

4. PARTICULARS OF OUR IPO

4.1 OPENING AND CLOSING OF APPLICATION

The Application period will open at 10.00 a.m. on [●] and will remain open until 5.00 p.m. on [●]. **Late applications will not be accepted.**

4.2 INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative dates:

Events	Indicative Dates
Opening of Application	[●]
Closing of Application	[●]
Balloting of Applications	[●]
Allotment of IPO Shares to successful Applicants	[●]
Listing on the ACE Market	[●]

In the event where there is any change to the indicative timetable above, we will advertise the notice of changes in widely circulated English and Bahasa Malaysia daily newspapers in Malaysia and will make the relevant announcements through Bursa Securities' website.

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.

4.3.1 Public Issue

Our Public Issue of 108,644,300 Issue Shares representing approximately 27.00% of our enlarged issued share capital, at the IPO Price will be made available in the following manner:

(i) Malaysian Public via Balloting

20,119,400 Issue Shares representing approximately 5.00% of our enlarged issued share capital will be made available for application by the Malaysian Public via balloting, of which at least 50.00% is to be set aside strictly for Bumiputera investors. Any Issue Shares not subscribed for by Bumiputera investors will be made available for application by the other Malaysian Public via balloting.

(ii) Eligible Persons

10,059,700 Issue Shares representing approximately 2.50% 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.

4. PARTICULARS OF OUR IPO (Cont'd)

A total of 63 persons are eligible for the Pink Form Allocation, comprising the following:

Category	Number of Eligible Persons	Aggregate number of Pink Form Shares allocated
Eligible Directors ⁽¹⁾	5	1,331,300
Eligible employees of our Group ⁽²⁾	58	8,728,400
Total	63	10,059,700

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 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:*

Eligible Directors	Designation	Aggregate No. of Pink Form Shares
<i>Hideki Nomura</i>	<i>Executive Director</i>	<i>381,300</i>
<i>Datuk Noripah Binti Kamsu</i>	<i>Independent Non-Executive Chairperson</i>	<i>300,000</i>
<i>Datuk Noor Azian Binti Shaari</i>	<i>Independent Non-Executive Director</i>	<i>300,000</i>
<i>Dato' Tang Ngat Ngoh</i>	<i>Independent Non-Executive Director</i>	<i>300,000</i>
<i>Chan Yan San</i>	<i>Independent Non-Executive Director</i>	<i>50,000</i>
		1,331,300

- (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 employees of at least 18 years of age and on the payroll of our Group; and*
- (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.*

(iii) Private Placement to selected investors

78,465,200 Issue Shares representing approximately 19.50% of our enlarged issued share capital will be made available by way of private placement to selected investors.

4. PARTICULARS OF OUR IPO (Cont'd)

The Issue Shares will, upon allotment and issue, rank equally in all respects with the 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 allotment date of the Issue Shares.

Upon completion of the Public Issue, our Group issued share capital will increase from 293,742,113 Shares to 402,386,413 Shares.

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4. PARTICULARS OF OUR IPO (Cont'd)

4.3.2 Offer for Sale

Our Selling Shareholders will undertake an offer for sale of 38,226,600 Offer Shares, representing approximately 9.50% of our enlarged issued share capital, will be made available by way of private placement to selected investors at the IPO Price.

Details of our Selling Shareholders are as follows:

Selling Shareholders	Address	Position / Relationship with the Group for the past 3 years	Shareholdings before IPO and after completion of the Acquisition		Offer for Sale			Shareholdings after IPO	
			No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	% ⁽²⁾	No. of Shares	% ⁽²⁾
Datin Eloise	No. 8, Lorong Batu Nilam 9D, Bandar Bukit Tinggi, 41200 Klang, Selangor	Promoter, substantial shareholder and Group Managing Director	257,024,353	87.50	33,196,800	11.30	8.25	223,827,553	55.62
Tiu Kuang Hong ⁽³⁾	No. 30, Jalan Kiara 9/KS6, Bandar Botanic, 41200 Klang, Selangor	Substantial shareholder and Technical Director of AGSB	22,030,658	7.50	5,029,800	1.71	1.25	17,000,858	4.23

Notes:

- (1) Based on our issued share capital of 293,742,113 Shares after the completion of the Acquisition and as at the LPD.
- (2) Based on our enlarged issued share capital of 402,386,413 Shares after our IPO.
- (3) After the Offer for Sale, he will cease to be our substantial shareholder.

The Offer for Sale is expected to raise gross proceeds of approximately 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 Promoter and/or substantial shareholders, are set out in Section 5.1.3 of this Prospectus.

4. PARTICULARS OF OUR IPO (Cont'd)**4.3.3 Allocation of the IPO Shares and Underwriting Arrangement**

In summary, our IPO Shares will be allocated in the following manner:

	Public Issue		Offer for Sale		Total	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Malaysian Public (via balloting):						
- Bumiputera	10,059,700	2.50	-	-	10,059,700	2.50
- Non-Bumiputera	10,059,700	2.50	-	-	10,059,700	2.50
Eligible Persons	10,059,700	2.50	-	-	10,059,700	2.50
Private placement to selected investors	78,465,200	19.50	38,226,600	9.50	116,691,800	29.00
	108,644,300	27.00	38,226,600	9.50	146,870,900	36.50

Note:

* Based on the enlarged issued share capital of 402,386,413 Shares after the IPO.

20,119,400 Issue Shares made available to the Malaysian Public [have been] fully underwritten. In the event of an over-subscription, acceptance of Applications by the Malaysian Public shall be subject to ballot to be conducted in a manner approved by our Board whilst in the event the Issue Shares are not subscribed for in full, these Shares will be made available for application by way of private placement to selected investors. Any remaining Issue Shares thereafter will be subscribed by the Underwriter, subject to the terms and conditions of the Underwriting Agreement.

10,059,700 Issue Shares made available to the Eligible Persons [have been] fully underwritten. Any Shares reserved under the Pink Form Allocation which are not taken up will be made available firstly, for subscription by other Eligible Persons, secondly, for application by the Malaysian Public via balloting and/or selected investors via private placement and finally, by our underwriter pursuant to the terms of the Underwriting Agreement.

78,465,200 Issue Shares and 38,226,600 Offer Shares made available to selected investors through private placement are not underwritten. Irrevocable undertakings have been or will be obtained from the selected investors who subscribe for the IPO Shares by way of private placement. Any unsubscribed IPO Shares under this allocation will be made available for application by the Malaysian Public.

The IPO Shares will be allocated on a fair and equitable manner and the basis of allocation for the IPO Shares shall take into account the desirability of distributing the IPO Shares to a reasonable number of applicants to broaden our shareholding base and to establish a liquid market for our Shares. The identified investors for the IPO Shares under the private placement will be selected in such manner as may be determined by the Placement Agent, in consultation with our Board, has the absolute discretion to decide whether to accept or reject any placement application.

There is no minimum subscription amount to be raised from our IPO. The number of IPO Shares offered under the Public Issue will not be increased via any over-allotment or "greenshoe" option.

Under the Listing Requirements, we are required to have a minimum of 25.00% of our Shares held by at least 200 public shareholders, each holding not less than 100 Shares at the point of our Listing. If the above requirement is not met, we may not be able to proceed with our Listing. Please refer to Section 9.3.2 of this Prospectus for details in the event our Listing is delayed or aborted.

As at the LPD, to the extent known to our Company, none of our Directors, substantial shareholders or key senior management has indicated to us that they intent to subscribe for our IPO Shares beyond their respective entitlements under the Pink Form Allocation and there are no person(s) who have indicated to us that they intend to subscribe for more than 5.00% of our IPO Shares.

4. PARTICULARS OF OUR IPO (Cont'd)

4.4 BASIS OF ARRIVING AT THE IPO PRICE

Our IPO Price was determined and agreed upon by us and our Principal Adviser after taking into consideration the following factors:

- (a) our pro forma NA per share attributable to the owners of the Company of RM [●] as at 31 December 2023 based on the enlarged issued share capital of 402,386,413 Shares, after our IPO and subsequent to the utilisation of proceeds from our Public Issue as set out in Section 4.7 of this Prospectus;
- (b) our Group's EPS of 1.38 sen for the FYE 2023 computed based on our audited PAT for FYE 2023 of approximately RM5.53 million and our enlarged share capital of 402,386,413 Shares upon Listing, which translate into PE Multiple of 14.54 times, based on the IPO Price;

The adjusted PAT for the FYE 2023 after excluding the one-off impairment loss on the non-current asset held for sale of RM1.03 million would be RM6.56 million. This would translate into an adjusted EPS of 1.63 sen and a PE Multiple of approximately 12.26 times, based on the IPO Price;

- (c) our competitive strengths as set out in Section 7.7 of this Prospectus;
- (d) our future plans and strategies as set out in Section 7.12 of this Prospectus; and
- (e) the industry overview and outlook based on the IMR Report as set out in Section 8 of this Prospectus.

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

4.5 SHARE CAPITAL AND RANKING OF THE SHARES

4.5.1 Share capital

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

	<u>No. of Shares</u>	<u>(RM)</u>
Issued share capital		
As at the date of this Prospectus	293,742,113	31,724,150
To be issued pursuant to the Public Issue	108,644,300	[●]
Enlarged issued share capital upon Listing	402,386,413	[●]

4.5.2 Classes and ranking of our Shares

We only have 1 class of shares, being ordinary shares, all of which rank equally with each other. The Issue Shares will, upon allotment and issue, rank equally in all respects with our existing issued Shares, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of allotment of our Issue Shares. The Offer Shares shall rank equally in all respects with the existing Shares, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of transfer of our Offer Shares to the successful applicants.

4. PARTICULARS OF OUR IPO (Cont'd)

Subject to any special rights attaching to any Shares which we may issue in the future, our shareholders shall, in proportion to the Shares held by them, be entitled to share in the whole of the profits paid out by us in the form of dividends and other distributions and the whole of any surplus in the event of our liquidation, such surplus to be distributed among the shareholders in proportion to the issued share capital at the commencement of the liquidation, in accordance with our Constitution and provisions of the Act.

At any general meeting of our Company, each shareholder shall be entitled to vote in person, or by proxy, or by attorney or by his/its representative under the instrument of proxy or certificate of appointment of corporate representative or power of attorney ("**Representative**"). On a vote by show of hands, each shareholder present (either in person, or by proxy, or by Representative) shall have 1 vote. On a vote by way of poll, each shareholder present (either in person, or by proxy, or Representative) shall have 1 vote for each Share held or represented. A proxy may but need not be a shareholder of our Company and there shall be no restriction as to the qualification of the proxy save that the proxy must be of full age.

4.6 DILUTION

Dilution is the amount by which the IPO Price to be paid by the applicants for our IPO Shares will be diluted upon our Listing based on the proforma NA per Share after the IPO. The following table illustrates such dilution to the new investors for the IPO Shares on a per Share basis as well as the accretion in value to the existing shareholders of the Company after the IPO:

	<u>Details</u>	<u>RM</u>
IPO Price	(A)	[•]
Audited NA per Share as at 31 December 2023 after the Acquisition and before adjusting for our IPO	(B)	[•]
Pro forma NA per Share as at 31 December 2023 after our IPO and the utilisation of Public Issue proceeds	(C)	[•]
Increase in pro forma NA per Share attributable to our existing shareholders	(C-B)	[•]
Dilution to our new investors	(A-C)	[•]
Dilution to our new investors as a percentage of the IPO Price	(A-C) / (A)	[•]%

Further details of our pro forma NA per Share as at 31 December 2023 is set out in Section 12.18 of this Prospectus.

The following table shows the average effective cash cost per Share paid by our existing shareholders for our shares since our incorporation up to the date of this Prospectus:

	<u>No. of Shares held before IPO</u>	<u>Total consideration (RM)</u>	<u>Average Effective cost per Share (RM)</u>
<u>Promoter and substantial shareholder</u>			
Datin Eloise	*257,024,353	27,758,631	0.108
<u>Substantial shareholders</u>			
Tiu Kuang Hong	*22,030,658	2,379,312	0.108
Ivy See	14,687,102	1,586,207	0.108

Note:

* Included 1 Share issued at RM1.00 as at the date of the incorporation of the Company.

4. PARTICULARS OF OUR IPO (Cont'd)

Save as disclosed above and apart from the Pink Form Allocations, there has been no acquisition or subscription of any of our Shares by our Promoter, substantial shareholder, 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 from the date of our incorporation up to the date of this Prospectus.

4.7 UTILISATION OF PROCEEDS

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

Purposes	Estimated time frame for use (from the Listing date)	(RM'000)	(%)
Capital expenditure:			
- Purchase of press machines	Within 24 months	[●]	[●]
- Purchase of automation equipment	Within 24 months	[●]	[●]
- Renovation of TPG Factory	Within 24 months	[●]	[●]
- Purchase of one overhead crane	Within 24 months	[●]	[●]
Working capital	Within 12 months	[●]	[●]
Estimated listing expenses	Within 1 month	[●]	[●]
		[●]	100.00

Details of the utilisation of Public Issue proceeds are as set out below:

(i) Purchase of press machines

Our Group manufacturing activities comprised the blanking line, body parts production line, seat structural parts production line and absorber parts production line. Notably, our Group's utilisation rate for the body parts production line and seat structural parts production line were estimated at 84.19% and 94.85% respectively in FYE 2023. Our Group plans to expand our manufacturing capacity to meet the anticipated increase in demand from our customers, premised on the rolling forecast provided to our Group as well as discussions with our customers. As such, our Group intends to purchase 4 press machines to set up a new body parts production line.

The said new production line will increase our Group's manufacturing capacity for body parts production by 400 pieces per hour, which translates to an annual manufacturing capacity of approximately 2,620,800 pieces. This will increase our Group's annual manufacturing capacity for body parts production by approximately 83.33% from 3,144,960 pieces to 5,765,760 pieces.

Furthermore, the new body parts production line is expected to provide flexibility to our Group, as it can be utilised to manufacture seat structure parts products. Such flexibility enables our Group to utilise the said new production line interchangeably if there are additional orders received for the seat structure parts products. The anticipated increase in our Group's manufacturing capacity with the setup of the new body parts production line will allow us to accept more orders from our customers, which will in turn contribute to our Group's overall financial performance and continue to fuel our Group's business growth in the future.

Our Group intends to allocate RM[●] million of the gross proceeds from the Public Issue to fully fund the purchase of the press machines. Any shortfall or surplus will be adjusted against the portions earmarked for the purchase of automation equipment, renovation of TPG Factory, purchase of overhead crane, working capital expenditure and/or to defray estimated listing expenses.

4. PARTICULARS OF OUR IPO (Cont'd)**(ii) Purchase of automation equipment**

As at the LPD, our Group has 4 body parts production lines which are all manually operated by our production workers. In line with our Group's plan to improve our manufacturing efficiency, our Group intends to purchase and install the automation equipment into the new body parts production line.

The new body parts production line will be installed with automation equipment such as robotic arms. The said purchase and installation of automation equipment will reduce reliance on the manual production workers mainly in terms of de-stacking and loading steel coil or steel cut sheets into the press machines, transfer of WIP pieces from press-to-press as well as unload the completed parts through the conveyor belt to the designated area in the TPG Factory for inspection, packing and delivery.

Our Group expects the number of workers required for the manufacturing process will reduce from 5 production workers to 2 production workers per production line per shift. Our Group envisage a minimum cost savings of approximately RM0.25 million per annum from the reduced number of workers required to perform the aforementioned processes. In addition, it could also achieve consistency in automotive parts and components manufactured by our Group as the loading, unloading and transfer of input materials, finished parts and/or WIP pieces will be handled by the automated equipment.

Our Group has earmarked RM[●] million of the gross proceeds from the Public Issue to fully fund the purchase of automation equipment. The details of the automation equipment that our Group intends to purchase are as follows:

Description	No. of units	⁽¹⁾Estimated cost (RM'000)
Robotic arms and accessories ⁽²⁾	7	[●]
Safety and operating system	1	[●]
Engineering services ⁽³⁾	Not applicable	[●]
		[●]

Notes:

- (1) *Based on quotation obtained from supplier.*
- (2) *Comprises 1 unit of robotic arm for de-stacking, 1 unit of robotic arm for loading of blanked pieces to the first press machine, 3 units of robotic arms for transfer of WIP pieces between press machines, and 1 unit of robotic arm together with 1 unit of conveyor belt for unloading of finished parts from the last press machine to the designated area.*
- (3) *Services provided by the supplier comprising system design, system test-run, operation training, on-site installation, commissioning and standby.*

Any shortfall or surplus will be adjusted against the portions earmarked for the purchase of press machines, renovation of TPG Factory, purchase of overhead crane, working capital expenditure and/or to defray estimated listing expenses.

(iii) Renovation of TPG Factory

As at the LPD, our Group operates solely from TPG Factory with a total built-up area of approximately 9,823.98 sq m including a double-storey office (built-up area: 543.19 sq m) which house our office workers to perform operational and administrative tasks as well as a single-story factory (built-up area: 8,550.00 sq m) which is used for our Group's automotive parts and components manufacturing activities.

4. PARTICULARS OF OUR IPO (Cont'd)

As part of the business expansion, our group intends to expand its manufacturing capacity by adding an additional body parts production line equipped with automation equipment. The installation of a complete press production line required a solid ground to install the press machines in order to provide a safe workplace for and minimise the risk exposure of our workers who are discharging their works.

As such, our Group intends to renovate a section of the TPG Factory. The renovation works comprise mainly the flooring and foundation works which is mainly to provide a stable foundation for installing the press machines. Our Group intends to allocate RM[●] million of the gross proceeds from the Public Issue to fully fund the renovation of TPG Factory. The expected timeline for the completion of renovation, subject to obtaining relevant approvals, if required and to operationalise is expected to be within 6 months from the date of application of any required approvals.

Any shortfall or surplus will be adjusted against the portions earmarked for the purchase of press machines, purchase of automation equipment, purchase of overhead crane, working capital expenditure and/or to defray estimated listing expenses.

(iv) Purchase of one overhead crane

Our Group utilises dies in our manufacturing of metal stamped parts. Overhead cranes are used by our Group to transfer dies between the dies storage space and the respective press machine. As at the LPD, our Group has installed 2 overhead cranes in TPG Factory with each overhead crane having a maximum lifting capacity of 10 tons.

As part of our Group's business expansion plans, our Group intends to purchase an overhead crane which is capable to carry dies with lifting capacity of 15 tons. The said overhead crane will be utilised to transfer dies for existing blanking line and the new body parts production lines as well as serving as a backup overhead crane in the event of breakdowns of the other existing overhead cranes.

Our Group will allocate RM[●] million of the gross proceeds from the Public Issue to fully fund the purchase of overhead crane. Any shortfall or surplus will be adjusted against the portions earmarked for the purchase of press machines, purchase of automation equipment, renovation of TPG Factory, working capital expenditure and/or to defray estimated listing expenses.

(v) Working capital

Our Group has allocated RM[●] million of the gross proceeds from the Public Issue for the working capital requirements of our Group, which are the general administrative and daily operational expenses such as electricity, upkeep of machinery / equipment and maintenance costs. The breakdown of each expenses cannot be determined at this juncture as it depends on working capital requirements at the relevant point of time.

Any shortfall or surplus will be adjusted against the portions earmarked for the purchase of press machines, purchase of automation equipment, renovation of TPG Factory, purchase of overhead crane and/or to defray estimated listing expenses.

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4. PARTICULARS OF OUR IPO (Cont'd)**(vi) Estimated listing expenses**

The estimated expenses and fees incidental to our Listing amounting to approximately RM[●] million shall be borne by our Group, the details of which are as follows:

Estimated listing expenses	RM'000
Professional fees ⁽¹⁾	[●]
Underwriting, placement and brokerage fees	[●]
Fees to authorities	[●]
Other miscellaneous expenses and contingencies ⁽²⁾	[●]
	[●]
	[●]

Notes:

- (1) *Includes fees for the Principal Adviser, Reporting Accountants, Legal Advisers, IMR, Issuing House and other professional advisers.*
- (2) *Includes any other incidental charges or related expenses in relation to our IPO such as fees paid to translator, investor relations consultant, printing expenses, media related expenses, IPO event expenses and sales and service tax.*

Any shortfall or surplus will be adjusted against the portions earmarked for the purchase of press machines, purchase of automation equipment, renovation of TPG Factory, purchase of overhead crane and/or working capital expenditure.

Based on the IPO Price, the entire gross proceeds of approximately RM[●] million to be raised from the Offer for Sale will accrue entirely to our Selling Shareholders and not to be borne by our Company. All expenses relating to the Offer for Sale will be borne by our Selling Shareholders, the aggregate of which is estimated to be approximately RM[●] million.

4.8 UNDERWRITING COMMISSION, BROKERAGE FEE AND PLACEMENT FEE**(i) Underwriting commission**

KAF, as our sole Underwriter, has agreed to underwrite 30,179,100 Issue Shares made available for application by the Malaysian Public and the Eligible Persons under the Pink Form Allocation. We are obligated to pay our Underwriter an underwriting commission at the rate of [●]% of the total value of the Issue Shares underwritten at the IPO Price.

(ii) Brokerage fee

We will bear the brokerage fees in respect of the 20,119,400 Issue Shares made available for Application by the Malaysian Public at the rate of [●]% of the IPO Price in respect of successful Applications which bear the stamp of participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association in Malaysia or the Issuing House.

(iii) Placement fee

KAF, as our Placement Agent, has agreed to place out 78,465,200 Issue Shares and 38,226,600 Offer Shares to selected investors by way of private placement.

We will bear the placement fee of [●]% of the total value of the Issue Shares placed out via the private placement.

The Selling Shareholders will bear the placement of [●]% of the total value of the Offer Shares placed out via the private placement.

4. PARTICULARS OF OUR IPO (Cont'd)

4.9 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

The following salient terms are reproduced from the Underwriting Agreement including terms which allow our Underwriter to withdraw from the underwriting obligation after the opening of our IPO. The capitalised terms and numbering references used herein shall have the respective meanings and numbering references as ascribed thereto in the Underwriting Agreement:

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