

4. DETAILS OF OUR IPO

4.1 OPENING AND CLOSING OF APPLICATION PERIOD

The Application period will open at 10.00 a.m. on [•] 2024 and will remain open until 5.00 p.m. on [•] 2024. **LATE APPLICATION WILL NOT BE ACCEPTED.**

4.2 INDICATIVE TIMETABLE

Events	Indicative time/date
Issuance of this Prospectus / Opening of Application	10.00 a.m. / [•] 2024
Closing of Application	5.00 p.m. / [•] 2024
Balloting of Application	[•] 2024
Allotment / Transfer of our IPO Shares to successful applicants	[•] 2024
De-listing from the LEAP Market	[•] 2024
Listing on the ACE Market	[•] 2024

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

4.3 PARTICULARS OF THE CORPORATE EXERCISE AND OUR IPO

(i) Corporate Exercise

Our shareholders had, via our EGM held on 28 December 2023, voted in favour of the Withdrawal of Listing and Transfer of Listing. Subsequently, pursuant to Rule 8.06(1)(c) of the LEAP LR and paragraph 2.1 of Guidance Note 15A of the ACE LR, the Joint Offerors undertook the Exit Offer to facilitate the Corporate Exercise. The Exit Offer was completed on [•] 2024.

Our Transfer of Listing is subject to, amongst others, the following requirements under Rule 3A.02(1) of the ACE LR:

No.	Requirements	Status of compliance
(a)	A transfer applicant must have been listed for at least 2 years on the LEAP Market at the time of application for transfer of listing;	Met. As at the date of this Prospectus, our Company has been listed on the LEAP Market for more than 2 years since 28 November 2018.
(b)	A transfer applicant must be considered as suitable for listing after the assessment by a Sponsor (as defined in the ACE LR) or both the Sponsor and Recognised Approved Adviser (as defined in the ACE LR) as Joint Transfer Sponsor (as defined in the ACE LR) pursuant to Rule 4.07 of the ACE LR;	Met. Our Company is suitable to be listed on the ACE Market after TA Securities (as the Sponsor) had assessed, amongst others, our Group's business prospects; systems, procedures, policies, controls and resources to comply with the ACE LR as well as governance, internal control and risk management systems; and that our Company's admission to the Official List of ACE Market is not detrimental to the interest of investors or does not undermine public interest.

4. DETAILS OF OUR IPO (CONT'D)

No.	Requirements	Status of compliance
(c)	A transfer applicant must comply with Chapters 3 and 3A of the ACE LR, as the case may be, subject to the additional requirements, modifications or exceptions set out in Chapter 3A of the ACE LR;	Noted and to be complied with.
(d)	A transfer applicant must undertake an issue of shares to the general public as part of its transfer of listing; and	To be complied. Our IPO comprises Public Issue and Offer for Sale, where applicable.
(e)	A transfer applicant must comply with the relevant admission procedures and requirements as may be prescribed by Bursa Securities.	Noted and to be complied with.

(ii) IPO

Our IPO is subject to the terms and conditions of this Prospectus and upon acceptance, our IPO Shares will be allocated in the manner described below:

	Scenario 1		Scenario 2	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Public Issue to be allocated in the following manner:				
(i) Malaysian Public	48,876,000	5.00	48,876,000	5.00
(ii) Our Independent Directors	800,000	0.08	800,000	0.08
(iii) Private placement to Bumiputera investors as approved by MITI	122,189,700	12.50	122,189,700	12.50
Offer for Sale				
(i) Private placement to selected non-Bumiputera investors (up to)	-	-	87,984,300	9.00
TOTAL	171,865,700	17.58	259,850,000	26.58

Note:

(1) Computed based on our enlarged share capital of 977,517,100 Shares after our IPO.

Our IPO comprises Public Issue and Offer for Sale (if applicable).

Pursuant to Scenario 2, the Offer for Sale will be undertaken by the Selling Shareholder only in the event the Selling Shareholder receives valid acceptance for 1,000,000 or more Shares not already held by the Joint Offerors under the Exit Offer, which entails up to 87,984,300 Shares (representing up to 9.00% of our enlarged share capital) whereby the Joint Offerors have not received any irrevocable and unconditional undertakings from our shareholders that they will not accept the Exit Offer. The Selling Shareholder will offer for sale all such Shares received by him under the Exit Offer, in board lots, to identified non-Bumiputera investors by way of private placement under the Offer for Sale.

The basis of allocation of our IPO Shares shall take into account our Board's intention to distribute our IPO Shares to a reasonable number of applicants to broaden our Company's shareholder base to meet the public shareholding spread requirements and to establish a liquid market for our Shares. Applicants will be selected in a fair and equitable manner to be determined by our Board.

As at the LPD, save as disclosed in Section 4.3 of this Prospectus, to the extent known to our Company, there are no persons who have indicated to us that they intend to subscribe for more than 5% of our IPO Shares.

4. DETAILS OF OUR IPO (CONT'D)

4.3.1 Public Issue

A total of 171,865,700 Issue Shares, representing 17.58% of our enlarged share capital, are offered at the IPO Price. The Issue Shares will be allocated in the following manner:

(i) Malaysian Public

48,876,000 Issue Shares, representing 5.00% of our enlarged share capital, will be made available for application by the Malaysian Public, to be allocated via a balloting process as follows:

- (a) 24,438,000 Issue Shares, representing 2.50% of our enlarged share capital, made available to Malaysian public investors; and
- (b) 24,438,000 Issue Shares, representing 2.50% of our enlarged share capital, made available to Malaysian Bumiputera public investors.

(ii) Our Independent Directors

800,000 Issue Shares, representing 0.08% of our enlarged share capital, will be made available for application by our Independent Directors.

We have obtained approval from our shareholders via an EGM held on [•] 2024 for the proposed allocation of Issue Shares to our Independent Directors, based on amongst others, their respective roles and responsibilities in our Company. A summary of the proposed allocation of the Issue Shares to our Independent Directors is set out below:

Name	Designation	No. of Issue Shares to be allocated
Vincent Loh	Independent Non-Executive Chairman	200,000
Chin Peck Li	Independent Non- Executive Director	200,000
Lim Lay Ching	Independent Non-Executive Director	200,000
Kam Sin Lin	Independent Non-Executive Director	200,000
TOTAL		800,000

Save for the above, our Board is not aware of any substantial shareholders, Directors and key senior management of our Group who have the intention to apply for the Issue Shares made available under Section 4.3.1(i) of this Prospectus for the Malaysian Public via balloting.

(iii) Private placement to Bumiputera investors as approved by MITI

122,189,700 Issue Shares, representing 12.50% of our enlarged share capital, will be made available by way of private placement to Bumiputera investors as approved by MITI.

Upon completion of the Public Issue, our total number of issued Shares will increase from 805,651,400 Shares to 977,517,100 Shares. There is no over-allotment or 'greenshoe' option that will increase the number of our IPO Shares.

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4. DETAILS OF OUR IPO (CONT'D)

4.3.2 Offer for Sale

Pursuant to the Scenario 2 as illustrated in Section 4.3(ii) of this Prospectus, a total of up to 87,984,300 Offer for Sale Shares, representing up to 9.00% of our enlarged share capital, are offered by the Selling Shareholder to selected non-Bumiputera investors by way private placement at the IPO Price. The Offer for Sale is subject to the terms and conditions of this Prospectus. The details of the Selling Shareholder and his relationship with our Group are as follows:

Name / Residential address	Relationship with our Group	Shareholdings before our IPO and as at the LPD		Offer for Sale ⁽⁴⁾			Shareholdings after our IPO	
		No. of Shares	% ⁽¹⁾⁽³⁾	No. of Shares	% ⁽¹⁾	% ⁽²⁾	No. of Shares	% ⁽²⁾⁽³⁾
DSCFY Lot 121, Jalan Timah 3 The Mines Resort City 43300 Seri Kembangan Selangor	Promoter, substantial shareholder, Group Managing Director and Specified Shareholder	257,000,498	31.90	87,984,300	10.92	9.00	257,000,554	26.29

Notes:

- (1) Based on our share capital of 805,651,400 Shares as at the LPD.
- (2) Based on our enlarged share capital of 977,517,100 Shares after our IPO.
- (3) Being the Selling Shareholder's direct equity interest in our Company.
- (4) Subject to the acceptance of the Exit Offer by our shareholders.

The Offer for Sale is expected to raise gross proceeds of approximately RM[●] million based on the IPO Price, which will accrue entirely to the Selling Shareholder and we will not receive any of the proceeds. The Selling Shareholder shall bear all expenses in relation to the Offer for Sale.

Further details on the Selling Shareholder, who is also our Promoter, substantial shareholder and Director, are set out in Sections 5.1.2 and 5.2.2 of this Prospectus.

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4. DETAILS OF OUR IPO (CONT'D)

4.3.3 Underwriting arrangement and re-allocation provision

(i) Issue Shares for the Malaysian Public via balloting

The 48,876,000 Issue Shares made available for application by the Malaysian Public via balloting are fully underwritten by our Underwriter.

If any Issue Shares allocated for application by the Malaysian Public via balloting are not fully subscribed, the balance portion will be re-allocated in the following order:

- (a) firstly, to selected non-Bumiputera investors via private placement under Section 4.3.2 of this Prospectus, if applicable; and
- (b) finally, any remaining Issue Shares thereafter will be subscribed by our Underwriter, in accordance with the terms and conditions of the Underwriting Agreement.

(ii) Issue Shares for our Independent Directors

The 800,000 Issue Shares made available to our Independent Directors are fully underwritten by our Underwriter.

If any Issue Shares allocated to our Independent Directors are not fully subscribed, the balance portion will be re-allocated in the following order:

- (a) firstly, to the Malaysian Public via balloting under Section 4.3.1(i) of this Prospectus;
- (b) secondly, any remaining portion will be made available to selected non-Bumiputera investors via private placement under Section 4.3.2 of this Prospectus, if applicable; and
- (c) finally, any remaining Issue Shares thereafter will be subscribed by our Underwriter, in accordance with the terms and conditions of the Underwriting Agreement.

(iii) Issue Shares by way of private placement to Bumiputera investors as approved by MITI

The 122,189,700 Issue Shares made available for application by Bumiputera investors as approved by MITI are not underwritten as irrevocable undertakings from the relevant investors to subscribe for the aforementioned Issue Shares will be / have been obtained.

If any Issue Shares allocated to Bumiputera investors as approved by MITI are not fully subscribed, the balance portion will be re-allocated in the following order:

- (a) firstly, to Malaysian Bumiputera Public via balloting under Section 4.3.1(i) of this Prospectus;
- (b) secondly, any remaining portion thereafter will be made available to selected non-Bumiputera investors by way of private placement under Section 4.3.2 of this Prospectus, if applicable;
- (c) thirdly, any remaining portion thereafter will be made available to other investors to be identified; and
- (d) finally, any remaining portion will be made available for application by other Malaysian Public via the balloting under Section 4.3.1(i) of this Prospectus.

4. DETAILS OF OUR IPO (CONT'D)

(iv) Offer for Sale Shares by way of private placement to selected non-Bumiputera investors

Up to 87,984,300 Offer for Sale Shares made available for private placement to selected non-Bumiputera investors are not underwritten as irrevocable undertakings from the relevant investors to subscribe for the aforementioned Offer for Sale Shares will be / have been obtained.

If any Offer for Sale Shares allocated to selected investors are not fully subscribed, the balance portion will be re-allocated in the following order:

- (a) firstly, to Malaysian Public via balloting under Section 4.3.1(i) of this Prospectus; and
- (b) finally, any remaining portion thereafter will be made available to other investors to be identified.

The salient terms of the underwriting arrangement is set out in Section 4.11 of this Prospectus.

4.3.4 Price stabilisation mechanism

We will not be employing any price stabilisation mechanism that may be employed in accordance with the Capital Markets and Services (Price Stabilisation Mechanism) Regulations 2008 to our IPO.

4.3.5 Minimum subscription

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

Under the ACE LR, we are required to have at least 25.00% of our enlarged issued share capital held by a minimum number of 200 public shareholders, each holding not less than 100 Shares at the point of our Transfer of Listing. We expect to meet the public shareholding spread requirements through a combination of the balloting process and private placement exercise.

If the above requirement is not met, we may not be able to proceed with our Transfer of Listing. Please refer to Section 9.3.4 of this Prospectus for details in the event our Transfer of Listing is delayed or aborted.

4.3.6 Transfer of Listing

We undertake our IPO in conjunction with our Transfer of Listing. We have obtained approvals from our shareholders and Bursa Securities for the Corporate Exercise via EGM held on 28 December 2023 and Bursa Securities' letter dated [●] 2024, respectively.

You should take note that upon allotment/transfer of our IPO Shares to successful applicants, trading of our Shares on the LEAP Market will be suspended for a time period to be prescribed by Bursa Securities to facilitate the Withdrawal of Listing and Transfer of Listing. Thereafter, our Shares will be listed and quoted on the ACE Market.

4. DETAILS OF OUR IPO (CONT'D)

4.4 SHARE CAPITAL, CLASSES OF SHARES AND RANKING

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

Details	No. of Shares	RM
Share capital		
As at the date of this Prospectus	805,651,400	68,000,000
To be issued pursuant to the Public Issue	171,865,700	51,559,710
Enlarged share capital upon our Transfer of Listing	977,517,100	119,559,710
IPO Price		[•]
Pro forma consolidated NA per Share as at 30 June 2023 (based on the enlarged issued share capital of 977,517,100 Shares after the Public Issue and the use of proceeds)		[•]
Market capitalisation upon our Transfer of Listing (based on our IPO Price and our enlarged share capital of 977,517,100 Shares after our IPO)		[•]

The Offer for Sale will not have any effect on our share capital.

As at the date of this Prospectus, we have only one class of shares, being ordinary shares, all of which rank equally with each other. The Issue Shares will, upon allotment and issuance, rank equally in all respects with our then existing Shares including voting rights and will be entitled to all rights, dividends and other distributions that may be declared, the entitlement date of which is subsequent to the date of allotment of the Issue Shares, subject to any applicable Rules of Bursa Depository.

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

Subject to any special rights attaching to any Shares which we may issue in the future, our shareholders shall, in proportion to the amount paid up to the Shares held by them, be entitled to share in whole of the profits paid out by us in the form of dividends and other distributions. Similarly, if our Company is liquidated, our shareholders shall be entitled to the surplus (if any), in accordance with our Constitution after the satisfaction of our liabilities.

Each of our shareholders shall be entitled to vote at any of our general meetings in person or by proxy or by other duly authorised representative. Every shareholder present in person or by proxy or other duly authorised representative shall have 1 vote for each Share held on a poll.

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4. DETAILS OF OUR IPO (CONT'D)

4.5 OBJECTIVES OF OUR IPO

The objectives of our IPO are as follows:

- (i) to enable us to raise funds for the purposes specified in Section 4.9 of this Prospectus;
- (ii) to access to a wide pool of investors in the ACE Market, as compared to LEAP Market, which offers a more robust listing environment with relatively greater vibrancy, more liquidity and better price discovery;
- (iii) to enable us to access a liquid equity capital market for future fund raising and to provide us with the financial flexibility to pursue growth opportunities as and when they arise;
- (iv) to further enhance our Group's credibility, corporate reputation and brand name which in turn, further enhance the confidence of our Group's existing and new customers, suppliers, business associates and employees through our transfer listing from the LEAP Market to ACE Market; and
- (v) to provide an opportunity for wider pool of Malaysian Public to participate in our equity and continuing growth.

4.6 BASIS OF ARRIVING AT THE IPO PRICE

The IPO Price was determined and agreed upon by us and our Principal Adviser, Sponsor, Underwriter and Placement Agent, after taking into consideration the following factors:

- (i) our pro forma consolidated NA per Share of approximately RM[•] as at 30 June 2023, based on our enlarged share capital of 977,517,100 Shares as well as after our IPO and use of proceeds from the Public Issue as set out in Section 12.2 of this Prospectus;
- (ii) PE Multiple of approximately [•] times, based on our Group's EPS of 2.44 sen for FYE 2023 and after taking into account our enlarged share capital of 977,517,100 Shares and PAT attributable to owners of our Company of RM23.85 million.

To further justify the IPO Price, peer analysis has been carried out to benchmark the PE Multiple implied by the IPO Price against (a) the PE Multiples of comparable companies with similar business or sector as our Group and listed on the Main Market of Bursa Securities and ACE Market; and (b) the sector PE Multiple valuation based on all component stocks within Bursa Malaysia Consumer Product Index (KLCSU Index). In view that we operate in the retail industry, it is more likely for our Company's underlying value to be derived from our business operations instead of our assets and hence, PE Multiple is an appropriate trading multiple to be used for the peer analysis.

4. DETAILS OF OUR IPO (CONT'D)

The comparable companies were selected based on the following criteria:

- (a) profitable comparable public listed companies categorised under the 'personal goods' or 'retailers' subsector of the 'consumer products and services' sector on the Main Market of Bursa Securities and/or the ACE Market, which operate in a similar industry with similar products type/business model to our Group; and
- (b) prevailing sector PE Multiple valuation of all component stocks within KLCSU Index, being a capitalisation-weighted index of all stocks in the EMAS Index involved in the consumer sector.

However, there are no public listed companies in Malaysia which is identical to our Company in respect of, amongst others, the scale of business operations and financial position. As such, it should be noted that this comparable valuation statistics is carried out on a best effort basis, purely to provide a benchmark valuation for the IPO Price.

The trading PE Multiples of our Company and selected comparable companies to our Group as at the LPD are as follows:

Companies / (Board)	Principal activities	As at the LPD		Basic earnings per share ⁽²⁾	PE Multiple
		Closing price	Market capitalisation ⁽¹⁾		
		(RM)	(RM'000)	(RM)	(times)
		(A)		(B)	(A/B) ⁽³⁾
Selected comparable companies					
Bonia (Main Market of Bursa Securities)	Designing, manufacturing, marketing, retailing, wholesaling and franchising of fashionable leather goods, accessories and apparel for the local and overseas markets, property development and investment holding	1.690	339,682	0.200	8.45
MESB Berhad (Main Market of Bursa Securities)	Trading and retailing of leather products, apparel and accessories, investment holding and waste recycling business	0.435	62,768	0.076	5.70
Padini Holdings Berhad (Main Market of Bursa Securities)	Promoting and marketing fashionable apparels, footwear and accessories, provision of management services and investment holding	3.355	2,207,286	0.274	12.23
				High	12.23
				Low	5.70
				Simple average	8.79
				Our Company	10.1⁽⁴⁾

4. DETAILS OF OUR IPO (CONT'D)

Notes:

- (1) Computed based on the number of ordinary shares in issue (excluding any treasury shares) multiplied by the closing price as at the LPD.
- (2) Being the rolling 12-month unaudited PAT attributable to owners of the comparable companies, respectively, divided by the number of ordinary shares in issue as at the LPD (Source: Quarterly reports of the respective selected comparable companies).
- (3) Subject to rounding adjustment.
- (4) Computed based rolling 12-month unaudited PAT attributable to owners of our Company of RM21.18 million with an EPS of RM0.0263 and closing price as at the LPD of RM0.215 each.

Based on the pro forma EPS of our Group of approximately 2.44 sen, the illustrative PE Multiple of our Company of approximately [•] times is:

- about [•]% discount from the sector PE Multiple valuation of all component stocks within KLCSU Index of [•] times as at LPD; and
- slightly [•] PE Multiple of the selected comparable companies of [•] times, which have recorded the range of PE Multiples of between [•] times to [•] times.

(iii) our Group's historical financial track record as summarised below:

	FYE 2021	FYE 2022	FYE 2023
	RM'000	RM'000	RM'000
Revenue	76,460	101,787	113,534
GP	44,392	63,043	70,064
PAT attributable to owners of our Company	3,984	22,230	23,853

- (iv) our Group's competitive strengths and advantages as set out in Section 7.17 of this Prospectus;
- (v) our Group's business strategies and future plans as set out in Section 7.18 of this Prospectus;
- (vi) the overview and outlook of the industry in which our Group operates, as well as the prevailing market conditions as set out in Section 8 of this Prospectus; and
- (vii) the market performance of Bursa Securities and anticipated demand for our IPO Shares.

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

4. DETAILS OF OUR IPO (CONT'D)

4.7 DILUTION

Dilution is the amount by which the IPO Price exceeds our pro forma consolidated NA per Share immediately after our IPO. The following table illustrates such dilution on a per Share basis:

	RM
IPO Price (A)	[•]
Audited consolidated NA per Share as at 30 June 2023 before the Public Issue (B)	0.12
Pro forma consolidated NA per Share as at 30 June 2023 after the Public Issue and the use of proceeds from the Public Issue (C)	[•]
Increase in the pro forma consolidated NA per Share attributable to our existing shareholders (C-B)	[•]
Dilution in the pro forma consolidated NA per Share to new investors (D=A-C)	[•]
Dilution in the pro forma consolidated NA per Share to new investors as a percentage of our IPO Price (D/A)	[•]%

Please refer to Sections 12.2 and 13 of this Prospectus for further details of our Group's pro forma consolidated NA per Share as at 30 June 2023.

Save as disclosed below, there has been no acquisition of our Shares by our substantial shareholders, Directors, key senior management or persons connected with them, or any transaction entered into by them which grants them the right to acquire any of our Shares during the past 3 years since [•8 March 2021] up to the date of this Prospectus:

- (i) DSCFY had acquired 39,883,000 Shares at an average cost of approximately RM0.1758 (excluding stamp duty and commission);
- (ii) 49,469,858 Shares were transferred from DSCFY's spouse to DSCFY without any consideration;
- (iii) 24,169,542 Shares were transferred from DSCFY's spouse to her child without any consideration;
- (iv) [•DSCFY acquired [•] Shares at the cash exit offer price of RM[•] each pursuant to the Exit Offer]; and
- (v) [•Our Independent Directors subscribe for the Issue Shares at the IPO Price, in the manner as set out in Section 4.3.1(ii) of this Prospectus].

4.8 HISTORICAL SHARE PRICE

Our Shares are currently traded on the LEAP Market. Our Shares have not been subject to any trading suspension in the past 3 years up to the LPD.

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4. DETAILS OF OUR IPO (CONT'D)

4.9 USE OF PROCEEDS

The total gross proceeds of approximately RM[•] million from the Public Issue will be used by our Group in the following manner:

Use of proceeds	Note	Amount of proceeds		Estimated timeframe for utilisation from the date of our Transfer of Listing
		RM'000	%	
Construction and the fitting out of a new flagship boutique and other facilities (e.g., IT and security systems)	i	[•]	[•]	Within 36 months
Refurbishment of boutiques and counters at departmental stores	ii	[•]	[•]	Within 36 months
Maintenance of IT infrastructure	iii	[•]	[•]	Within 24 months
Working capital requirements of our Group	iv			
• Purchase of inventory		[•]	[•]	Within 24 months
• A&P expenses		[•]	[•]	Within 24 months
• Rental of boutiques		[•]	[•]	Within 24 months
Defrayment of estimated expenses for the Corporate Exercise and our IPO	v	[•]	[•]	Within 3 months
TOTAL		[•]	100.00	

Notes:

- (i) **Construction and the fitting out of a new flagship boutique and other facilities (e.g. IT and security systems)**

IBS had, on 15 March 2023, completed the acquisition of the Imbi Property and currently rents the vacant land to Wawasan Murni Jaya for a car park business for a tenure of 3 months (commenced from 1 October 2023, with option for renewal of 3 months periodically). We earmark RM[•] million (or approximately [•]% of our Public Issue proceeds), for the construction and fitting-out of a commercial building to be erected thereon ("**Proposed Building**") and the renovation cost for the flagship boutique in the Proposed Building.

The details of the Proposed Building is as follows:

Details of the Proposed Building		
Description and intended usage	:	A up to 8-storey commercial building comprises: <ul style="list-style-type: none"> • flagship boutique for our Group to display our range of products; and • other complementary ancillary services such as food and beverage outlets and lifestyle outlets for own usage and rental purpose.
Estimated construction cost and incidental cost	:	RM[•] million (based on preliminary cost estimation as at the LPD and estimated incidental costs in relation to the land)
Estimated fit-out cost for the Proposed Building	:	RM[•] million (based on indicative cost estimation by our Group for the fit-out works on the Proposed Building which may subject to revisions upon completion of the construction of the Proposed Building)
Estimated renovation cost for the flagship boutique	:	RM[•] million (based on cost estimation by our Group)

4. DETAILS OF OUR IPO (CONT'D)

The tentative timeline for the construction and fitting-out works is as follows:

Timeline*	Events
3 rd quarter of calendar year 2024	<ul style="list-style-type: none"> Commence preparation of conceptual development, cost estimation and schematic design Finalise design development of building plan by our Group Submission of Planning Permit Plan to Dewan Bandaraya Kuala Lumpur
4 th quarter of calendar year 2024	<ul style="list-style-type: none"> Obtain approval on the Planning Permit Plan (assuming a processing time of 3 months from date of submission) Submission to land registry for change of land use category to commercial category Submission of building plan and development order to Dewan Bandaraya Kuala Lumpur
1 st quarter of calendar year 2025	<ul style="list-style-type: none"> Obtain approval for the change of land use category, building plan and development order (assuming a processing time of 3 months from date of submission)
2 nd quarter of calendar year 2025	<ul style="list-style-type: none"> Finalise tender and negotiation with main contractor on the construction works
3 rd quarter of calendar year 2025	<ul style="list-style-type: none"> Commencement of the construction of the Proposed Building
3 rd quarter of calendar year 2026	<ul style="list-style-type: none"> Completion of construction of the Proposed Building (assuming 12 months from the date of commencement of construction works)
1 st quarter of calendar year 2027	<ul style="list-style-type: none"> Commence fitting-out (this shall only commence after receipt of CCC for the Proposed Building)

Note:

* Any unexpected prolonged processing time by the relevant authorities may cause a delay to the above tentative timeline.

At this juncture, the Proposed Building is proposed to be an up to 8-storey building with an estimated total built-up area of 19,000 sqft which is subject to approval from authorities. In view of the above tentative timeline, final details on the Proposed Building (e.g., number of storeys and built-up area of the flagship boutique) will only be available upon submission of the Planning Permit Plan. Other details such as types of complementary ancillary services or number of units of complementary ancillary services to be set up in the Proposed Building will be finalised upon the completion of the Proposed Building in the future.

The construction cost of the Proposed Building include, amongst others, building works (such as structural works, sanitary and plumbing works); external works (such as earthworks, road and drainage, fencing and turfing) as well as mechanical and electrical work (such as electrical, air-conditioning and fire-fighting protection installation); and to fit-out the flagship boutique whereas the fit-out costs involve, amongst others the purchase and installation of new fixtures, fittings, lighting, flooring, merchandise and display tools, IT hardware and security system.

As part of the brand building exercise, our Board recognises the importance of physical retail premise to create and enhance the brand presence and to provide a cosy in-store experience to the customers to view, try and appreciate our range of products. The Imbi Property is strategically located within Kuala Lumpur city centre with good accessibility to public transport infrastructures, shopping malls, international hotels and serviced suites. Further, the flagship boutique is spacious with an estimated total built-up area of 4,000 sqft and our Management plans to design it with the spirit of "Carlo Rino" in mind, which instils a youthful, vibrant, colourful and bold vibe. Our Management believes better ambience while shopping at spacious and strategically located boutique enhances the brand appeal to the targeted consumer group, builds brand equity amongst the customers which in turn, shall drive footfall to the flagship boutique and improve sales of our range of products.

4. DETAILS OF OUR IPO (CONT'D)

If the above capital expenditure is due and payable prior to our Transfer of Listing, we will use a combination of internally generated funds and/or borrowings (if required) to settle such payment while pending the receipt of the proceeds from the Public Issue. Upon receiving the proceeds from the Public Issue, we will use the proceeds to replenish internal funds used and/or to repay borrowing obtained to fund the construction works (if any) and pay the remaining capital expenditure. If there is a surplus of proceeds, the amount will be re-allocated for our Group's working capital purposes, wherein the breakdown of re-allocation amongst the category of working capital of our Group will be determined later. If there is a deficit of proceeds, we will use a combination of internally generated funds and borrowings to fund such capital expenditure.

(ii) Refurbishment of boutiques and counters at departmental stores

As at the LPD, our Group operates and manages 41 boutiques and 82 departmental store counters in Malaysia.

Refurbishment of boutiques and counters at departmental stores, from time to time, changes the layout and appearance of such retail space which aims to improve the business via refreshing shopping experience for the customers to drive footfall to the boutiques and departmental stores as well as to garner greater brand awareness of our range of products. Hence, our Company earmarks RM[●] million (or approximately [●]% of the total proceeds from the Public Issue), to refurbish boutiques and departmental store counters. As refurbishment of boutiques and counters at departmental stores is an on-going initiative, the number of boutiques and counters at departmental stores to be refurbished, their locations and costs cannot be determined at this juncture as it will be dependent on the prevailing quotation as well as the refurbishment requirements at the time of utilisation and such costs may differ for each type and location of retail space. Based on our Group's historical data, the refurbishment cost is expected to be approximately RM100 to RM350 per sqft. Should there be any material variances in the future with regards to refurbishment costs as a result of, amongst others, inflation, the shortfall will be funded via our Group's internally generated funds.

The estimated refurbishment cost covers, amongst others, the following:

- *purchasing and installing new fixtures, fittings, lighting and flooring;*
- *interior design fees;*
- *new merchandising and display tools; and*
- *IT and security equipment and related hardware.*

(iii) Maintenance of IT infrastructure

Our Group has, on September 2023, commenced the upgrading of the ERP system to become web-based and POS system to become cloud-based, which is still on-going at this juncture and is expected to go live by December 2024 and June 2025, respectively. Thereafter, our Management intends to integrate the above said systems with the CRM application, mobile application and e-commerce platforms. Such integration allows up-to-date information to be made available for the business decision of our Management. Our Company intends to allocate RM[●] million (or approximately [●]% of the total proceeds from the Public Issue), for subsequent maintenance of such upgraded IT infrastructure which include subscription fees for the cloud-based applications, as well as office productivity software and product design tools and applications. Our Company estimates the monthly IT maintenance cost after such upgrading to be RM20,000 to RM50,000.

4. DETAILS OF OUR IPO (CONT'D)

(iv) Working capital requirements of our Group

Our Group's working capital requirements will increase in tandem with future plans as set out in Section 7.18 of this Prospectus. Hence, our Company intends to allocate RM[•] million (or approximately [•]% of the total proceeds from the Public Issue), for the following working capital requirement of our Group:

(a) Purchase of inventory

For the FYE Under Review, our Group had incurred RM25.0 million to RM37.00 million annually to purchase inventory to ensure we have sufficient inventory to meet demand from our customers. The inventories mainly consist of finished goods of women's handbags, footwear and accessories. Our Company plans to use RM[•] million of the proceeds from Public Issue to finance the purchase of inventory.

(b) A&P expenses

We undertake various A&P activities to promote brand awareness and garner customer loyalty over our products.

Our Company plans to use RM[•] million of the total proceeds from the Public Issue to undertake various A&P activities, such as billboard advertisement; digital marketing across various online channels; engagements of social media key opinion leader and influencer who have positive and strong reputations in the fashion line to market our Group's products to their followers; and organise campaigns or events to drive new product awareness and customer engagements.

(c) Rental of boutiques

As at the LPD, our Group operates and manages 41 boutiques in Malaysia. For the FYE Under Review, rental of boutique expenses is approximately 10.37%, 14.41%, and 14.00%, respectively, of our Group's total selling and distribution expenses. Based on existing tenancy agreements, the monthly boutique rental expense is approximately RM0.70 million. Hence, our Company plans to use RM[•] million of the total proceeds from the Public Issue to fund the boutique rental expenses.

Our Group had in the past and currently been funding our working capital via internally generated funds. Therefore, the above working capital allocation from our Public Issue proceeds is expected to enhance our Group's liquidity and cash flow position to support the future growth of our Group's business.

(v) Defrayment of estimated expenses for the Corporate Exercise and our IPO

The breakdown of the estimated expenses for the Corporate Exercise and our IPO is as follows:

	RM'000
Professional fees (includes advisory fees for, amongst others, Adviser, Solicitors, Reporting Accountants, Internal Control Reviewer, IMR, Issuing House and independent adviser for the Exit Offer)	[•]
Fee to authorities	[•]
Underwriting, placement and brokerage fees	[•]
Printing, advertisement and other incidental charges, including contingencies relating to the Corporate Exercise and our IPO	[•]
TOTAL	[•]

If the actual expenses are higher than estimated amount, the shortfall will be funded from our internally generated funds. Conversely, if the actual expenses are lower than estimated amount, the surplus will be utilised for our Group's working capital purposes.

4. DETAILS OF OUR IPO (CONT'D)

Pending the receipt of Public Issue proceeds, we may utilise our internally generated funds to settle the aforementioned expenses. When the Public Issue proceeds which have been allocated to defray the estimated expenses for the Corporate Exercise and our IPO is received, we will use such proceeds to replenish our Group's working capital (such as purchase of inventory, expenses for A&P activities and rental payment for boutiques).

Pending utilisation, the proceeds from the Public Issue will be placed in deposits with licensed financial institution(s) or short term money market instruments as our Board deems fit. The interest derived or gain arising therefrom will be used for our Group's working capital requirements (such as purchase of inventory, expenses for A&P activities and rental payment for boutiques), of which the breakdown for the utilisation cannot be determined by our Company at this juncture.

4.10 UNDERWRITING COMMISSION, BROKERAGE FEES AND PLACEMENT FEES

4.10.1 Underwriting commission

We have entered into the Underwriting Agreement with our Underwriter for the underwriting of 49,676,000 Issue Shares made available for application by the Malaysian Public via balloting and our Independent Directors ("Underwritten Shares"). We will pay an underwriting commission of [•]% of the total value of the Underwritten Shares based on the IPO Price. The underwriting commission is subject to SST.

4.10.2 Brokerage fee

We will pay the brokerage fee in respect of our 49,676,000 Issue Shares made available for application by the Malaysian Public via balloting and our Independent Directors, at the rate of 1.00% of the IPO Price in respect of all successful applications which bear the stamp of TA Securities, 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 brokerage fee is subject to SST.

4.10.3 Placement fee

TA Securities, our Placement Agent, has agreed to place out 122,189,700 Issue Shares to Bumiputera investors as approved by MITI. We will pay a placement fee at the rate of [•]% of the total value of Issue Shares successfully placed out by our Placement Agent. The placement fee is subject to SST.

Our Placement Agent has also agreed to place out 87,984,300 Offer for Sale Shares made available to selected non-Bumiputera investors by way of private placement at the same placement fee rate. The placement fee to be incurred on the Offer for Sale will be fully borne by the Selling Shareholder.

4.11 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

Pursuant to the Underwriting Agreement, the Underwriter has agreed to underwrite 49,676,000 Underwritten Shares for an underwriting commission of [•]% of the total value of the Underwritten Shares based on the IPO Price and on the terms and conditions as set out in the Underwriting Agreement.

The following are the salient terms of the Underwriting Agreement. The capitalised terms used in this section shall have the respective meanings as ascribed thereto in the Underwriting Agreement:

- (i) [•]; and
- (ii) [•].