

**IPO STATISTICS**

IPO Price (RM)	0.23
Fund Raised (RM million)	71.53 from new issue 17.03 from offer for sale <b>TOTAL: 88.56</b>
Enlarged issued share capital upon listing (million shares)	1,481.01
IPO Market Capitalisation (RM million)	340.63
Price Earnings Ratio (PER)	7.7x

Use of Proceed (RM71.53 million from new issue)

<b>Proceed Utilisation</b>	<b>RM million</b>
Construction of new headquarters, warehouse storage facility and workers' accommodation	30.04
Repayment of bank borrowings	14.39
Working capital	21.91
Estimated listing expenses	5.20

**BUSINESS OVERVIEW**

Business Activities

Leform is an integrated manufacturer and trader of steel products based in Selangor. It produces steel products that conform to the Japanese Industrial Standards ("JIS") or equivalent standards. Its principal activities can be categorised as follow:

- Manufacturing of steel pipes, guardrails and flat steel products which can be used in wide variety of end-user industries, including furniture, construction and industrial products manufacturing (such as automotive parts, telecommunication tower pole part). Leform is also able to provide customisation services for its flat steel products based on its customers' request and specifications.
- Trading of steel products to complement its product range with product specification that it does not manufacture.

Its customers are segmented into 2 categories as follow:

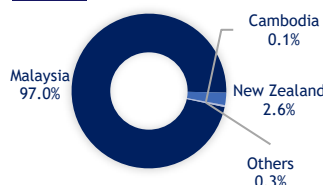
- Building materials or steel trading companies
- End-customers, comprising manufacturers and contractors who use steel products in their operational processes.

For FYE 2021, 54.5% of its supplies was sourced from Malaysia, with the remainder from Singapore, Taiwan, Indonesia and South Korea.

Competitive Strength

- Wide range of steel products suitable for various end-user industry applications including the furniture, construction and industrial product manufacturing industries, enabling diversification of business.
- Well equipped with a fleet of machineries and equipment that enables the Group to improve its manufacturing capabilities and efficiency.
- Committed to producing quality steel products. Leform is accredited with the ISO 9001:2015 certification.
- Integrated operations in producing steel pipes, from production of materials to delivery of finished products, complemented with in-house delivery team to ensure consistent supplies and delivery efficiency.
- Experienced and technically strong key senior management team

FY2021 Revenue by Geographical Location



Market Share

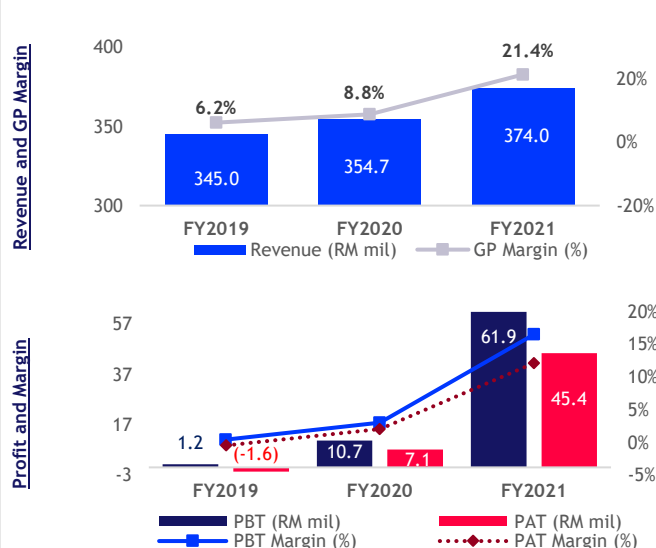
According to the Independent Market Research Report, Leform Group garnered the following market share in Malaysia in 2020:

- 10.2% based on the production volume of steel pipes and tubes
- 4.7% based on the production volume of steel coils and sheets

**GROWTH STRATEGIES AND FUTURE PLANS**

- Expand its warehouse storage facility and relocate its headquarters and workers' accommodation to cater for higher production output and allows the consolidation of its delivery operations. The proposed new facility, located adjacent to one of its existing processing facilities will comprise its new headquarters and workers' accommodation while existing headquarters and warehouse storage facility will continue to serve as its operational office and warehouse.
- Expand its range of steel pipes to include thicker gauge steel pipes which can be used for applications that require steel pipes with higher tensile strength such as in the construction of temporary structures. This would not only be a new revenue stream but will also enable the expansion of customer base with the proposed additional warehouse storage facility.

**FINANCIAL PERFORMANCE & PEER ANALYSIS**



Company	PAT Margin (%)	PER (x)
Hiap Teck Venture Berhad*	13.6	2.6
Astino Berhad	11.0	4.6
Atta Global Group Berhad	1.2	46.6
Choo Bee Metal Industries Berhad	53.2	2.3
Engtex Group Berhad	6.9	3.3
Leader Steel Holdings Bhd	11.4	3.7
<b>Leform Group Berhad</b>	<b>12.1</b>	<b>7.7</b>
Leon Fuat Bhd	24.2	1.6
Melewar Industrial Group Bhd	21.5	2.4
Prestar Resources Bhd	17.8	1.7
Tashin Holdings Bhd	16.1	2.4

\*comparable via its subsidiary Alpine Pipe Manufacturing Sdn Bhd.  
Note: Selected peers listed on Bursa Malaysia as identified in the Independent Market Research Report. PAT margin based on prospectus. Trailing 12 month PER data from Bloomberg at time of research except for Leform PER at IPO.

**PROMOTERS & SUBSTANTIAL SHAREHOLDERS**

Promoter/ Substantial Shareholder	Designation	Shareholding after IPO (%)	
		Direct	Indirect
Tianwen Holdings	Promoter and substantial shareholder. Investment holding	51.0	-
Law Kok Thye	Promoter and substantial shareholder. Managing Director	23.0	51.0

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