

9. RISK FACTORS

YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING KEY RISK FACTORS WHICH MAY HAVE A MATERIAL ADVERSE IMPACT ON OUR BUSINESS OPERATIONS, FINANCIAL POSITION AND THE FUTURE PERFORMANCE OF OUR GROUP, IN ADDITION TO OTHER INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, BEFORE INVESTING IN OUR COMPANY.

9.1 RISKS RELATING TO OUR BUSINESS AND OPERATIONS

9.1.1 Any material issue with our product safety and quality may harm our business and reputation, or subject us to product liability claims and regulatory actions

The processing, storage, handling and delivery of our frozen seafood products are subject to inherent risk of product deterioration or contamination or damage. Product safety and quality is thus important to our business and we rely on our QA/QC procedures to ensure our product safety and quality. These QA/QC procedures are detailed in Section 7.5 of this Prospectus. Despite this, there can be no assurance that any failures in our QA/QC procedures such as negligence or misconduct by our employees during our processing operations; unsuitable water or ice quality; as well as technical malfunctions, such as breakdown of machineries and temperature control at our Processing Facility and refrigerated vehicles, may not occur.

Should the frozen seafood products that we process and sell deteriorate, contaminate, damage or contain other unintended materials that could be harmful or otherwise non-compliant with applicable regulatory standards, we may be subject to product liability claims, regulatory enforcement actions, penalties imposed by relevant government agencies and/or loss in customers' and consumers' confidence. This could result in negative publicity and harm our reputation and/or our "Sea Planet" brand, which would consequently cause our customers to avoid purchasing frozen seafood products from us and seek alternative sources of supply for their needs, even if the basis for the concern is not valid or is outside our control. Adverse publicity about these types of concerns, whether or not valid, could discourage customers from purchasing our frozen seafood products and any loss of customer confidence would be difficult and costly to re-establish. Further, any product contamination and quality-related issues involving our competitors could also impact the regulation of the seafood industry as a whole and may result in a negative effect on our frozen seafood business.

Nevertheless, since the commencement of our operations, we have not received any material product liability claims resulting from any failures in our QA/QC procedures.

9.1.2 Our operations are subject to interruptions and delays caused by unforeseen event such as equipment/facility failures, accidents, fires or floods

Our business operations require the use of equipment and facility such as semi-contact blast freezers and cold rooms. Although we undertake periodic maintenance services on our semi-contact blast freezers and cold rooms, these equipment and facility may, on occasion, be out of service due to unanticipated failures or damages sustained during operations.

Our business is also subject to loss due to natural disasters such as fires and floods, that are beyond our control, which may cause damage or destruction to all or part of our Processing Facility, equipment and cold room. This would result in interruptions to, or prolonged suspension of, our operations.

In 2010, there was a fire outbreak at Factory B which caused detrimental damage to Factory B and its equipment. Nevertheless, at the time, the activities carried out at Factory B were for otoshimi and surimi products processing and trading where we are no longer involved in the processing of these products. As our business activities were carried out at Factory A and Factory A was not affected by the fire outbreak, and thus, our business did not face any operational disruptions. We have since reconstructed Factory B and implemented fire preventive systems such as water sprinklers and fire alarm system as well as engaged professionals to provide monthly fire inspections for both Factory A and Factory B.

9. RISK FACTORS (CONT'D)

In addition, our Processing Facility requires sufficient and consistent supply of electricity and water to operate, any failures in supply of electricity and water would temporarily halt our operations. As at the LPD, we have a back-up generator on standby to power the two (2) cold rooms located in Factory B in our Processing Facility in the event of unforeseen power failure to ensure that our frozen seafood products' quality is not affected.

Although we do not have a back-up generator for the cold room located in Factory A, our cold room is capable to maintain its temperature for up to 48 hours during power failure. Thus far, we have not experienced any power failure situations in excess of 24 hours. Nevertheless, in the event if we were to encounter any power failure in excess of 24 hours, we can rent a mobile generator from third-party providers to power our cold room located in Factory A.

Any prolonged interruptions due to any of the above events may also have an adverse material effect on our sales and financial performance. Since the commencement of our operations, we have not experienced any other incidents of unanticipated machinery failures, natural unforeseen damages or power failures, which led to major interruptions in our operations, save and except as highlighted above.

9.1.3 Our business is subject to risks of revocation or non-renewal of certifications

Our business is subject to risks of revocation or non-renewal of certifications.

Some of our customers, be it local or international customers, require our Processing Facility to have certain certifications or registrations, such as HACCP, GMP, MeSTI Secure Food Certification Scheme and/or HALAL certifications. In addition, we are also required to obtain the necessary international approvals such as EU Number 75 Certificate, DAH, GACC and FDA's approval to export our frozen seafood products for certain countries, as required by their local authorities.

In the event that we fail to comply with any such requirements or conditions, our certifications may be revoked or not renewed upon expiry. The loss of any of these certifications may have an adverse impact on our business operations and financial performance as we may not be able to sell our frozen seafood products to those customers that require such certifications.

Further details of our certifications are set out in Section 7.5 of this Prospectus.

Since incorporation till the LPD, we have not experienced any revocation or non-renewal of the abovementioned certifications.

9.1.4 We are dependent on our Executive Directors and key senior management for the continuing success of our Group

The continuing success of our Group's business is dependent on the efforts, commitment and abilities of our Executive Directors and key senior management who play significant roles in our daily business operations as well as the development and implementation of our business strategies. Our Executive Directors and key senior management possess the relevant experience, from our processing operations, procurement of raw materials to storage and delivery of our frozen seafood products, as well as sales and marketing, and financial activities.

Siang Hai Yong and Kee Wan Chum have vast experience in the fishery and frozen seafood processing industry, and have been working with our Group for 21 years and 14 years, respectively. Their knowledge and experience of the industry and understanding of our business operations have been vital in building our business, and maintaining our relationships with our network of customers and suppliers. As such, they have been vital to the growth and success of our Group.

Together with Teo Chee Han, our Group's Executive Director, they are assisted by our key senior management, who have knowledge and experience in their respective fields and industries which are relevant to the management of our business operations, namely our General Manager for Administration and Human Resource, Kan Swee Koh; our General Manager, Production, Lain Wui Hiung; and our Group's Accountant, Chong Der Woei. Please refer to Sections 5.1.3, 5.2.2 and 5.5.2 of this Prospectus for further details of our Executive Directors and key senior management.

9. RISK FACTORS (CONT'D)

As such, the loss of services of any of our Executive Directors and/or key senior management within a short period of time without any suitable and timely replacement may adversely affect our business and financial performance. Please refer to Sections 7.22 of this Prospectus for further details of our management succession plan.

9.1.5 We are dependent on the availability of foreign workers in our processing operations

A variety of our processing activities, such as the defrosting, cleaning, cutting and arranging, glazing and packaging processes, are still being handled manually. We are thus dependent on labour to perform these processes. As such, we employ foreign workers, comprising 61.54% of our total production workers at our Processing Facility as at the LPD. We have obtained valid work permits for all of our foreign workers.

Should there be any changes to foreign worker visa policies in Malaysia or in the countries which our foreign workers are from, our Group may face difficulties in maintaining a sufficient labour workforce. In addition, any increase in the costs and levy rate of the foreign workers will increase our direct labour costs. These may adversely impact our business operations and financial performance.

For example, the Government implemented a hiring freeze on foreign workers on 22 June 2020 with the aim to create more job opportunities for the local workforce, in view of the adverse impact from the COVID-19 pandemic which has caused a higher unemployment rate in Malaysia. The Government later announced easing of the hiring freeze on foreign workers on 13 August 2020, by allowing employers to hire foreign workers who are still in Malaysia but are unemployed, provided that they have a valid working permit and were employed in the same sector previously.

Effective from 1 January 2021, employers who intend to hire foreign workers are obligated to advertise the job openings on MYFutureJobs. This is a national online job portal that allows the Ministry of Human Resource to facilitate job matching to locals to ensure that employment opportunities for Malaysians are given priority. The job applications will be opened to foreigners only when Malaysians are not interested to apply.

Our Group's operations have not been materially impacted by the availability of foreign workers as we also engage local part-time workers to supplement our existing workforce to assist in our processing activities.

However, should there be future implementations of hiring freeze on foreign workers, this may temporarily affect our Group's anticipated business growth as the said hiring freeze and process could increase the cost and time required to hire new workers as well as impede or delay any expansion plans that we have.

9.1.6 We are exposed to foreign exchange rate fluctuations

Some of our overseas revenue and/or purchases are denominated in USD and RMB. In this regard, we are exposed to the foreign currency exchange risk arising from the fluctuations in the exchange rate of USD and RMB against RM. Such impact on our Group's revenue and purchases during the Financial Years/Period Under Review are summarised as follows:-

	Audited			Unaudited	Audited
	FYE 2020	FYE 2021	FYE 2022	FPE 2022	FPE 2023
	RM'000	RM'000	RM'000	RM'000	RM'000
Total revenue in USD	60,114	89,502	112,720	40,668	62,013
% of total revenue	63.91	56.48	72.10	63.44	77.11
Total revenue in RMB	4,774	5,915	5,461	2,824	3,528
% of total revenue	5.08	3.73	3.49	4.41	4.39
Total purchases in USD	16,741	42,294	75,232	26,102	45,586
% of total purchases	21.14	31.00	61.08	55.01	59.91

9. RISK FACTORS (CONT'D)

The impacts of foreign currency exchange on our earnings during the Financial Years/Period Under Review are summarised as follows:-

	Audited			Unaudited	Audited
	FYE 2020	FYE 2021	FYE 2022	FPE 2022	FPE 2023
	RM'000	RM'000	RM'000	RM'000	RM'000
Net unrealised (loss)/gain on foreign exchange	-	10	(5)	-	624
Net realised gain on foreign exchange	596	616	812	82	282
Net gain on foreign exchange	596	626	807	82	906

We maintain foreign currency accounts, namely USD and RMB for payments of our foreign sales and purchases. We also entered into foreign currency forward contracts to hedge our exposure to the USD exchange fluctuations. In this regard, our Group's exposure to foreign currency risk is mainly on the revenue denominated in RMB.

While we practice hedging using foreign exchange forward contracts and maintaining foreign currency bank accounts, there can be no assurance that we will be able to completely eliminate our exposure to adverse foreign currency fluctuations in the future.

As we are unable to estimate the movement of foreign exchange rate and its impact on the revenue, cost of sales and earnings of our Group, any significant fluctuation in the exchange rate of USD and RMB into RM or vice versa may have a significant impact, whether positively or negatively, on our financial condition and results of operations. Hence, there is no assurance that any significant fluctuation in foreign currency exchange rate will not have a material adverse impact on the revenue and earnings of our Group.

We have not incurred any material losses arising from foreign currency translation for the Financial Years/Period Under Review.

9.1.7 We may not have adequate insurance to cover all losses or liabilities

We are subject to risks such as fire and accidents that may adversely affect our business operations such as damages to our inventories, building and machineries. As such, our Group has secured insurance for a number of risks for our business operations such as, fire and fire consequential loss, public liability and goods in transit.

Notwithstanding the insurance taken up by our Group for our inventories, building and machineries, our insurance may not cover certain types of losses that are not insurable or not economically insurable such as wars, acts of terrorism and outbreak of diseases. Further, any losses or damages in excess of our insured limits could have an adverse effect on our business operations and financial results. In addition, any insurance claims may affect subsequent insurance premiums charged to us by the respective insurance companies.

Since incorporation till the LPD, we have not experienced any material losses or damages in excess of our insured limits or not insurable or economically insurable. We were able to make an insurance claim following the fire outbreak at Factory B that occurred in 2010 (as elaborated in Section 6.1.2 of the Prospectus).

9. RISK FACTORS (CONT'D)

9.1.8 We are vulnerable to the limited duration of a use permit for the land in which a small part of our Processing Facility is located

OFS Products had procured a use permit up to 31 December 2023 from PSFD for the purposes of carrying out seafood processing activity at PSFD Land 2. Approximately 1,477.23m² or 43.42% of Factory B was constructed on part of the PSFD Land 2 (including roof awning which covers an area of 446.62m²). On 8 August 2023, PSFD conditionally approved the extension of the payment period for the use permit subject, amongst others, to the following conditions:-

- (i) the extension of the payment period of the use permit shall be reviewed after a period of 10 years;
- (ii) the payment period for the use permit is for 20 years and can be further extended and renewed every year provided that the permit holder does not violate any of the conditions and regulations;
- (iii) permit holders approved for a lease period of 6 years and above shall enter into a formal agreement with PSFD to signify its long-term commitment to the state government. No agreement is required if payments are made on an annual basis;
- (iv) payment is required if the use permit is being used for other purposes, including cold room and such use permit must be renewed annually based on the prevailing rates; and
- (v) approval is for the approved area.

Notwithstanding the above, PSFD has on 21 November 2023 issued a letter to OFS Products confirming the following:

- (a) that no lease agreement is required to be entered between PSFD and OFS Products, despite being listed as one of the conditions in their letter dated 8 August 2023; and
- (b) that the use permit has been approved for a period of 20 years, effective from 1 January 2024 to 31 December 2044.

Please refer to Section 7.15 of this Prospectus for further details of the use permit. While we have been able to occupy the land for approximately 20 years since 5 September 2003, without any interference from PSFD and have successfully renewed our use permit each time we applied, it is important to note that there is no assurance of perpetual renewal for the use permit.

The limited duration of the use permit for the relevant part of our Processing Facility could potentially impact our long-term operational stability and future expansion plans. Upon expiry of the use permit, there is a possibility of renegotiating terms with the landowners, relocation, or securing a renewal of the use permit. The outcome of such negotiations is potentially volatile and may result in an increase in costs, restricted access to prime locations or disruptions to our business operations, thus affecting our financial performance and growth prospects.

In addition, any changes in local regulations or government policies regarding land usage and use permit renewal processes could potentially lead to further uncertainties. Changes to land usage and use permit renewal processes may impact the feasibility of renewing existing use permit with favourable terms. This may lead to increased costs or operational delays which may lead to potential adverse effects on our business operations and/or financial performance.

Furthermore, in the event that we are unable to secure renewals to our use permit or find suitable alternative locations in a timely manner, our business operations may face significant disruptions. Therefore, affecting our ability to meet our customers' demands and thus, negatively impacting our business.

9. RISK FACTORS (CONT'D)

Notwithstanding the aforesaid, this risk can be mitigated as the part of our Processing Facility which was erected on the PSFD Land 2 does not serve as the critical operational site of our Factory B. In the event the use permit is not renewed by PSFD, we are able to shift that particular part of the operation to other side of the Factory B, which is within our own land. We are committed to actively managing these risks relating to use permit by seeking strategic solutions to secure renewals and/or alternative land options. However, there can be no guarantee that such efforts will be successful. As such, failure to address these risks adequately may lead to adverse effects on our financial performance and overall business operations.

9.2 RISKS RELATING TO OUR INDUSTRY

9.2.1 We are subject to competition from other industry players involved in the processing and trading of frozen seafood products

We operate in a competitive industry and we face competition from other industry players involved in the processing and trading of frozen seafood products in Malaysia. Key factors that affect our competitiveness are product quality and variety, price, customer service, ability to meet local and international standards for food quality and safety as well as timely delivery.

In order to compete in our industry, we have implemented measures such as retaining a network of reliable local and international suppliers, maintaining a consistent supply of seafood supplies throughout the year and being compliant with relevant local and international regulations and certifications. However, we cannot guarantee that the measures implemented will continue to allow us to remain competitive or appeal to our existing or prospective customers, who may be attracted by our competitors who are able to offer similar products at more competitive pricing.

If we fail to respond effectively to competitive pressures and market changes for our frozen seafood products, our business and financial performance could be adversely affected. We must establish and maintain a good relationship with our customers in order to compete more effectively and we must regularly assess and keep up with the requirements of our customers in an effort to keep abreast with the latest trends. If we are unable to maintain our competitiveness, we could experience lower demand for our frozen seafood products and downward pressure on pricing, which will have a material adverse impact on our business, financial performance and prospects.

9.2.2 We are subject to disruptions in the supply of raw materials

Our daily business activities are dependent on sufficient seafood supplies that meet our specifications in terms of quality and freshness. Our seafood supplies could be materially disrupted due to the occurrence of prolonged adverse weather conditions, natural disasters, diseases or overfishing which may reduce the quantity of supplies available in the market.

Such disruptions in our supply chain may reduce our production output and thereby affect our revenue. In addition, shortage of supplies available in the market may result in higher prices of seafood supplies and the increase in cost of seafood supplies may not be able to be passed on to our customers. Thus, this may have an adverse impact on our business operations and financial performance.

9.2.3 We are subject to risks related to political, social, economic and regulatory conditions in Malaysia and international markets we serve

Any changes in the political, social, economic and regulatory conditions in Malaysia and in international markets, particularly Turkey, China, Thailand, Vietnam, Japan, Indonesia, Philippines, Singapore, Korea, Italy, Portugal, the US and Australia, could adversely affect our business operations and financial performance. Changes in the political, social, economic and regulatory conditions could arise from, amongst others, changes in political leadership, occurrence of civil war or disorder, changes in import tariffs and related duties, regulatory structures and outbreak of diseases such as the COVID-19 pandemic. Please refer to Section 7.14 of this Prospectus for further details on the implications and impact of the COVID-19 pandemic on our Group's business.

9. RISK FACTORS (CONT'D)

Similarly, any global or regional economic downturn would also affect overall business and consumer confidence, sentiments as well as investments, which would subsequently affect the demand for our products. As such, there can be no assurance that any adverse political, social, regulatory or economic developments which are beyond our control, will not materially affect our business and financial performance.

9.3 RISKS RELATING TO 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 IPO, there has been no public market for our Shares. Hence, there is no assurance that upon our Listing, an active market for our Shares will develop or if developed, that such a market will be sustainable. There is also no assurance as to the liquidity of any market that may develop for our Shares, the ability of holders to sell our Shares or the prices at which holders would be able to sell our Shares.

We and our Promoters have no obligation to cause our Shares to be marketable. The IPO Price was determined after taking into consideration various factors and these factors could cause our Share price to fluctuate which may adversely affect the market price of our Shares.

There can be no assurance that the IPO Price will correspond to the price at which our Shares will trade on the ACE Market upon our Listing and that the market price of our Shares will not decline below the IPO Price.

9.3.2 Capital market risks and share price volatility

The performance of capital market is very much dependent on external factors such as the performance of the regional and global stock market and the inflow or outflow of foreign funds. Sentiment is also largely driven by internal factors such as economic and political conditions of the country as well as the growth potential of the various sectors of the economy. These factors invariably contribute to the volatility of trading volumes in capital market, thus adding risks to the market price of our listed Shares. Nevertheless, the profitability of our Group is not dependent on the performance of the capital market as the business activities of our Group have no direct correlation with the performance of securities listed in the capital market.

Our Shares could trade at prices lower than the IPO Price depending on various factors, including current economic, financial and fiscal condition in Malaysia, our operations and financial results and the price volatility in the markets for securities in similar or related industry in Malaysia or emerging markets. There is no assurance that any market for our Shares will not be disrupted by price volatility or other factors, which may have a material adverse effect on the market price of our Shares.

In addition, the market price of our Shares may be highly volatile and could fluctuate significantly and rapidly in response to, amongst others, the following factors, some of which are beyond our control:-

- (i) variation in our results and operations;
- (ii) success or failure in our key senior management team in implementing business and growth strategies;
- (iii) changes in securities analysts' recommendations, perceptions or estimates of our financial performance;
- (iv) changes in conditions affecting the industry, the general economic conditions or stock market sentiments or other events and factors;
- (v) fluctuations in stock market prices and volumes; or
- (vi) involvement in litigation.

9. RISK FACTORS (CONT'D)

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. Accordingly, there can be no assurance that our Shares will not trade lower than the IPO Price.

9.3.3 Our Specified Shareholders will be able to exert significant influence over our Company as they will continue to hold majority of our Shares after our IPO

Our Specified Shareholders will collectively hold in aggregate 64.68% of our enlarged issued share capital after our IPO. As a result, they will be able to, in the foreseeable future, effectively control the business direction and management of our Group as well as having voting control over our Group and as such, will likely influence the outcome of certain matters requiring the vote of our shareholders, unless they are required to abstain from voting either by law and/or by the relevant guidelines or regulations. There can be no assurance that the interests of our Specified Shareholders will be aligned with those of our other shareholders.

9.3.4 The sale or the possible sale of a substantial number of Shares in the public market following our IPO and Listing could adversely affect the price of our Shares

Following the completion of our IPO and Listing, 64.68% of our enlarged issued share capital, will be collectively held by our Specified Shareholders. It is possible that they may dispose of some or all of their Shares after the Moratorium Period, pursuant to their own investment objectives. If they 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 cancellation of our Listing

The occurrence of certain events, including the following, may cause a delay in or termination of our Listing:-

- (i) our Underwriter exercising its rights pursuant to the Underwriting Agreement to discharge itself from its obligations under such agreement;
- (ii) our inability to meet the minimum public spread requirement under the Listing Requirements of having at least 25.00% of the total number of our Shares for which our Listing is sought being in the hands of at least 200 public shareholders holding at least 100 Shares each at the point of our Listing; or
- (iii) the revocation of the approvals from the relevant authorities for our Listing for whatever reason.

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

- (a) the SC issues a stop order pursuant to section 245(1) of the CMSA, the applications shall be deemed to be withdrawn and cancelled and our Company shall repay all monies paid in respect of the applications for our IPO Shares within 14 days of the stop order, failing which we shall be liable to return such monies with interest at the rate of 10.00% per annum or at such other rate as may be specified by the SC pursuant to section 245(7)(a) of the CMSA; or
- (b) our Listing is aborted, investors will not receive any of our IPO Shares, all monies paid in respect of all applications for our IPO Shares will be refunded free of interest within 14 days.

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

- (aa) the SC issues a stop order pursuant to section 245(1) of the CMSA, any issue of our IPO Shares shall be redeemed to be void and all monies received from the applicants shall be forthwith repaid and if any such money is not repaid within 14 days of the date of service of the stop order, we shall be liable to return such monies with interest at the rate of 10.00% per annum or at such other rate as may be specified by the SC pursuant to section 245(7)(b) of the CMSA; or

9. RISK FACTORS (CONT'D)

- (bb) 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 and supported by either (a) 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, in which case there can be no assurance that such monies can be returned within a short period of time or at all under such circumstances or (b) a solvency statement from the directors.

9.3.6 Payment of dividends

Our ability to declare dividends to our shareholders will depend on, amongst others, our distributable reserves, future financial performance and cash flows requirements for operation and capital expenditures. This, in turn, is dependent on our operating results, capital requirements and on our ability to implement our future plans, demand for and selling prices of our products, general economic conditions and other factors specific to our industry, many of which are beyond our control. As such, there is no assurance that we will be able to pay dividends to our shareholders.

We are an investment holding company and conduct substantially all of our operations through our subsidiaries. Accordingly, dividends and other distributions received from our subsidiaries are our principal source of income. The receipt of dividends from our subsidiaries may also be affected by the passage of new laws, adoption of new regulations and other events outside our control as well as our subsidiaries may not continue to meet the applicable legal and regulatory requirements for the payment of dividends in the future. In addition, changes in accounting standards may also affect the ability of our subsidiaries and consequently, our ability to pay dividends.

Further, our payment of dividends may adversely affect our ability to fund unexpected capital expenditure as well as our ability to make interest and principal repayments on any borrowings that we may have outstanding at the time. As a result, we may be required to borrow additional money or raise capital by issuing equity securities, which may not be on favourable terms. Further, if we incur new borrowings subsequent to our Listing, we may be subject to additional covenants restricting our ability to pay dividends.

Dividend payments are not guaranteed and our Board may decide, at its sole and absolute 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.

Further details of our dividend policy are set out in Section 11.7 of this Prospectus.

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