting in net increase in cash and cash equivalents of RM1.62 million for FYE 2021.

Our total net trade receivables stood at RM22.81 million as at 31 March 2021, out of which RM9.22 million or approximately 40.41% exceeded the normal credit term mainly due to slower collection amid the COVID-19 pandemic. Up to the LPD, we have collected RM19.90 million or 87.24% of the total net trade receivables as at 31 March 2021.

FYE 2022: Between April and May 2021, our business operations were not materially affected by the COVID-19 pandemic as business sectors were allowed to operate normally (subject to adherence to relevant SOP and guidelines). The implementation of Phase 1 of the NRP lockdown commencing from 1 June 2021 impacted on our monthly revenue between June 2021 and July 2021 as most of our customers who are M&E and FPS contractors, and FPS maintenance service providers involved in the building construction industry were required to temporarily cease their business operations. The interruptions to our business operations during the Phase 1 of the NRP lockdown has impacted our monthly revenue performance for the month of June 2021 and July 2021. Subsequently, our revenue performance improved progressively from the month of August 2021 onwards since the resumption of our operations on 23 August 2021 at normal workforce capacity based on the revised SOP, where revenue for August 2021 and September 2021 increased by 103.26% and 56.64% respectively month-on-month. This is summarised in our monthly revenue for April 2021 to September 2021:

	April 2021	May 2021	June 2021	July 2021	August 2021	September 2021
Revenue (RM'000)	8,016	5,649	2,191	2,452	4,984	7,807
Month-on-month change (%)	-	(29.53)	(61.21)	11.91	103.26	56.64

Notwithstanding interruptions to our business operations during Phase 1 of the NRP lockdown, we have not faced any termination or cancellation of orders due to COVID-19 or MCO, FMCO, NRP or EMCO periods during FYE 2022 up to 29 December 2021.

Please see Section 6.17.1 for further details on the material interruptions to our business due to the COVID-19 pandemic. Please also see Sections 11.3.4 and 11.4 for further details of the impact of MCO or variations thereof on our Group's liquidity and ageing analysis of trade receivables of our Group, respectively.

3.7 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and key senior management are as follows:

Name	Designation
Directors	
Selma Enoil Binti Mustapha Khalil	Independent Non-Executive Chairperson
Liew Sen Hoi	Managing Director
Marcus Liew	Executive Director
Ryan Liew	Executive Director
Ir. Tee Kiam Hong	Independent Non-Executive Director
Olivia Lim	Independent Non-Executive Director
Andrea Huang Jia Mei	Independent Non-Executive Director
Key Senior Management	
Roy Liew	Operation Director
Ray Liew	Creative Director
Cheow Zi Ying	Chief Financial Officer
Tan Hoay Ling	Supply Chain Manager
Mohamad Azmir Bin Ramli	Quality Assurance and Control Manager

Further details on our Directors and key senior management are disclosed in Sections 5.1 and 5.2 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

3.8 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

The details of our Promoters and substantial shareholders, and their respective shareholdings in our Company before and after our IPO are as follows:

Promoters/ Substantial Shareholders	Place of Incorporation / Nationality	Before our IPO / After the Acquisition of UFI and UDI				After the Public Issue			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	% ^(a)	No. of Shares	% ^{(a)*}	No. of Shares	% ^(b)	No. of Shares	% ^{(b)*}
UFG ^(c)	Malaysia	-	-	-	-	-	-	-	-
Liew Sen Hoi	Malaysian	173,784,000	54.96	142,466,000	45.04 ^(d)	173,784,000	43.44	142,466,000	35.62 ^(d)
Lim Show Ching	Malaysian	15,792,400	5.00	173,784,000	54.96 ^(e)	15,792,400	3.94	173,784,000	43.44 ^(e)
Marcus Liew	Malaysian	31,668,400	10.01	-	-	31,668,400	7.92	-	-
Ryan Liew	Malaysian	31,668,400	10.01	-	-	31,668,400	7.92	-	-
Roy Liew	Malaysian	31,668,400	10.01	-	-	31,668,400	7.92	-	-
Ray Liew	Malaysian	31,668,400	10.01	-	-	31,668,400	7.92	-	-
Promoters/ Substantial Shareholders	Place of Incorporation / Nationality	After the Offer for Sale				After our IPO and Share Transfer to UFG			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	% ^(b)	No. of Shares	% ^{(b)*}	No. of Shares	% ^(b)	No. of Shares	% ^{(b)*}
UFG ^(c)	Malaysia	-	-	-	-	252,000,000	63.00	-	-
Liew Sen Hoi	Malaysian	143,784,000	35.94	142,466,000	35.62 ^(d)	18,208,408	4.56	268,041,592	67.00 ^(f)
Lim Show Ching	Malaysian	15,792,400	3.94	143,784,000	35.94 ^(e)	-	-	18,208,408	4.56 ^(e)
Marcus Liew	Malaysian	31,668,400	7.92	-	-	4,010,398	1.00	-	-
Ryan Liew	Malaysian	31,668,400	7.92	-	-	4,010,398	1.00	-	-
Roy Liew	Malaysian	31,668,400	7.92	-	-	4,010,398	1.00	-	-
Ray Liew	Malaysian	31,668,400	7.92	-	-	4,010,398	1.00	-	-

Notes:

* Liew Sen Hoi is the spouse of Lim Show Ching, and Marcus Liew, Ryan Liew, Roy Liew and Ray Liew are their sons. Please see Section 5.7 of this Prospectus for further details of the family relationship between the Promoters, substantial shareholders and Directors.

(a) Based on our issued share capital of 316,250,000 Shares after the Acquisition of UFI and UDI, but before our IPO.

3. PROSPECTUS SUMMARY (Cont'd)

- (b) Based on our enlarged issued share capital of 400,000,000 Shares after the Public Issue, Offer for Sale and Share Transfer to UFG pursuant to our IPO.
- (c) UFG's shareholders and their respective direct shareholdings in UFG are as follows: Liew Sen Hoi (55.00%); his spouse Lim Show Ching (5.00%); and their sons Marcus Liew (10.00%), Ryan Liew (10.00%), Roy Liew (10.00%) and Ray Liew (10.00%).
- (d) Deemed interested by virtue of his spouse's and his sons' direct shareholdings in Unique Fire.
- (e) Deemed interested by virtue of her spouse's direct shareholdings in Unique Fire.
- (f) Deemed interested by virtue of his sons' direct shareholdings in Unique Fire, as well as Section 8(4) of the Act through his shareholding of more than 20% in UFG. See note (c) above for further details.

Further details of our Promoters and substantial shareholders are disclosed in Section 5.1.1 of this Prospectus.

3.9 USE OF PROCEEDS FROM OUR IPO

The total gross proceeds from our Public Issue amounting to RM[●] million based on the IPO Price are intended to be used in the following manner:

Purposes	RM'000	%	Estimated time frame for use (from the Listing date)
Expansion of manufacturing facilities	[●]	[●]	Within 36 months
Expansion of geographic coverage	[●]	[●]	Within 24 months
Expansion of operational capabilities	[●]	[●]	Within 24 months
Working capital	[●]	[●]	Within 12 months
Estimated listing expenses	[●]	[●]	Within 3 months
Total	[●]	[●]	

There is no minimum subscription to be raised from our IPO. Further details on the use of proceeds are set out in Section 4.4 of this Prospectus.

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

The financial impact of the use of proceeds from our Public Issue is illustrated in the Pro Forma Combined Statements of Financial Position as at 31 March 2021 set out in Section 11.9 of this Prospectus.

3.10 FINANCIAL HIGHLIGHTS

The key financial highlights of our historical audited combined statements of comprehensive income for the FYE 2019 to FYE 2021 are set out below:

	Audited		
	FYE		
	2019 RM'000	2020 RM'000	2021 RM'000
Revenue	79,699	76,194	63,444
Cost of sales	(56,578)	(54,032)	(46,753)
GP	23,121	22,162	16,691
PBT	13,409	10,161	7,682
PAT	9,945	7,484	5,324
GP margin ⁽¹⁾ (%)	29.01%	29.09%	26.31%
PBT margin ⁽²⁾ (%)	16.82%	13.34%	12.11%
PAT margin ⁽³⁾ (%)	12.48%	9.82%	8.39%
Current ratio (times)	5.11	7.91	3.42
Gearing ratio (times)	0.22	0.24	0.34

3. PROSPECTUS SUMMARY (Cont'd)

Notes:

- (1) GP margin is calculated based on GP divided by revenue.
- (2) PBT margin is calculated based on PBT divided by revenue.
- (3) PAT margin is calculated based on PAT divided by revenue.

Please refer to Section 11 of this Prospectus for further discussion on our historical audited financial information.

3.11 DIVIDEND POLICY

It is our Directors' policy to allow our shareholders to participate in the profits of our Group as well as leaving adequate reserves for the future growth of our Group. The dividends declared and paid for the past FYE 2019 to FYE 2021 are as follows:

	<u>FYE 2019</u>	<u>FYE 2020</u>	<u>FYE 2021</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Dividends declared	4,577	6,178	11,500
Dividends paid	4,577	5,178	* 12,500

Note:

- * Dividend paid in relation to FYE 2020 amounting to RM1.00 million.

Notwithstanding the above, our Group presently does not have a fixed dividend policy. Our Group's ability to distribute dividends or make other distributions to our shareholders is subject to various factors, such as profits recorded and excess of funds not required to be retained for working capital of our business.

However, investors should note that the intention to recommend dividends should not be treated as a legal obligation on our Company to do so. The level of dividends should also not be treated as an indication of our Company's future dividend policy. There can be no assurance that dividends will be paid out in the future or on timing of any dividends that are to be paid in the future. In determining dividends in respect of subsequent financial years, consideration will be given to maximising shareholders' value. Save for certain financial covenants which UFI is subject to, there is no dividend restriction being imposed on our Group currently.

In addition, our ability to declare and pay interim dividends as well as to recommend final dividends are subject to the discretion of our Board. We will also need to obtain our shareholders' approval for any final dividend for the year. No inference should or can be made from any of the statements above as to our actual future profitability and our ability to pay dividends in the future.

Further details of our dividend policy are disclosed in Section 11.8 of this Prospectus.