

9. RISK FACTORS

YOU SHOULD EVALUATE AND CONSIDER CAREFULLY, ALONG WITH OTHER MATTERS IN THIS PROSPECTUS, THE FOLLOWING RISK FACTORS WHICH MAY IN THE FUTURE HAVE A MATERIAL ADVERSE EFFECT ON OUR BUSINESS OPERATIONS, FINANCIAL POSITION AND PERFORMANCE, IN ADDITION TO OTHER INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, BEFORE MAKING AN APPLICATION FOR OUR IPO SHARES.

9.1 RISKS RELATING TO OUR BUSINESS AND OPERATIONS

9.1.1 OUR FINANCIAL PERFORMANCE IS DEPENDENT ON OUR ABILITY TO CONTINUALLY SECURE NEW ORDERS FROM EXISTING AND NEW CUSTOMERS

Our success is dependent on our ability to continually secure new orders from existing and new customers in relation to our three (3) business segments namely, food processing and packaging machinery solutions, trading of cellulose casings, and manufacturing and trading of flexible packaging materials. Our products and services (after-sales maintenance and repair works), particularly in relation to our food processing and packaging machinery solutions business segment, are generally offered on a one-off basis customised in accordance with our customers' needs and specifications; whilst our sales for the manufacturing and trading of flexible packaging materials business segment are generally based on individual confirmed orders from our customers. For our trading of cellulose casings, although we have entered into supply contract with two of our major customers (namely, PT. Wonokoyo Jaya Corporindo and PT. Dagsap Endura Eatore), the actual sale delivery will still be subject to confirmation from the said customers.

Our existing customers may opt to cease issuing new purchase orders, reduce or limit the size and/or scope of products and/or services requested, and/or cancel the purchase orders made due to various factors such as budget constraints, our ability to meet customers' specification and requirements, competitive pricing, timely delivery, as well as continued customer service. Notwithstanding our sales and marketing efforts, there can be no assurance that new customers approached by our Group will eventually purchase from us.

As at the LPD, we have an order book of RM68.36 million as set out below: -

	Expected to be fulfilled and billed in		
	FYE 2023	First half of 2024	Total
Order book by business segment	RM'000	RM'000	RM'000
Food processing and packaging machinery solutions	52,144	8,524	60,668
Trading of cellulose casings	5,209	768	5,977
Manufacturing and trading of flexible packaging materials	1,712	-	1,712
Total	59,065	9,292	68,357

There can be no assurance that our current order book can be sustained in the future; nor can we provide any assurance that the orders currently in our order book will not be delayed, reduced in the scope of products and/or services requested, or cancelled. Such delay, reduction in scope of products and/or services requested, or cancellation may lead to an adverse effect on our business operations, financial performance and financial position.

Notwithstanding that we have enjoyed favourable growth in revenue during the Financial Years Under Review, there is no assurance that we will be able to sustain the revenue size and/or rate of growth in the future. In the event we are unable to continually secure adequate new orders from existing and new customers, our financial performance and financial position will be adversely affected.

9. RISK FACTORS (cont'd)

9.1.2 WE ARE DEPENDENT ON ONE OF OUR MAJOR SUPPLIERS

For the Financial Years Under Review, we were dependent on Shandong Vicel of China for the supply of cellulose casings. Purchases from Shandong Vicel accounted for 12.99%, 16.30% and 17.84% of our total purchase value respectively for the Financial Years Under Review. Shandong Vicel is the sole supplier for cellulose casings to our Group for the Financial Years Under Review, save for a one-off repurchase of cellulose casings amounting to RM0.07 million from one of our Group's customers to cater for an urgent need of another customer in the FYE 2020 (as disclosed under Section 7.18, Note (2) of this Prospectus). We are a distributor of Shandong Vicel's Vicel Speedy Peel Cellulose Casings in Indonesia for two (2) years commencing from 1 January 2024 based on the renewed and latest distribution agreement. However, there can be no assurance that Shandong Vicel will continue to grant us the distributorship upon the expiry of the current agreement or renew the agreement on similar terms.

Revenue from trading of cellulose casings contributed 11.11%, 12.86% and 13.36% of our Group's total revenue respectively for the Financial Years Under Review. In the event of sudden cessation or disruption to the supply of cellulose casings from Shandong Vicel and we are unable to deliver to our customers within their required timeframe, revenue from trading of cellulose casings will be affected which in turn, may adversely affect our operations and financial performance.

For the Financial Year Under Review and up to the LPD, we have not experienced any material disruptions such as cancellation or non-fulfilment of our purchase orders with our major suppliers including Shandong Vicel. Further details on our major suppliers are disclosed in Section 7.17 of this Prospectus. Nonetheless, the supply of cellulose casings from Shandong Vicel might be disrupted due to factors not fully within our control.

9.1.3 WE ARE EXPOSED TO RISK RELATING TO FLUCTUATIONS IN RAW MATERIAL PRICES

The raw materials required in our fabrication activities include stainless steel products and aluminium products among others. As such, we are dependent on the continuous supply of such raw materials which we source from various suppliers in Malaysia. These raw materials are commodities, and their prices are subject to fluctuations in global market prices. Any price hikes in raw materials caused by their shortages, which are beyond our control could result in increased costs and hinder our Group's business profitability particularly given that our Group cannot immediately or fully pass-on these costs to our recurring customers. Notwithstanding that we have not experienced any major fluctuation in prices of our raw materials that have materially affected our financial performance for the Financial Years Under Review and up to the LPD. Nonetheless, our Group's future financial performance might be hindered by fluctuations in raw material prices.

9.1.4 WE ARE DEPENDENT ON OUR EXECUTIVE DIRECTORS AND KEY SENIOR MANAGEMENT FOR THE CONTINUED SUCCESS AND GROWTH OF OUR BUSINESS

We believe that our continued success is dependent on the expertise, experience and efforts of our Executive Directors, Key Senior Management and other qualified personnel. Our ability to retain these qualified and competent personnel is vital towards ensuring the successful execution of our Group's business strategies because it can be difficult, time-consuming and expensive to identify replacement personnel with the required combination of technical know-how on product development and integration of robotic technology within our product offerings, skills and attributes. Therefore, our ability to attract and retain a highly-skilled and experienced workforce is crucial for our continued success, future business growth and prospects as well as implementation and execution of our business strategies and future plans as set out in Section 7.20 of this Prospectus.

Notwithstanding that we have put in place succession planning as well as compensation packages and reward schemes, there can be no assurance that we will be able to retain all of our Executive Directors, Key Senior Management and/or other qualified personnel in the future. The loss of any Executive Director and/or any of our Key Senior Management simultaneously or within a short time may create unfavourable or material impact on our Group's operations

9. RISK FACTORS (cont'd)

and the future growth of our business; which may ultimately affect the results of operations, performance and prospects of our Group if we are not able to replace or attract suitable talents in a timely manner.

For the Financial Years Under Review and up to the LPD, we have not experienced any loss of our Executive Directors, Key Senior Management or other qualified personnel which disrupted our Group's business operations and financial performance. Nonetheless, there can be no assurance that we would not encounter such challenge in the future.

9.1.5 WE ARE SUBJECT TO CREDIT RISKS BASED ON THE CREDIT PERIODS GRANTED TO OUR CUSTOMERS

We are subject to credit risks associated with our customers and our profitability and cash flows may be affected if our customers fail to make timely payments for the outstanding trade balances owing to us.

The normal credit periods granted by our Group to customers ranges from 0 to 180 days. The credit term for each customer may vary depending on various factors including the length of business relationship, their payment track record, creditworthiness and credit limit. Our trade receivables turnover period were 66 days, 57 days and 43 days respectively for the Financial Years Under Review; which is within our normal credit period granted to our customers. Our Group's total trade receivables, net of allowance for impairment loss, stood at RM9.12 million as at 31 December 2022; of which RM4.21 million or 46.16% exceeded the normal credit period. As at the LPD, we have collected RM7.80 million or 67.13% of our Group's total trade receivables which were outstanding as at 31 December 2022.

We have not experienced any significant bad debts or major disputes with our trade receivables for the Financial Years Under Review. We assess the collectability of trade receivables on an individual customer basis and provide for impairment loss on receivables in the following manner: -

- (i) simplified approach using a provisional matrix to estimate lifetime expected credit loss in accordance with MFRS 9 *Financial Instruments*; and
- (ii) specific allowance for impairment on overdue balances where recoverability is ascertained to be uncertain based on our dealings with the customer.

The details on the allowance for impairment loss on receivables provided by us for the Financial Years Under Review are as follows: -

	Audited		
	FYE 2020	FYE 2021	FYE 2022
	RM'000	RM'000	RM'000
Net allowance for impairment loss on receivables recognised during the financial year	110	866	80
PBT	7,742	13,853	15,579
Net allowance for impairment loss on receivables as a % of PBT	1.42	6.25	0.51

Whilst our finance team monitors collections from our customers regularly and follows up on any overdue amounts, there can be no assurance that the outstanding debts owing by our customers will be fully collected. Any default by our trade receivables to fulfil their debt obligations in the future may adversely affect our financial performance and financial position.

9. RISK FACTORS (cont'd)

9.1.6 WE MAY NOT BE ABLE TO SUCCESSFULLY EXECUTE OUR BUSINESS STRATEGIES AND FUTURE PLANS WHICH MAY HINDER OUR GROUP'S BUSINESS GROWTH AND SUCCESS

To grow our business and remain competitive, we intend to expand our business footprint and increase robotic footprint in food processing and packaging machinery solutions. Please refer to Section 7.20 of this Prospectus for further details on our business strategies and future plans.

The prospects and future growth of our business are dependent on our ability to implement and execute our business strategies and future plans effectively and promptly. The successful implementation of our business strategies and future plans may be affected by risk factors not fully within our control such as the general market and economic conditions, delay in completion of the construction of our new factory, customer acceptance level towards integration of robotic technology in the food processing and packaging machinery solutions offered by us, and the demand for our products and services may not match our enlarged capacity on an immediate basis. As such, there might be a delay or failure to implement any or all of our business strategies and future plans. In addition, even if we are able to successfully implement our business strategies and future plans, there can be no assurance that the actual outcomes and results would meet our original expectations.

Any delay or failure to implement any or all of our business strategies and future plans, or should the actual outcomes and results from any or all of our business strategies and future plans be less favourable than our original expectations, our business growth and success may be adversely affected which in turn, may have a negative effect on our financial performance and financial position.

9.1.7 WE ARE EXPOSED TO THE FLUCTUATIONS IN THE FOREIGN EXCHANGE RATES

We are exposed to foreign currency risk because some portion of our sales and purchases are transacted in foreign currencies namely the USD, EUR, NTD, SGD, IDR, RMB and PHP. As such, we are exposed to fluctuations in foreign exchange rates and any adverse movements in the foreign exchange markets may have a negative impact on our financial performance and operating results. For the Financial Years Under Review, our sales and purchases transactions denominated in local and foreign currencies are as follows: -

	Audited					
	FYE 2020		FYE 2021		FYE 2022	
	RM'000	%	RM'000	%	RM'000	%
Sales denominated						
- RM (local currency)	27,551	44.66	36,669	48.43	36,026	40.43
- USD	34,018	55.15	38,685	51.09	53,067	59.54
- EUR	15	0.02	147	0.19	16	0.02
- IDR	38	0.06	-	-	-	-
- SGD	67	0.11	216	0.29	5	0.01
	61,689	100.00	75,717	100.00	89,114	100.00
Purchases denominated						
- RM (local currency)	14,432	38.31	15,647	36.34	23,063	45.43
- USD	19,679	52.23	25,319	58.80	26,881	52.94
- EUR	1,358	3.60	325	0.75	45	0.09
- NTD	1,474	3.91	1,527	3.55	774	1.52
- PHP	-	-	4	0.01	8	0.02
- RMB	354	0.94	240	0.55	-	-
- IDR	379	1.01	-	-	-	-
Total	37,676	100.00	43,062	100.00	50,771	100.00

9. RISK FACTORS (cont'd)

The impact of foreign exchange fluctuations on our financial performance during the Financial Years Under Review are as follows: -

	Audited		
	FYE 2020	FYE 2021	FYE 2022
	RM'000	RM'000	RM'000
Realised gain on foreign exchange	75	8	136
Unrealised gain on foreign exchange	180	216	181
Realised loss on foreign exchange	(192)	(192)	(24)
Unrealised loss on foreign exchange	(115)	(18)	(126)
Net (loss)/gain on foreign exchange	(52)	14	167
PBT	7,742	13,853	15,579
Net (loss)/gain on foreign exchange as a % of PBT	(0.67)	0.10	1.07

Our Group currently does not have a formal policy with respect to our foreign exchange transactions. Exposure on foreign exchange is monitored on an ongoing basis, and our Group endeavours to keep the net exposure within an acceptable level. Our Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

Our Group does not use any financial instruments to hedge our exposure to fluctuation in foreign currency exchange rates. As at the LPD, we have not entered into any foreign exchange contracts as we endeavour to naturally hedge our foreign currency payments against our foreign currency collections. Nonetheless, we are subject to foreign exchange fluctuation risk for any mismatch in the purchases from our overseas suppliers and revenue from our sales to overseas customers. A depreciation of the RM against the foreign currencies may lead to higher costs of sales for our Group, whilst an appreciation of the RM against the foreign currencies may lead to lower sales and collections for our Group. Should such adverse event materialise, and we shall fail to pass on the adverse fluctuations to our customers in a timely manner, our financial performance may be adversely affected due to the reduced GP margin as a result of higher costs of sales or lower sales and collections.

9.1.8 WE ARE EXPOSED TO UNFAVOURABLE REGULATORY AND POLICY CHANGES RELATING TO THE HIRING OF FOREIGN WORKERS

We employ foreign workers in our business operations. As at the LPD, we have 37 foreign workers representing 23.87% of our total workforce. In Malaysia, the employment of foreign workers is subject to compliance with the laws and regulations enforced by the Immigration Department of Malaysia. Any unfavourable regulatory and policy changes relating to the hiring of foreign workers between Malaysia and the countries from which the foreign workers are sourced may adversely affect the availability of foreign workers, resulting in our Group not being able to continue employ new foreign workers or renew the working permit of existing foreign workers. In addition, any future increase to the minimum wages and/or any other costs associated with the hiring of foreign workers as implemented by the Government may result in an increase in our overall costs.

9.1.9 WE ARE EXPOSED TO RISK RELATING TO INADEQUACY ON INSURANCE COVERAGE ON OUR GROUP'S ASSETS AND EMPLOYEES

We are subject to risks such as fire, flood, accidents as well as public liability. As such, we have purchased insurance which include fire and burglary insurance, equipment insurance, public liability insurance, to provide coverage against any unforeseen event. Whilst we have taken the necessary steps to ensure that our insurance coverage is adequate for our operations and assets, it may not be adequate to fully compensate for the loss that we may suffer in the future. If we suffer losses that exceed the coverage provided by the insurance policies, it could have an adverse impact on our business, financial condition and results of operations.

9. RISK FACTORS (cont'd)

9.2 RISKS RELATING TO THE INDUSTRY IN WHICH OUR GROUP OPERATES

9.2.1 WE OPERATE IN A COMPETITIVE ENVIRONMENT

The industries that we operate in are competitive and characterised by rapid changes in technology, changing customer requirements and frequent introduction of new or improved products. Our competitors may have broader portfolio of products and/or services, longer operating track record, greater financial, technical, marketing, sales and other resources, higher profile, better funding for R&D or product and/or service development, more extensive international operations and/or a larger base of customers than we do.

Competitive pressures in the market or our failure to compete effectively may lead to reduced revenue, price reductions, reduced margins, loss of market share and inability to gain market share, any one of which could negatively impact the business operations and financial performance of our Group. Notwithstanding that our Group seeks to differentiate ourselves from our competitors by leveraging on our competitive strengths as set out in Section 7.19 of this Prospectus, there can be no assurance that we will be able to compete effectively against our existing and future competitors.

9.2.2 WE ARE SUBJECT TO RISKS RELATING TO GOVERNMENT, ECONOMIC, FISCAL OR MONETARY POLICIES AS WELL AS THE OCCURRENCE OF FORCE MAJEURE EVENTS SUCH AS GLOBAL PANDEMIC RISKS

For the Financial Years Under Review and up to the LPD, we derived our revenue and sourced our purchases from both the local and overseas markets. As such, our financial performance and business prospects are subject to the political, economic and regulatory risks in Malaysia as well as all the other foreign countries that we are supplying to or sourcing from. Uncertainties in political, economic and regulatory conditions include, but are not limited to, changes in the political leadership leading to unstable political situation, changes in government legislations and policies affecting the manufacturing sector, general economic and business conditions, movement in interest rates, changes in accounting and taxation policies, inflation rate as well as renegotiation or nullification of existing contracts. Our business is also susceptible to the risks of any future uncontrolled and/or prolonged disease outbreaks such as the recent COVID-19 pandemic that could result in the interruptions of our business operations and adversely affect our financial performance.

As at the LPD, our conduct of business has not been severely restricted in the past save for the disruptions caused by the lockdown measures imposed to curb the COVID-19 pandemic. We will continue to adopt prudent management and precautionary measures. However, our Group's ability to conduct business and future financial performance, might be adversely impacted by any changes in the political, economic and regulatory conditions in Malaysia and/or other foreign countries that we are supplying to or sourcing from; as well as the occurrence of force majeure events.

9.3 RISKS RELATING TO THE INVESTMENT IN OUR SHARES

9.3.1 NO PRIOR MARKET FOR OUR SHARES AND IT IS UNCERTAIN WHETHER A SUSTAINABLE MARKET WILL EVER DEVELOP

Prior to our Listing, there has been no prior public market for our Shares. As such, there is no assurance that an active/liquid market for our Shares will develop upon Listing, or if developed, that such a market can be sustained.

In addition, as we are seeking a listing on the ACE Market, investment in our Shares may be perceived to be of higher investment risk as compared to companies listed on the Main Market of Bursa Securities. Please refer to the cautionary statement disclosed in the Cover Page of this Prospectus.

9. RISK FACTORS (*cont'd*)

Notwithstanding that the IPO Price was determined after taking into consideration the factors as set out in Section 4.6 of this Prospectus, there is also no assurance that the IPO Price will correspond to the price at which our Shares will be traded on the ACE Market upon or subsequent to our Listing and that the market price of our Shares will not decline below the IPO Price.

9.3.2 CAPITAL MARKET RISKS AND VOLATILITY OF OUR SHARE PRICE AND TRADING VOLUME

The performance of capital market is very much dependent on external factors such as the performance of the regional and global stock markets and the inflow or outflow of foreign funds. Market sentiment is also induced by factors such as economic and political conditions and growth potential of the various sectors of the economy. These factors constantly contribute to the volatility of share prices witnessed on capital market and this adds risks to the market price of our Shares. Nevertheless, our profitability is not dependent on the performance of capital market as our business activities have no direct correlation with the performance of securities listed on capital market.

The trading price and volume of our Shares may fluctuate significantly and rapidly due to, amongst others, the following factors where some of which are beyond our control: -

- (i) variations in our financial results and operations;
- (ii) success or failure of our Executive Directors and Key Senior Management in implementing business and growth strategies;
- (iii) gain or loss of an important business relationship;
- (iv) changes in securities analysts' recommendations, perceptions or estimates of our financial performance;
- (v) changes in conditions affecting the industry, the general economic conditions or stock market sentiments or other related events and factors;
- (vi) changes in market valuations and share prices of companies with similar business to our Group that may be listed on Bursa Securities;
- (vii) additions or departure of our Executive Directors or Key Senior Management;
- (viii) fluctuation in stock market prices and volume; and/or
- (ix) involvement in litigation.

In addition, many of the risks described herein could materially and adversely affect the market price of our Shares. Furthermore, if the trading volume of our Shares is low, price fluctuation may be exacerbated. The market price and trading volume of our Shares might be subject to volatility due to market sentiments.

9.3.3 CONTROL BY OUR PROMOTERS

Upon Listing, our Promoters will collectively hold approximately 67.20% of our enlarged issued share capital. This provides them with voting control over our Group. As a result, they will be able to, in the foreseeable future, effectively control the business direction and management of our Group including the election of Directors, the timing and payment of dividends. Our Promoters will be in the position to influence the outcome of certain matters requiring the vote of our shareholders unless they are required to abstain from voting either by law or by relevant guidelines or regulations.

As a step towards good corporate governance, we have appointed four (4) Independent Non-Executive Directors and set up an Audit and Risk Management Committee to ensure that,

9. RISK FACTORS (cont'd)

amongst others, all future transactions involving related parties are entered into on an arm's length basis, on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to our minority shareholders. Our Audit and Risk Management Committee will, in that sense, represents the interest of the minority shareholders and the general public at large.

Nonetheless, there can be no assurance that the interests of our Promoters will be aligned with those of our other shareholders.

9.3.4 THE SALE, OR THE POSSIBLE SALE, OF A SUBSTANTIAL NUMBER OF OUR SHARES IN THE PUBLIC MARKET FOLLOWING OUR LISTING COULD ADVERSELY AFFECT THE MARKET PRICE OF OUR SHARES

Following the completion of our IPO and Listing, approximately 25.95% of our enlarged issued share capital will be held by public investors participating in our IPO; whilst approximately 74.05% of our enlarged issued share capital will be held by our Promoters, Directors and Key Senior Management who do not fulfil the definition of "Public" in accordance with the Listing Requirements collectively.

It is possible that our Promoters and substantial shareholders may dispose of some or all of their Shares after their respective moratorium period, pursuant to their own investment objectives. If our Promoters and substantial shareholders sell, or are perceived as intending to sell, a substantial amount of our Shares, the market price of our Shares could be adversely affected.

9.3.5 DELAY IN OR ABORTION OF OUR LISTING

The occurrences of any of the following events which could cause a delay in, or abortion of, our Listing: -

- (i) our Underwriter exercising its rights pursuant to the Underwriting Agreement to discharge itself from its obligation thereunder;
- (ii) selected investors fail to subscribe for the portions of our IPO Shares allotted to them which have not been underwritten by the Underwriter;
- (iii) we are unable to meet the public shareholding spread requirement prescribed by Bursa Securities of at least 25.00% of our enlarged issued share capital for which listing is sought must be held by a minimum number of 200 public shareholders each holding not less than 100 Shares upon the completion of our IPO and at the point of our Listing; or
- (iv) the revocation of approvals from relevant authorities prior to our Listing or Admission for whatever reason.

Where prior to the issuance and allotment of our IPO Shares: -

- (i) the SC issues a stop order pursuant to Section 245(1) of the CMSA, the applications shall be deemed to have been withdrawn and cancelled and we shall repay without interest all monies received from the applicants and if any such money is not repaid within fourteen (14) days of stop order, we shall be liable to repay such monies with interest at the rate of 10.00% per annum or at such other rate as may be specified by the SC from the expiration of that period pursuant to Section 245(7)(a) of the CMSA; or
- (ii) our Listing is aborted other than pursuant to a stop order by the SC under Section 245(1) of the CMSA, investors will not receive any of our IPO Shares, and all monies paid in respect of all applications for our IPO Shares will be refunded free of interest.

9. RISK FACTORS (cont'd)

Where subsequent to the issuance and allotment of our IPO Shares: -

- (i) the SC issues a stop order pursuant to Section 245(1) of the CMSA, any issue of our IPO Shares shall be deemed to be void and all monies received from the applicants shall be forthwith repaid and if any such money is not repaid within fourteen (14) days of stop order, we shall be liable to repay such monies with interest at the rate of 10.00% per annum or at such other rate as may be specified by the SC from the expiration of that period pursuant to Section 245(7)(a) of the CMSA; or
- (ii) our Listing is aborted other than pursuant to a stop order by the SC under Section 245(1) of the CMSA, a return of monies to our shareholders could only be achieved by way of a cancellation of share capital as provided under the Act and its related rules to the extent that our IPO Shares form part of our share capital. Such cancellation can be implemented by the sanction of our shareholders by special resolution in a general meeting, supported by either:
 - (i) consent by our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya; or
 - (ii) a solvency statement from the directors.

Therefore, there is a risk that monies paid in respect of our IPO Shares cannot be recovered in a timely manner.

Nonetheless, we will endeavour to ensure compliance with the Listing Requirements and all other applicable regulatory requirements for our successful listing on the ACE Market of Bursa Securities.

9.3.6 UNCERTAINTY OF DIVIDEND PAYMENTS

Our ability to declare dividends to our shareholders is dependent on, amongst others, our future financial performance, cash flows position, capital requirements and other obligations, and our ability to implement our business strategies and future plans. Deterioration of these factors could have an effect on our business, which in turn will affect our ability to declare dividends to our shareholders. As such, there is no assurance that we will be able to pay dividends to our shareholders subsequent to our Listing.

Dividends payments are not guaranteed, and our Board may decide, at its discretion, at any time and for any reason, not to pay dividends. If we do not pay dividends, or pay dividends at levels lower than that anticipated by investors, the market price of our Shares may be negatively affected and the value of any investment in our Shares may be reduced.

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