

4. DETAILS OF OUR IPO**4.1 OPENING AND CLOSING OF APPLICATION PERIOD**

The Application period will open at 10.00 a.m. on [•] and will remain open until 5.00 p.m. on [•].

LATE APPLICATION WILL NOT BE ACCEPTED.

4.2 INDICATIVE TIMETABLE

Events	Tentative Dates
Issuance of this Prospectus / Opening of the Application	[•]
Closing of the Application	[•]
Balloting of the Application	[•]
Allotment of our Shares / Transfer of Offer Shares to successful applicants	[•]
Listing on the ACE Market	[•]

If 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 newspapers in Malaysia and will make announcement of such changes on Bursa Securities' website, accordingly.

4.3 DETAILS OF OUR IPO

Our IPO is subject to the terms and conditions of this Prospectus and upon acceptance, our IPO Shares are expected to be allocated in the manner described below, subject to the clawback and reallocation provisions set out in Section 4.3.4 of this Prospectus:

	Number of IPO Shares	Percentage of our enlarged issued share capital (%)
Public Issue		
(i) Malaysian Public via balloting	13,300,000	5.00
(ii) Eligible Persons	4,000,000	1.50
(iii) Private placement to Selected Investors	48,700,000	18.31
	66,000,000	24.81
Offer for Sale		
(i) Private placement to Selected Investors	20,000,000	7.52
	20,000,000	7.52
Total	86,000,000	32.33

Our Public Issue is expected to raise gross proceeds of RM[•] million and will accrue entirely to our Company. The Public Issue will increase our issued Shares from 200,000,000 Shares to 266,000,000 Shares.

4. DETAILS OF OUR IPO (CONT'D)

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 the shareholding base of our Company to meet the public spread requirements, and to establish a liquid and adequate market for our Shares. Applicants will be selected in a fair and equitable manner to be determined by our Board.

To the best of our knowledge and belief, there is no person who intends to subscribe for more than 5% of our IPO Shares.

4.3.1 Public Issue

A total of 66,000,000 Issue Shares representing 24.81% of our enlarged Shares are offered at our IPO Price. Our Issue Shares will be allocated in the following manner:

(i) Malaysian Public via balloting

13,300,000 Issue Shares, representing approximately 5.00% of our enlarged issued share capital will be made available for application by the Malaysian Public through a balloting process as follows:

- (a) 6,650,000 Issue Shares, representing 2.50% of our enlarged issued share capital, made available to the Bumiputera Malaysian Public; and
- (b) 6,650,000 Issue Shares, representing 2.50% of our enlarged issued share capital, made available to the Malaysian Public.

(ii) Eligible Persons

4,000,000 Issue Shares representing 1.50% of our enlarged issued share capital will be made available for application by our Eligible Persons in recognition of their efforts and supports to our Group, in the following manner:-

Eligible Persons	Number of Eligible Persons	Aggregate number of Issue Shares allocated
Eligible Directors ⁽¹⁾	4	1,600,000
Eligible employees of our Group ⁽²⁾	[•]	1,600,000
Persons who have contributed to our success ⁽³⁾	[•]	800,000
Total	[•]	4,000,000

The above allocation is subject to the Eligible Persons subscribing to their respective allocations. The entitlements which are not accepted by any Eligible Persons will be re-allocated to the other Eligible Persons at the discretion of our Board.

Notes:

- (1) The criteria for allocation to our eligible Directors are based, among others, on their respective roles and responsibilities as well as their contribution to our Group. The number of Pink Form Shares to be allocated to our eligible Directors are as follows:

4. DETAILS OF OUR IPO (CONT'D)

Name / Designation	Number of Pink Form Shares
Abdul Razak Bin Dato' Haji Ipap / Independent Non-Executive Chairman	400,000
Thong Kooi Pin / Independent Non-Executive Director	400,000
Keh Siew Hoon / Independent Non-Executive Director	400,000
Kok Yi Ling / Independent Non-Executive Director	400,000
Total	1,600,000

(2) The criteria for allocation to our eligible employees (as approved by our Board) are based on the following factors:

- (i) The eligible employee must be a full-time and confirmed employee and on the payroll of our Group;
- (ii) The number of Pink Form Shares allocated to our eligible employees are based on their seniority, position, length of service and/or their respective contribution to our Group as well as other factors deemed relevant by our Board; and
- (iii) The eligible employee must be at least 18 years of age.

Our key senior management are collectively allocated a total of 800,000 Pink Form Shares as follows:

Name / Designation	Number of Pink Form Shares
Dee Bee Lian / Chief Financial Officer	400,000
Woi Chee Keong / Factory Manager	400,000
Total	800,000

(3) The criteria for allocation to the persons who have contributed to our success (as approved by our Board) are based on, amongst others, their contribution and support to the growth of our Group, as well as the length of their relationship with us. The persons who have contributed to the success of our Group include our customers and suppliers.

Eligible Persons who subscribe for Pink Form Shares under this Section 4.3.1(ii) may also apply for the Issue Shares made available for the Malaysian Public via balloting under Section 4.3.1(i) above. Save for the Pink Form Allocations made available for application by the Eligible Persons, it is not known to our Company as to whether any of our substantial shareholders, Directors or key senior management have the intention to apply for the Issue Shares made available for the Malaysian Public via balloting.

4. DETAILS OF OUR IPO (CONT'D)

(iii) Private placement to Selected Investors

48,700,000 Issue Shares representing 18.31% of our enlarged issued share capital will be made available by way of private placement to Selected Investors.

The basis of allocation of our Issue Shares shall take into account the distribution of the Issue Shares to a reasonable number of applicants to broaden our Company's shareholding base to meet the public 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 Directors. There is no over-allotment or 'greenshoe' option that will increase the number of our Issue Shares.

Our Public Issue is subject to the terms and conditions of this Prospectus.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

4. DETAILS OF OUR IPO (CONT'D)

4.3.2 Offer for Sale

Our Selling Shareholders will undertake an offer for sale of 20,000,000 Offer Shares, representing 7.52% of our enlarged issued share capital at the IPO Price by way of private placement to Selected Investors.

The Offer Shares to be offered by our Selling Shareholders and their shareholdings in our Company before and after our IPO is as follows:

Name	Nature of relationship with our Group	Shareholdings before IPO and as at the LPD		Offer for Sale			Shareholdings after IPO	
		No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	% ⁽²⁾	No. of Shares	% ⁽²⁾
Wong Hing Ngiap 11, Jalan Dagang B/3, Taman Dagang, 68000 Ampang, Selangor Darul Ehsan	Promoter, substantial shareholder and Managing Director	97,960,000	48.98	10,000,000	5.00	3.76	87,960,000	33.07
Wong Hin Loong 20, Jalan Dagang B/3, Taman Dagang, 68000 Ampang, Selangor Darul Ehsan	Promoter, substantial shareholder and Executive Director	97,960,000	48.98	10,000,000	5.00	3.76	87,960,000	33.07

Notes:

(1) Based on our issued share capital of 200,000,000 Shares after the Acquisitions and as at the LPD.

(2) Based on our enlarged issued share capital of 266,000,000 Shares after our IPO.

The Offer for Sale is expected to raise gross proceeds of RM[•] million which will accrue entirely to the Selling Shareholders and we will not receive any of the proceeds. The Selling Shareholders shall bear all expenses such as stamp duty, placement fees, registration and share transfer fee relating to the Offer Shares, the aggregate of which is estimated to be approximately RM[•] million.

The Offer for Sale is subject to the terms and conditions of this Prospectus.

Further details of our Selling Shareholders, who are also our Promoters, substantial shareholders, Directors and/or key senior management, are set out in Sections 5.1.3 and 5.4.2 of this Prospectus.

4. DETAILS OF OUR IPO (CONT'D)

4.3.3 Underwriting arrangement

The 13,300,000 Issue Shares made available for application by the Malaysian Public via balloting and 4,000,000 Issue Shares made available for application by Eligible Persons via Pink Form Allocation have been fully underwritten.

The 48,700,000 Issue Shares and 20,000,000 Offer Shares made available for private placement to Selected Investors are not underwritten as our Placement Agent has obtained / will obtain irrevocable undertakings from these investors to subscribe for the aforementioned Issue Shares and Offer Shares.

4.3.4 Clawback and reallocation

Our Shares shall be subjected to the following clawback and reallocation provisions:

(i) Issue Shares for the Malaysian Public via balloting

If any Issue Shares allocated to the Malaysian Public via balloting under Section 4.3.1(i) of this Prospectus are not fully subscribed, the balance portion will be allocated in the following order:

- (a) Firstly, to our Eligible Persons as described in Section 4.3.1(ii) of this Prospectus;
- (b) Secondly, any remaining portion will be made available by way of private placement to Selected Investors under Section 4.3.1(iii) of this Prospectus; and
- (c) Finally, any remaining Issue Shares thereafter will be subscribed by our Underwriter, subject to the terms and conditions of the Underwriting Agreement.

(ii) Pink Form Shares for our Eligible Persons

If any Issue Shares allocated to our Eligible Persons under Section 4.3.1(ii) of this Prospectus are not fully subscribed, the balance portion will be allocated in the following order:

- (a) Firstly, to other Eligible Persons;
- (b) Secondly, any remaining portion will be made available for application by the Malaysian Public via balloting and/or by way of private placement to Selected Investors under Sections 4.3.1(i) and 4.3.1(iii) of this Prospectus respectively; and
- (c) Finally, any remaining Issue Shares thereafter will be subscribed by our Underwriter, subject to the terms and conditions of the Underwriting Agreement.

(iii) Issue Shares and Offer Shares by way of private placement to Selected Investors

If any Issue Shares and/or Offer Shares allocated to Selected Investors under Sections 4.3.1(iii) and 4.3.2(i) of this Prospectus are not fully subscribed, the balance portion will be made available for application by the Malaysian Public via balloting under Section 4.3.1(i) of this Prospectus.

4. DETAILS OF OUR IPO (CONT'D)

4.3.5 Price stabilisation mechanism

We will not be employing any price stabilisation mechanism (which is in accordance with the Capital Markets and Services (Price Stabilisation Mechanism) Regulations 2008) for our IPO.

4.3.6 Minimum level of subscription

There is no minimum level of subscription to be raised from our IPO in terms of the proceeds. However, the minimum subscription in terms of the number of IPO Shares will be the number of IPO Shares required to be held by public shareholders for our Company to comply with the public shareholding requirements as per the Listing Requirements or as approved by Bursa Securities.

Pursuant to the Listing Requirements, at least 25.00% of our enlarged issued share capital must be held by a minimum number of 200 public shareholders holding not less than 100 Shares each at the time of our Listing. We expect to meet the public shareholding requirements through a combination of the balloting process and the private placement exercise.

If we do not meet the public shareholding requirements, we may not be allowed to proceed with our Listing. In such an event, all monies paid in respect of all applications for our IPO Shares will be returned in full without interest. If any such monies are not repaid within 14 days after we become liable to repay it, the provision of Section 243(2) of the CMSA shall apply accordingly.

4.4 SHARE CAPITAL AND MARKET CAPITALISATION UPON LISTING

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

Details	No. of Shares	RM
Issued share capital		
As at the date of this Prospectus	200,000,000	19,960,090
Shares to be issued under our Public Issue	66,000,0000	⁽¹⁾ [•]
Enlarged issued share capital upon our Listing	266,000,000	[•]

Note:

- (1) Calculated based on our IPO Price and before deducting the estimated listing expenses of approximately RM[•] which are directly attributable to the Public Issue.

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

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

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

4. DETAILS OF OUR IPO (CONT'D)

Subject to any special rights attaching to any Shares which may be issued by us in the future, our shareholders shall, in proportion to the amount of Shares held by them, be entitled to share in the whole of the profits paid out by us as dividends and other distributions.

In relation to any surplus in the event of our liquidation, such surplus is to be distributed amongst our shareholders in proportion to our issued share capital at the commencement of the liquidation, in accordance with our Constitution and provisions of the Act.

At the general meeting of our Company, each of our shareholders shall be entitled to vote (i) in person; (ii) by proxy; (iii) by an attorney; or (iv) by duly authorised representatives. A proxy may but need not be a shareholder of the Company and there shall be no restriction as to the qualification of the proxy.

On a show of hands, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have 1 vote. On a poll, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have 1 vote for each Share held.

Based on our IPO Price and enlarged issued share capital of 266,000,000 Shares upon Listing, our total market capitalisation will be RM[•] million.

4.5 OBJECTIVES OF OUR IPO

The objectives of our IPO are as follows:

- (a) to enable our Group to raise funds for the purposes specified in Section 4.8 of this Prospectus;
- (b) to enhance our corporate profile and stature to enable our Group to gain recognition through our listing status and further enhance our corporate profile, reputation and market credibility which is aimed at expanding our customer base;
- (c) to provide an opportunity for the Malaysian Public, including our eligible Directors, employees, customers and suppliers to participate in our equity and continuing growth; and
- (d) to enable us to tap into the equity capital market for future fund raising and to provide us the financial flexibility to pursue future growth opportunities as and when these opportunities arise, through other forms of capital raising avenue, such as rights issue and private placement.

4.6 BASIS OF ARRIVING AT THE IPO PRICE

Our IPO Price was determined and agreed upon by our Directors and Promoters, together with TA Securities, being our Principal Adviser, Sponsor, Underwriter and Placement Agent after taking into account, amongst others, the following factors:

- (i) Our Group's business overview and history and financial performance as described in Sections 7.1 and 12.1 of this Prospectus, respectively;
- (ii) Our pro forma combined NA per Share of approximately RM[•], computed based on our Group's pro forma combined NA of approximately RM[•] million as at 31 March 2023 after taking into consideration our Public Issue and utilisation of proceeds and our enlarged issued share capital of 266,000,000 Shares upon Listing;

4. DETAILS OF OUR IPO (CONT'D)

- (iii) Our EPS of approximately RM0.02, computed based on our Group's audited combined PAT of approximately RM6.02 million for the FYE 2023 and our enlarged issued share capital of 266,000,000 Shares upon Listing, translating to a PE multiple of [•] times based on our IPO Price of RM[•] per Share;
- (iv) Our competitive strengths as set out in Section 7.5 of this Prospectus; and
- (v) Our business strategies and future plans as set out in Section 7.22 of this Prospectus.

You should note that the market price of our Shares upon and subsequent to our 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 the IPO Shares before deciding to invest in our Shares. You are reminded to consider the Risk Factors set out in Section 9 of this Prospectus before deciding to invest in our Shares.

4.7 DILUTION

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

	RM
IPO Price	[•]
Pro forma combined NA per Share as at 31 March 2023 after the Acquisitions and before Public Issue	0.10
Pro forma combined NA per Share after Public Issue and utilisation of proceeds	[•]
Increase in pro forma combined NA per Share attributable to existing shareholders	[•]
Dilution in pro forma combined NA per Share to new investors	[•]
Dilution in pro forma combined NA per Share as a percentage of our IPO Price	[•]

Further details of our pro forma combined NA per Share as at 31 March 2023 is set out in Section 14 of this Prospectus.

Save as disclosed below, there has been no acquisition of any of our Shares by our Promoters, substantial shareholders, Directors and/or 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 since our incorporation up to the date of this Prospectus:

	No. of Shares held before our IPO	Total consideration (RM)	Effective cash cost per Share (RM)
Substantial shareholders and/or Directors			
Wong Hing Ngiap	⁽¹⁾ 97,960,000	⁽⁵⁾ 9,775,991.83	0.0998
Wong Hin Loong	⁽¹⁾ 97,960,000	⁽⁵⁾ 9,775,991.83	0.0998
Person connected with a substantial shareholder and Director			
Choo Wai Yeen ⁽³⁾	⁽²⁾⁽⁶⁾ 2,040,000	⁽⁵⁾ 204,003.18	0.0998

4. DETAILS OF OUR IPO (CONT'D)

	No. of Shares held before our IPO	Total consideration (RM)	Effective cash cost per Share (RM)
Wong Cheng Jian ⁽⁴⁾	⁽²⁾⁽⁶⁾ 2,040,000	⁽⁵⁾ 204,003.18	0.0998

Notes:

- (1) Being Shares issued pursuant to the Acquisitions and 100 subscriber shares issued upon the incorporation of our Company.
- (2) Being Shares issued pursuant to the Acquisitions.
- (3) Spouse of our Managing Director, Wong Hing Ngiap.
- (4) Son of our Executive Director, Wong Hin Loong.
- (5) Calculated based on the total purchase consideration for the Acquisitions to him/her.
- (6) Shares held after 4,120 Shares were transferred by Choo Wai Yeen and Wong Cheng Jian to Wong Hing Ngiap and Wong Hin Loong, respectively.

As at the date of this Prospectus, save for the Pink Form Allocation, there is no outstanding right granted to anyone to acquire our Shares. The Pink Form Allocation is based on our IPO Price.

4.8 UTILISATION OF PROCEEDS FROM OUR IPO

Based on our IPO Price, we will raise gross proceeds of RM[•] million from our Public Issue. The gross proceeds raised are intended to be used in the following manner:

Details of utilisation of proceeds	Gross proceeds (RM'000)	%	Estimated timeframe for utilisation from our Listing
Expansion of our packaging facility	[•]	[•]	Within 18 months
Purchase of new delivery trucks	[•]	[•]	Within 12 months
Working capital	[•]	[•]	Within 12 months
Estimated listing expenses	[•]	[•]	Within 3 months
Total	[•]	100.00	

Pending the eventual utilisation of our Public Issue proceeds, we will place them in interest-bearing short-term deposits or money market instruments with licensed financial institutions.

We will not receive any proceeds from the Offer for Sale. Based on our IPO Price, the gross proceeds from the Offer for Sale of approximately RM[•] million will accrue entirely to our Selling Shareholders. Our Selling Shareholders shall bear the entire incidental expenses and fees such as stamp duty, placement fees and miscellaneous fees in relation to the Offer for Sale of approximately RM[•] million.

4.8.1 Expansion of our packaging facility

As at the LPD, our Group operates from our existing packaging facility at Factory No. 11 (for repackaged RBD palm olein edible oil), with a total built-up area of approximately 20,484 sq. ft.

4. DETAILS OF OUR IPO (CONT'D)

Factory No. 11 is currently rented from our Promoters. However, on 22 September 2023, SCEO has entered into a sale and purchase agreement with our Promoters for the acquisition of Factory No. 11 for RM10.50 million. As at the LPD, Factory No. 11 has been successfully transferred to and registered in the name of SCEO. The balance purchase price of RM9.45 million shall be settled within 4 months from the unconditional date of the sale and purchase agreement. As at the LPD, the sale and purchase agreement is pending completion.

At the same time, SCEO owns Factory No. 9, which was rented to a non-related party (engaged in repair, maintenance and installation of industrial machinery, equipment and spare parts) up until 31 December 2022. Factory No. 9 is situated adjacent to Factory No. 11 and the land size where Factory No. 9 is situated in measures approximately 11,250 sq. ft.

Our Group decided not to continue renting to the aforesaid party as our Group plans to use Factory No. 9 to accommodate future expansion of our repackaged RBD palm olein oil business and our intended new venture into the repackaging of high oleic soybean oil, which will require additional space.

Currently, Factory No. 9 comprises a single-storey factory building with a built-up area of approximately 5,801 sq. ft.

The following diagram sets out the location of Factory No. 9 and Factory No. 11:



Factory No. 9 will be rebuilt into a 3-storey factory building, with a total built-up area of approximately 18,041 sq. ft. With the rebuilding of Factory No. 9 coupled with our Group's existing packaging facility at Factory No. 11, our Group will have a total of approximately 38,525 sq. ft. for our operations. As at LPD, our Group has obtained a development order for rebuilding Factory No. 9 dated 15 June 2023 which is valid for a period of 12-month.

The rebuilding of Factory No. 9 is expected to cost a total of RM[•] million.

4. DETAILS OF OUR IPO (CONT'D)

In conjunction with the rebuilding of Factory No. 9, our Group intends to purchase new machinery and equipment to be installed / used in this new facility, with an estimated total cost of RM[•] million. This new machinery and equipment is intended for the repackaging of high oleic soybean oil and our Group expects to achieve a capacity of 9,470 MT per annum.

Factory No. 11	Factory No. 9
<ul style="list-style-type: none"> - 2-storey semi-detached factory with a mezzanine office - Built-up area of approximately 20,484 sq. ft. - Currently rented from the Promoters - SCEO entered into a sale and purchase agreement dated 22 September 2023 with the Promoters for the acquisition of this property (pending completion) - Relocation of some existing machines for the repackaging of RBD palm olein oil from Factory No. 11 to Factory No. 9 - No change in capacity for repackaging of RBD palm olein oil 	<ul style="list-style-type: none"> - Single-storey semi-detached factory - Built-up area of approximately 5,801 sq. ft. - Previously rented to a third-party up until 31 December 2022 - Intended to be rebuilt into 3-storey factory building with total built-up area of approximately 18,041 sq. ft. - Purchase and installation of new machinery and equipment for the repackaging of high oleic soybean oil - Capacity for repackaging of high oleic soybean oil (new): 9,470 MT per annum
<p>Total built-up area of Factory No. 11 and Factory No. 9 (post rebuilding): 38,525 sq. ft.</p>	

The breakdown of the built-up area of the new Factory No. 9 is as follows:

	Built-up area (sq. ft.)
- Ground floor (intended for packaging and storage area)	5,801
- First floor (intended for packaging and storage area)	6,120
- Second floor (intended for oil storage tank)	6,120
Total	18,041

With the rebuilding of Factory No. 9 coupled with our existing packaging facility at Factory No. 11, our Group will have a total of approximately 38,525 sq. ft. for our packaging operations.

The rebuilding of Factory No. 9 is expected to cost a total of RM[•] million, breakdown as follows:

Descriptions	Estimated cost (RM'000)
Preliminaries, site clearance and demolition works	[•]
External and infrastructural works	[•]
Mechanical and electrical works	[•]
Factory fittings	[•]
Theft prevention and fire prevention systems	[•]
Other costs and contingencies	[•]
Total	[•]

4. DETAILS OF OUR IPO (CONT'D)

As at the LPD, we have achieved the following in respect of the rebuilding of Factory No. 9:

Timeline	Milestones
23 January 2023	Engaged a consultant to design the new Factory No. 9
14 March 2023	Submitted initial building plans for the new Factory No. 9 to relevant authorities
15 June 2023	Received approval on initial building plans from the authorities
27 October 2023	Submitted revised building plans for the new Factory No. 9 to relevant authorities

The indicative timeline for the remaining milestones for the rebuilding of Factory No. 9 are as follows:

Timeline	Milestones
First quarter of 2024	<ul style="list-style-type: none"> - Engage a main contractor to construct the new Factory No. 9 - Commence construction works for the new Factory No. 9
Third quarter of 2025	Complete construction works of the new Factory No. 9
First quarter of 2026	<ul style="list-style-type: none"> - Obtaining certificate of completion and compliance - Commence setting up of the new machinery and equipment - Complete installation and testing of the new machinery and equipment
Second quarter of 2026	<ul style="list-style-type: none"> - Commence operations at the new Factory No. 9 - Conduct ISO 22000 and HACCP certification process for the new Factory No. 9
Third quarter of 2026	Receive ISO 22000 and HACCP certifications for the new Factory No. 9

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

4. DETAILS OF OUR IPO (CONT'D)

In conjunction with the rebuilding of Factory No. 9, we intend to purchase new machinery and equipment for the repackaging of high oleic soybean oil to be installed / used in Factory No. 9, details as follows:

Types of machinery and equipment	Function	Estimated unit cost (RM'000)	Intended no. of units to be purchased	Total estimated cost (RM'000)
<u>Machinery</u>				
Packaging machine and ancillary fittings (including conveyor belt)	Repackaging of high oleic soybean oil	[•]	2	[•]
Labelling machine	Labelling of repackaged high oleic soybean oil	[•]	1	[•]
Printing machine	Printing of batch number and expiry date	[•]	2	[•]
Receiving turn table	Ancillary equipment to packaging and labelling machine	[•]	1	[•]
<u>Delivery vehicle / equipment within our facilities</u>				
Forklifts	Transporting items within our facilities	[•]	4	[•]
Pallet truck	Transporting pallets within our facilities	[•]	2	[•]
<u>Others</u>				
Storage tank	Storage of RBD palm olein oil and high oleic soybean oil	[•]	3	[•]
Floor scrubber	Cleaning of factory space	[•]	1	[•]
Total				[•]

Based on the intended setup of the machinery for the repackaging of high oleic soybean oil, we expect to achieve a capacity of 9,470 MT per annum.

We do not expect an increase in the capacity for repackaged RBD palm olein oil as there are no new packaging and/or labelling machines to be purchased. After the rebuilding of Factory No. 9, we intend to move some of our existing machines for the repackaging of RBD palm olein oil from Factory No. 11 to Factory No. 9. This is in response to the space constraint that we currently experience in Factory No. 11.

If the total actual cost for the aforementioned initiative exceeds RM[•] million, the deficit will be funded from our internally generated funds and/or bank borrowings.

We shall utilise the IPO proceeds to be raised to replenish the internal cash balances used for the aforementioned initiative (if applicable).

4.8.2 Purchase of new delivery trucks

As at the LPD, our Group has a fleet of 17 trucks to deliver repackaged RBD palm olein oil to our customers. Out of these, 5 trucks have been in use for more than 8 years.

4. DETAILS OF OUR IPO (CONT'D)

While we are able to continue using these trucks for delivery of repackaged RBD palm olein oil, our Group intends to gradually dispose of these 5 trucks and purchase new ones in their stead and to add 2 new trucks.

The replacement of 5 delivery trucks is after considering our Group's need to consistently deliver products to customers promptly or on time in order to maintain our competitive strength as stated in Section 7.5 of this Prospectus as well as to ensure the safety of our truck drivers.

Meanwhile, the purchase of 2 new delivery trucks is to facilitate our expansion plans. As stated in Section 7.22 of this Prospectus, we intend to further increase our market reach to neighbouring states (i.e. Perak, Negeri Sembilan, Melaka and Pahang). This is in addition to our current main distribution routes in Selangor and Kuala Lumpur.

We intend to use our Group's Public Issue proceeds for the purchase of 5 new trucks to deliver products to our customers, details as follows:

Types of new delivery trucks	Estimated unit cost (RM'000)	Intended no. of units to be purchased	Total estimated cost (RM'000)
19 MT truck	[•]	1	[•]
7.5 MT truck	[•]	2	[•]
5 MT truck	[•]	2	[•]
Total			[•]

If the total actual cost for the purchase of new delivery trucks exceeds RM[•] million, the deficit will be funded from our internally generated funds.

The purchase of the 2 remaining delivery trucks will be funded via internally generated funds.

4.8.3 Working capital

We have allocated RM[•] million from our Public Issue proceeds to supplement our general working capital requirements, details as follows:

	Total (RM'000)
Purchase of RBD palm olein oil ⁽¹⁾	[•]
Purchase of packaging materials ⁽²⁾	[•]
Total	[•]

Notes:

- (1) For FYE 31 March 2023, our purchase of RBD palm olein oil amounted to RM68.30 million. As such, the allocation of RM[•] million for the purchase of RBD palm olein oil translates to [•]% of our annual purchase cost of RBD palm olein oil for FYE 31 March 2023.
- (2) Comprising mainly bottles, jerry cans, tin cans, polybags, labels and carton boxes. For FYE 31 March 2023, our purchase of packaging materials amounted to RM4.50 million. As such, the allocation of RM[•] million for the purchase of packaging materials translates to [•]% of our annual purchase cost of packaging materials for FYE 31 March 2023.

4. DETAILS OF OUR IPO (CONT'D)**4.8.4 Estimated listing expenses**

We have allocated RM[•] million from our Public Issue proceeds to meet the estimated expenses of our Listing. The following summarises the estimated expenses incidental to our Listing to be borne by us:

	Total (RM'000)
Professional fees ⁽¹⁾	[•]
Fees payable to authorities	[•]
Underwriting, placement and brokerage fees	[•]
Printing, advertising fees and other incidental charges relating to our Listing	[•]
Contingencies	[•]
Total	[•]

Note:

(1) Include fees for, amongst others, the Principal Adviser, Reporting Accountants, Solicitors, IMR, Internal Control Reviewer, Company Secretary and Tax Agent.

If our actual listing expenses exceed the amount of Public Issue proceeds allocated for listing expenses, the deficit will be funded out of the portion allocated for working capital. Conversely, if the actual listing expenses are lower than the amount allocated, the excess will be reallocated to our Group's working capital.

4.9 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE**4.9.1 Brokerage fee**

We will bear the brokerage fees to be incurred on the issue of the 17,300,000 Issue Shares pursuant to our IPO under Sections 4.3.1(i) and 4.3.1(ii) of this Prospectus at the rate of [•]% of the IPO Price in respect of successful Applications which bear the stamp of TA Securities, 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.

4.9.2 Underwriting commission

TA Securities, as our sole Underwriter, has agreed to underwrite 17,300,000 Issue Shares as set out in Sections 4.3.1(i) and 4.3.1(ii) of this Prospectus. We will pay our Underwriter an underwriting commission at the rate of [•]% of the total value of the Shares underwritten at the IPO Price. The underwriting commission is subject to SST.

4.9.3 Placement fee

TA Securities, as our Placement Agent, has agreed to place out the 48,700,000 Issue Shares available by way of private placement to Selected Investors as set out in Section 4.3.1(iii) of this Prospectus. We will pay our Placement Agent a placement fee at the rate of [•]% of the total value of the Issue Shares placed out by the Placement Agent at the IPO Price. The placement fee is subject to SST.

TA Securities has also agreed to place out the 20,000,000 Offer Shares available by way of private placement to Selected Investors as set out in Section 4.3.2 of this Prospectus at the same placement fee rate. The placement fee to be incurred on the sale of the Offer Shares will be fully borne by our Selling Shareholders.

4. DETAILS OF OUR IPO (CONT'D)

4.10 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

Our Company had on [•] entered into an Underwriting Agreement with our Underwriter, whereby our Underwriter had agreed to underwrite 13,300,000 Issue Shares, which will be made available for application by the Malaysian Public via balloting and 4,000,000 Issue Shares, which will be made available for application by Eligible Persons via Pink Form Allocation ("**Underwritten Shares**"), upon the terms and subject to the conditions therein contained.

[The salient terms of the underwriting agreement will be inserted once the Underwriting Agreement has been entered into.]

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]