

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF SIN-KUNG LOGISTICS BERHAD (“SKL” OR “COMPANY”) DATED 18 APRIL 2024 (“ELECTRONIC PROSPECTUS”)

(Unless otherwise indicated, specified or defined in this notice, the definitions in the Prospectus shall apply throughout this notice)

Website

The Electronic Prospectus can be viewed or downloaded from Bursa Malaysia Securities Berhad’s (“Bursa Securities”) website at www.bursamalaysia.com (“Website”).

Availability and Location of Paper/Printed Prospectus

Any applicant in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request a paper/printed copy of the Prospectus directly from the Company, M & A Securities Sdn Bhd (“M&A Securities”), or Tricor Investor & Issuing House Services Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

Prospective investors should note that the Application Form is not available in electronic format.

Jurisdictional Disclaimer

This distribution of the Electronic Prospectus and the sale of the units are subject to Malaysian law. Bursa Securities, M&A Securities and SKL take no responsibility for the distribution of the Electronic Prospectus and/or the sale of the units outside Malaysia, which may be restricted by law in other jurisdictions. The Electronic Prospectus does not constitute and may not be used for the purpose of an offer to sell or an invitation of an offer to buy any units, to any person outside Malaysia or in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

Close of Application

Applications will be accepted from 10.00 a.m. on 18 April 2024 and will close at 5.00 p.m. on 2 May 2024. In the event there is any change to the timetable, SKL will advertise the notice of changes in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia, and make an announcement on Bursa Securities’ website.

The Electronic Prospectus made available on the Website after the closing of the application period is made available solely for informational and archiving purposes. No securities will be allotted or issued on the basis of the Electronic Prospectus after the closing of the application period.

Persons Responsible for the Internet Site in which the Electronic Prospectus is Posted

The Electronic Prospectus which is accessible at the Website is owned by Bursa Securities. Users’ access to the website and the use of the contents of the Website and/or any information in whatsoever form arising from the Website shall be conditional upon acceptance of the terms and conditions of use as contained in the Website.

The contents of the Electronic Prospectus are for informational and archiving purposes only and are not intended to provide investment advice of any form or kind, and shall not at any time be relied upon as such.

TOTAL LOGISTICS SOLUTION

World without Boundaries



In-house Customs Brokerage



Distribution & Logistics



Secure Storage Facilities



Shah Alam, Selangor



Port Klang, Selangor



Valdor, Penang



Bukit Mertajam, Penang



Bukit Minyak, Penang

SINKUNG

SIN-KUNG LOGISTICS BERHAD
(Registration No. 199401035432 (321115-P))
(Incorporated in Malaysia)

www.sinkung.my

Address : Lot 1928, Jalan Bukit Kemuning,
40460 Shah Alam, Selangor.

Tel : +603 5122 5000

Email : sklkl@sinkung.com.my

P R O S P E C T U S

SINKUNG

SIN-KUNG LOGISTICS BERHAD

(Registration No. 199401035432 (321115-P))
(Incorporated in Malaysia)

INITIAL PUBLIC OFFERING IN CONJUNCTION WITH OUR LISTING ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") COMPRISING:

(I) PUBLIC ISSUE OF 200,000,000 NEW ORDINARY SHARES IN OUR COMPANY ("SHARES") IN THE FOLLOWING MANNER:

- 60,000,000 NEW SHARES AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 45,000,000 NEW SHARES AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF OUR GROUP; AND
- 95,000,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY ("MITI");

AND

(II) OFFER FOR SALE OF 103,500,000 EXISTING SHARES IN THE FOLLOWING MANNER:

- 55,000,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY MITI; AND
- 48,500,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS

AT AN ISSUE/OFFER PRICE OF RM0.13 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

Adviser, Sponsor, Underwriter and Placement Agent



M & A SECURITIES SDN BHD
(Registration No. 197301001503 (15017-H))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

THIS PROSPECTUS IS DATED
18 APRIL 2024

Bursa Securities has approved the listing of and quotation for our entire enlarged issued share capital on the ACE Market of Bursa Securities and this Prospectus has been registered by the Bursa Securities. The approval of the listing of and quotation for our entire enlarged issued share capital on the ACE Market of Bursa Securities and registration of this Prospectus, should not be taken to indicate that Bursa Securities recommends the offering or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Prospectus. Bursa Securities has not, in any way, considered the merits of the securities being offered for investment. Bursa Securities is not liable for any non-disclosure on the part of the company and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus. No securities will be allotted or issued based on this Prospectus after 6 months from the date of this Prospectus.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 227.

THE ACE MARKET IS AN ALTERNATIVE MARKET DESIGNED PRIMARILY FOR EMERGING CORPORATIONS THAT MAY CARRY HIGHER INVESTMENT RISK WHEN COMPARED WITH LARGER OR MORE ESTABLISHED CORPORATIONS LISTED ON THE MAIN MARKET. THERE IS ALSO NO ASSURANCE THAT THERE WILL BE A LIQUID MARKET IN THE SHARES OR UNITS OF SHARES TRADED ON THE ACE MARKET. YOU SHOULD BE AWARE OF THE RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION.

THE ISSUE, OFFER OR INVITATION FOR THE OFFERING IS A PROPOSAL NOT REQUIRING APPROVAL, AUTHORISATION OR RECOGNITION OF THE SECURITIES COMMISSION MALAYSIA ("SC") UNDER SECTION 212(8) OF THE CAPITAL MARKETS AND SERVICES ACT 2007.

SIN-KUNG LOGISTICS BERHAD

SINKUNG

P R O S P E C T U S

Our Directors, Promoters and Selling Shareholders (as defined herein) have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which if omitted, would make any statement in the Prospectus false or misleading.

M & A Securities Sdn Bhd, being our Adviser, Sponsor, Underwriter and Placement Agent to our IPO (as defined herein), acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

This Prospectus, together with the Application Form (as defined herein), has also been lodged with the Registrar of Companies, who takes no responsibility for its contents.

Investors should note that they may seek recourse under Sections 248, 249 and 357 of the Capital Markets and Services Act 2007 ("**CMSA**") for breaches of securities laws including any statement in the Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to the Prospectus or the conduct of any other person in relation to our Group (as defined herein).

Shares are offered to the public premised on full and accurate disclosure of all material information concerning our IPO, for which any person set out in Section 236 of the CMSA, is responsible.

Approval has been obtained from Bursa Securities for the listing of and quotation for our IPO Shares (as defined herein) on 6 November 2023. Our admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares.

The Securities Commission Malaysia ("**SC**") had on 8 November 2023 approved the resultant equity structure of our Company under the Bumiputera equity requirements for public listed companies pursuant to our Listing (as defined herein).

Our securities are classified as Shariah compliant by the Shariah Advisory Council of the SC. This classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review is undertaken by the Shariah Advisory Council of the SC. The new status will be released in the updated list of Shariah compliant securities, on the last Friday of May and November.

This Prospectus has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

We will not, prior to acting on any acceptance in respect of our IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection therewith.

It shall be your sole responsibility if you are or may be subject to the laws of countries or jurisdictions other than Malaysia, to consult your legal and/or other professional advisers as to whether our IPO would result in the contravention of any law of such countries or jurisdictions.

Further, it shall also be your sole responsibility to ensure that your application for our IPO Shares would be in compliance with the terms of our IPO as stated in our Prospectus and the Application Form and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subjected. We will further assume that you had accepted our IPO in Malaysia and will be subjected only to the laws of Malaysia in connection therewith.

However, we reserve the right, in our absolute discretion to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

No action has been or will be taken to ensure that this Prospectus complies with the laws of any country or jurisdiction other than the laws of Malaysia. It shall be your sole responsibility to consult your legal and/or other professional adviser on the laws to which our IPO or you are or might be subjected to. Neither us nor our Adviser nor any other advisers in relation to our IPO shall accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, avoidable or void in any country or jurisdiction.

ELECTRONIC PROSPECTUS

This Prospectus can also be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the Electronic Prospectus and the copy of this Prospectus registered with Bursa Securities are the same.

You are advised that the internet is not a fully secured medium and that your Internet Share Application (as defined herein) may be subject to risks of problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions (as defined herein). These risks cannot be borne by the Internet Participating Financial Institutions.

If you are in doubt of the validity or integrity of an Electronic Prospectus, you should immediately request from us, our Adviser or the Issuing House (as defined herein), a paper printed copy of this Prospectus.

In the event of any discrepancies arising between the contents of the electronic and the contents of the paper printed copy of this Prospectus for any reason whatsoever, the contents of the paper printed copy of this Prospectus, which are identical to the copy of the Prospectus registered with Bursa Securities, shall prevail.

In relation to any reference in this Prospectus to third party internet sites (referred to as "**Third Party Internet Sites**") whether by way of hyperlinks or by way of description of the Third Party Internet Sites, you acknowledge and agree that:

- (a) We and our Adviser do not endorse and are not affiliated in any way with the Third Party Internet Sites and are not responsible for the availability of, or the contents or any data, information, files or other material provided on the Third Party Internet Sites. You shall bear all risks associated with the access to or use of the Third Party Internet Sites;
- (b) We and our Adviser are not responsible for the quality of products or services in the Third Party Internet Sites, for fulfilling any of the terms of your agreements with the Third Party Internet Sites. We and our Adviser are also not responsible for any loss or damage or costs that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance of any data, information, files or other material provided by such parties; and
- (c) Any data, information, files or other material downloaded from Third Party Internet Sites is done at your own discretion and risk. We and our Adviser are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, information, files or other material.

Where an Electronic Prospectus is hosted on the website of the Internet Participating Financial Institutions, you are advised that:

- (a) The Internet Participating Financial Institutions are only liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent of the contents of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions and shall not be responsible in any way for the integrity of the contents of an Electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions and thereafter communicated or disseminated in any manner to you or other parties; and
- (b) While all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of an Electronic Prospectus cannot be guaranteed as the internet is not a fully secured medium.

The Internet Participating Financial Institutions shall not be liable (whether in tort or contract or otherwise) for any loss, damage or cost, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in an Electronic Prospectus which may arise in connection with or as a result of any fault or faults with web browsers or other relevant software, any fault or faults on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institutions, and/or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

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INDICATIVE TIMETABLE

All terms used are defined under "Definitions" commencing from page vii.

The indicative timing of events leading to our Listing is set out below:

| Events | Indicative date |
|---|------------------------|
| Issuance of this Prospectus / Opening of Application | 18 April 2024 |
| Closing of Application | 2 May 2024 |
| Balloting of Application | 6 May 2024 |
| Allotment / Transfer of our IPO Shares to successful applicants | 13 May 2024 |
| Date of Listing | 15 May 2024 |

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

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All terms used in this section are defined under "Definitions" commencing from page vii.

All references to "SKL" and "Company" in this Prospectus are to Sin-Kung Logistics Berhad (Registration No.: 199401035432 (321115-P)). Unless otherwise stated, references to "Group" are to our Company and our subsidiaries taken as a whole; and references to "we", "us", "our" and "ourselves" are to our Company, and, save where the context otherwise requires, our subsidiaries. Unless the context otherwise requires, references to "Management" are to our Directors and key senior management as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

The word "approximately" used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest thousand or million or one decimal place (for percentages) or one sen (for currency). Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding.

Certain abbreviations, acronyms and technical terms used are defined in the "Definitions" and "Technical Glossary" appearing after this section. Words denoting singular shall include plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender and vice versa. Reference to persons shall include companies and corporations.

All reference to dates and times are references to dates and times in Malaysia.

Any reference in this Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted.

This Prospectus includes statistical data provided by our management and various third-parties and cites third-party projections regarding growth and performance of the industry in which our Group operates. This data is taken or derived from information published by industry sources and from the internal data. In each such case, the source is stated in this Prospectus. Where no source is stated, such information can be assumed to originate from us. In particular, certain information in this Prospectus is extracted or derived from report(s) prepared by the Independent Market Researcher. We believe that the statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industry in which we operate.

The information on our website, or any website directly or indirectly linked to such websites do not form part of this Prospectus.

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FORWARD-LOOKING STATEMENTS

All terms used are defined under "Definitions" commencing from page vii.

This Prospectus contains forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, plans and objectives for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties, contingencies and other factors which may cause our actual results, our performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our Management's current view with respect to future events and are not a guarantee of future performance.

Forward-looking statements can be identified by the use of forward-looking terminology such as "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast", "project" or similar expressions and include all statements that are not historical facts.

Such forward-looking statements include, without limitations, statements relating to:

- (a) Demand for our services;
- (b) Our business strategies;
- (c) Our future plans;
- (d) Our future earnings, cash flows and liquidity; and
- (e) Our ability to pay future dividends.

Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond our control, including, without limitation:

- (a) The economic, political and investment environment in Malaysia; and
- (b) Government policy, legislation or regulation.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed in Section 9 – "Risk Factors" and Section 12 – "Financial Information". We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the date of this Prospectus.

Should we become aware of any subsequent material change or development affecting matters disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment / transfer of our IPO Shares, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238(1) of the CMA and Paragraph 1.02, Chapter 1 of Part II (Division 6 on Supplementary and Replacement Prospectus) of the Prospectus Guidelines of the SC.

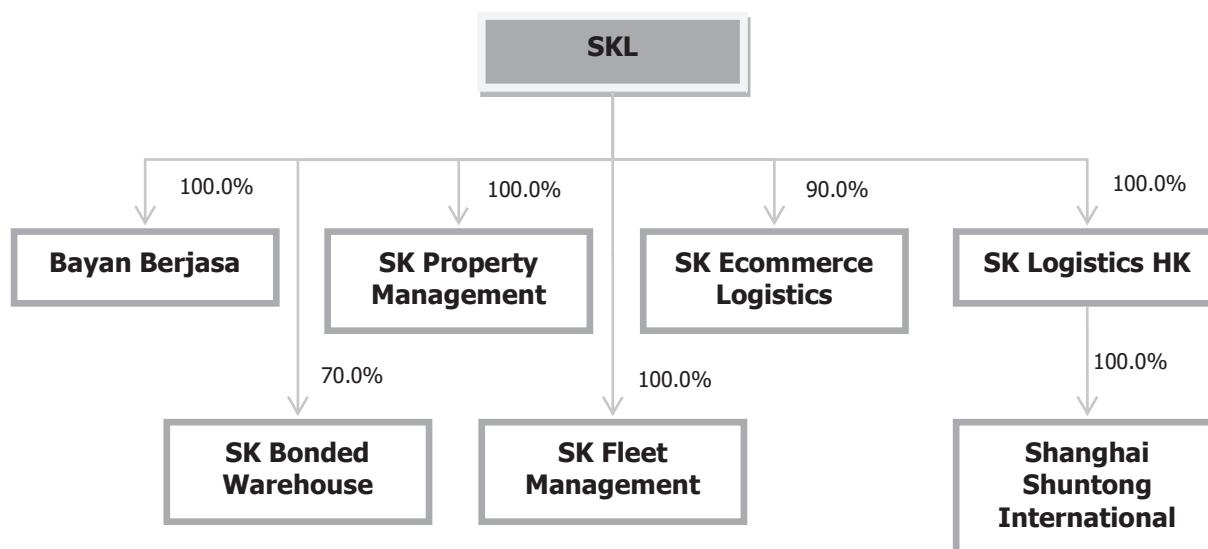
DEFINITIONS

The following terms in this Prospectus bear the same meanings as set out below unless otherwise defined or the context requires otherwise:

COMPANIES WITHIN OUR GROUP:

| | | |
|-----------------------------------|---|--|
| “Bayan Berjasa” | : | Bayan Berjasa Sdn Bhd (Registration No. 199401020776 (306455-H)), a wholly-owned subsidiary of SKL |
| “Shanghai Shuntong International” | : | Shanghai Shuntong International Freight Forwarding Co Ltd (Unified Social Credit Code. 91310115MA1K3XXU98), a wholly-owned subsidiary of SK Logistics HK |
| “SK Bonded Warehouse” | : | Sin-Kung Bonded Warehouse Sdn Bhd (Registration No. 198301001754 (96990-H)), a 70.0% owned subsidiary of SKL |
| “SK Ecommerce Logistics” | : | Sin Kung Ecommerce Logistics Sdn Bhd (Registration No. 201401020054 (1096140-A)), a 90.0% owned subsidiary of SKL |
| “SK Fleet Management” | : | Sin-Kung Fleet Management Sdn Bhd (Registration No. 202101041684 (1441984-K)), a wholly-owned subsidiary of SKL |
| “SK Logistics HK” | : | Sin-Kung Logistics (HK) Limited (Company No. 2591349), a wholly-owned subsidiary of SKL |
| “SK Property Management” | : | Sin-Kung Property Management Sdn Bhd (Registration No. 201801031210 (1293236-W)), a wholly-owned subsidiary of SKL |
| “SKL” or “Company” | : | Sin-Kung Logistics Berhad (Registration No. 199401035432 (321115-P)) |
| “SKL Group” or “Group” | : | SKL and its subsidiaries, collectively |

A diagrammatic illustration of our Group structure is as follows:



DEFINITIONS (Cont'd)

MAJOR CUSTOMERS OF OUR GROUP:

The following are details of our major customers whose names have been redacted for confidentiality throughout this Prospectus:

"Customer A" : A company based in Singapore and listed on the Singapore Exchange, which is involved in passenger and cargo air transportation

We are unable to disclose the identity of Customer A by virtue of the confidentiality clause(s) stated in the agreement(s) executed with Customer A. In addition, Customer A has affirmed its position upon our request for the disclosure of its identity

"Customer B" : A company based in Malaysia that is involved in the provision of air cargo transportation

We are unable to disclose the identity of Customer B as the customer stated in writing that all business-related information is to be treated as confidential

"Customer C" : A company based in Malaysia which is a subsidiary of an American corporation listed on the New York Stock Exchange. The group is principally in the provision of global logistics services such as customs brokerage, order management, time-definite transportation, warehousing and distribution, temperature-controlled transit, cargo insurance, specialised cargo monitoring and tracking, and other customised logistics and consulting solutions

We are unable to disclose the identity of Customer C by virtue of the confidentiality clause(s) stated in the agreement(s) executed with Customer C. In addition, Customer C has affirmed its position upon our request for the disclosure of its identity

"Customer D" : A company based in Malaysia which is a subsidiary of a Japanese corporation. The group is involved in freight forwarding using air, sea and logistics operations as well as warehousing and other related businesses

We are unable to disclose the identity of Customer D by virtue of the confidentiality clause(s) stated in the agreement(s) executed with Customer D. In addition, Customer D has affirmed its position upon our request for the disclosure of its identity

"Customer E" : A company based in Qatar that is involved in the provision of passenger and cargo air transportation services

We are unable to disclose the identity of Customer E by virtue of the confidentiality clause(s) stated in the agreement(s) executed with Customer E. In addition, Customer E has affirmed its position upon our request for the disclosure of its identity

DEFINITIONS (Cont'd)

"Customer F" : A company based in Singapore which is a subsidiary of a Malaysian corporation listed on Bursa Securities. The company is principally involved in provision of freight transport arrangement services

We are unable to disclose the identity of Customer F by virtue of the confidentiality clause(s) stated in the agreement(s) executed with Customer F. In addition, Customer F has affirmed its position upon our request for the disclosure of its identity

"Customer G" : A company based in Malaysia which is a subsidiary of an American corporation listed on the Nasdaq Global Select Market. The group is involved in the provision of transportation services and logistics solutions

We are unable to disclose the identity of Customer G as the customer stated in writing that all business-related information is to be treated as confidential

GENERAL:

"ACE Market" : ACE Market of Bursa Securities

"Act" : Companies Act 2016, as amended from time to time and any re-enactment thereof

"ACCA" : Association of Chartered Certified Accountants

"ADA" : Authorised Depository Agent

"Adviser" or "Sponsor" or "Placement Agent" or "Underwriter" : M & A Securities

"AEO" : Authorised Economic Operator is a status granted to economic operators in which their businesses are involved in activities covered by customs legislation and they are reliable or compliant in the context of its customs related operations

"AKMAL" : Akademi Kastam Diraja Malaysia

"APAD" : Agensi Pengangkutan Awam Darat, a new agency which replaces Suruhanjaya Pengangkutan Awam Darat, SPAD

"Application(s)" : Application(s) for IPO Shares by way of Application Form(s), Electronic Share Application(s) or Internet Share Application(s)

"Application Form(s)" : Printed application form(s) for the application of our IPO Shares accompanying this Prospectus

"ASEAN" : Association of Southeast Asian Nations

"ATM" : Automated teller machine

"BNM" : Bank Negara Malaysia

DEFINITIONS (Cont'd)

| | |
|---|---|
| "Board" | : Board of Directors of SKL |
| "Bukit Mertajam Office and Warehouse" | : A 2-storey office and single storey warehouse with a total built-up area of approximately 60,667 sq ft, located at No.1498, Jalan Bukit Tengah, Kawasan Perusahaan Bukit Tengah, 14000 Bukit Mertajam, Penang held under H.S.(D) 40166, Lot No. 5947, Mukim 11, Daerah Seberang Perai Tengah, Negeri Pulau Pinang |
| "Bukit Minyak Office and Warehouse" | : A 2-storey office and single storey warehouse with a total built-up area of approximately 27,486 sq ft, located at Lot 7720, Mukim 14, Lorong IKS Bukit Minyak 2, Taman IKS Bukit Minyak, 14000 Bukit Mertajam, Penang held under held under No. Hakmilik PN 10436 (previously held under H.S.(D) 25139), Lot 7720, Mukim 14, Daerah Seberang Perai Tengah, Negeri Pulau Pinang |
| "Bursa Depository" or "Depository" | : Bursa Malaysia Depository Sdn Bhd (Registration No.198701006854 (165570-W)) |
| "Bursa Securities" | : Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W)) |
| "CA 1967" | : Customs Act 1967 |
| "CAGR" | : Compound annual growth rate |
| "CCC" | : Certificate of Completion and Compliance |
| "CDS" | : Central Depository System |
| "CDS Account" | : Account established by Bursa Depository for a depositor for the recording and dealing in securities by the depositor |
| "Central Depositories Act" | : Securities Industry (Central Depositories) Act, 1991 |
| "CF" | : Certificate of fitness for occupation |
| "CFA" | : Certificate for Accommodation |
| "Closing Date" | : Date adopted in this Prospectus as the last date for acceptance and receipt of the Application |
| "CMSA" | : Capital Markets and Services Act 2007, as amended from time to time and any re-enactment thereof |
| "Constitution" | : Our constitution |
| "COVID-19" | : Novel coronavirus disease 2019, an infectious respiratory disease which first broke out in 2019 |
| "Depository Rules" or "Rules of Bursa Depository" | : Rules of Bursa Depository and any appendices thereto, as amended from time to time |
| "Director(s)" | : An executive director or a non-executive director of our Company within the meaning of Section 2 of the Act |

DEFINITIONS (Cont'd)

| | |
|-----------------------------------|--|
| "EA 1955" | : Employment Act 1955 |
| "EBIT" | : Earnings before interest and tax |
| "EBITDA" | : Earnings before interest, tax, depreciation and amortisation |
| "ECLs" | : Expected credit losses |
| "Electronic Prospectus" | : Copy of this Prospectus that is issued, circulated or disseminated via the internet and/or an electronic storage medium |
| "Electronic Share Application(s)" | : Application(s) for IPO Shares through a Participating Financial Institution's ATM |
| "EMSA 1990" | : Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 |
| "EPS" | : Earnings per share |
| "EQA 1974" | : Environmental Quality Act 1974 |
| "FCZ" | : Free Commercial Zone |
| "FSA 1988" | : Fire Services Act 1988 |
| "FSO 1998" | : Fire Services (Designated Premises) Order 1998 |
| "FYE" | : Financial year(s) ended/ending 31 December, as the case may be |
| "FZA 1990" | : Free Zones Act 1990 |
| "FZR 1991" | : Free Zones Regulations 1991 |
| "GBA" | : Public bonded warehouse (Gudang Berlesen Awam) |
| "GDP" | : Gross domestic product |
| "GDPMD" | : Good Distribution Practice for Medical Device |
| "Government" | : Government of Malaysia |
| "GP" | : Gross profit |
| "IFRS" | : International Financial Reporting Standards |
| "IILS" | : International Integrated Logistics Services |
| "IMR" or "Smith Zander" | : Smith Zander International Sdn Bhd (Registration No. 201301028298 (1058128-V)), our Independent Market Researcher |
| "IMR Report" | : Independent Market Research Report titled "Logistics and Warehousing Industry in Malaysia and Trucking Industry in Malaysia and Singapore" |

DEFINITIONS (Cont'd)

| | |
|---|--|
| "Initial Public Offering" or "IPO" | : Our initial public offering comprising the Public Issue and Offer for Sale |
| "Internet Participating Financial Institution(s)" | : Participating financial institution(s) for Internet Share Application(s) as listed in Section 16.6 |
| "Internet Share Application(s)" | : Application(s) for IPO Shares through an online share application service provided by Internet Participating Financial Institution(s) |
| "IPO Price" | : Issue / Offer price of RM0.13 per Share under our Public Issue and Offer for Sale |
| "IPO Share(s)" | : Issue Share(s) and Offer Share(s), collectively |
| "ISO" | : International Organisation for Standardisation |
| "Issue Share(s)" | : New Share(s) to be issued under the Public Issue |
| "Issuing House" | : Tricor Investor & Issuing House Services Sdn Bhd (Registration No. 197101000970 (11324-H)) |
| "IT" | : Information technology |
| "ITA" | : Investment Tax Allowance |
| "JIT" | : Just-in-time |
| "Johor Office" | : A rented shop lot office with a total built-up area of approximately 1,560 sq ft, located at No. 53A, 1st Floor, Jalan Undan 15, Taman Perling, 81200 Johor Bahru, Johor |
| "KEK" | : Customs Agent Course (Kursus Ejen Kastam), a course organised by the Royal Malaysian Customs Academy for forwarding agents on matters pertaining to customs legislation and procedures. Pursuant to the conditions in our forwarding agent licence as well as Section 90 of the CA 1967, at least one director or manager and one staff who deal with the RMCD are required to attend and obtain the KEK certificate |
| "KEP" | : Shipping Agent Course (Kursus Ejen Perkapalan), a course organised by the Royal Malaysian Customs Academy for shipping agents on matters pertaining to customs legislation and procedures. Pursuant to the conditions in our shipping agent licence as well as Section 90 of the CA 1967, at least one director or manager and one staff who deal with the RMCD are required to attend and obtain the KEK / KEP certificate. The director or manager and staff who have obtained the KEK certificate are exempted from attending and obtaining the KEP certificate |
| "KLIA" | : Kuala Lumpur International Airport |
| "KLIA Sepang Office" | : A rented office space within Pos Aviation Cargo Terminal Building with a total built-up area of approximately 646 sq ft, located at Lot CTB-B-Off-1, Pos Aviation Cargo Terminal Building, Free Commercial Zone, KLIA Cargo Village, 64000 Sepang, Selangor |

DEFINITIONS (Cont'd)

| | |
|------------------------|---|
| "LGA 1976" | : Local Government Act 1976 |
| "Lille Management" | : Lille Management Sdn Bhd (Registration No: 202101018757 (1419057-T)) |
| "Listing" | : Listing of and quotation for our entire enlarged share capital of RM34,000,000 comprising 1,200,000,000 Shares on the ACE Market |
| "Listing Requirements" | : ACE Market Listing Requirements of Bursa Securities, as amended from time to time |
| "Listing Scheme" | : Comprising the Public Issue, Offer for Sale and Listing, collectively |
| "LPD" | : 20 March 2024, being the latest practicable date for ascertaining certain information contained in this Prospectus |
| "LPTA 2010" | : Land Public Transport Act 2010 |
| "M&A Securities" | : M & A Securities Sdn Bhd (Registration No. 197301001503 (15017-H)) |
| "MACPA" | : Malaysian Association of Certified Public Accountants |
| "MIA" | : Malaysian Institute of Accountants |
| "Malaysian Public" | : Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia, but excluding the Directors of SKL Group, substantial shareholders of SKL and persons associated with them (as defined by the Listing Requirements) |
| "Market Day" | : Any day between Monday to Friday (both days inclusive) which is not a public holiday and on which Bursa Securities is open for the trading of securities. This may include a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year |
| "MBSA" | : Shah Alam City Council |
| "MCCG" | : Malaysian Code of Corporate Governance, as amended from time to time |
| "MCMC" | : Malaysian Communications and Multimedia Commission |
| "MCO" | : The nationwide Movement Control Order imposed by the Government under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967 |
| "MFRS" | : Malaysian Financial Reporting Standards |
| "MIDA" | : Malaysian Investment Development Authority |
| "MITI" | : Ministry of Investment, Trade and Industry |

DEFINITIONS (Cont'd)

| | | |
|--|---|---|
| "MOF" | : | Ministry of Finance Malaysia |
| "MyIPO" | : | Intellectual Property Corporation of Malaysia |
| "NA" | : | Net assets |
| "NBV" | : | Net book value |
| "Offer for Sale" | : | Offer for sale of 103,500,000 Offer Shares by our Selling Shareholders at our IPO Price |
| "Offer Share(s)" | : | Existing Share(s) to be offered by our Selling Shareholders pursuant to our Offer for Sale |
| "Official List" | : | A list specifying all securities which have been admitted for listing on the ACE Market |
| "OSHA 1994" | : | Occupational Safety and Health Act 1994 |
| "Participating Financial Institution(s)" | : | Participating financial institution(s) for Electronic Share Application as listed in Section 16.5 |
| "PAT" | : | Profit after tax |
| "PBT" | : | Profit before tax |
| "PDPA 2010" | : | Personal Data Protection Act 2010 |
| "PE Multiple" | : | Price-to-earnings multiple |
| "Penang International Airport Office" | : | A rented shop lot office with a total built-up area of approximately 2,002 sq ft, located at No. 121-1, Jalan Batu Maung, 11960 Bayan Lepas, Penang held under No. Hakmilik GRN 97086, Lot 14538, Mukim 12, Daerah Barat Daya, Negeri Pulau Pinang |
| "Pink Form Allocations" | : | Allocation of 45,000,000 Issue Shares to our eligible Directors, employees and persons who have contributed to the success of our Group, which forms part of our Public Issue |
| "Port Klang Office and Warehouse" | : | A single storey warehouse and 2-storey office with 1 unit of guard house with a total built-up area of approximately 43,066 sq ft, located at Lot 183096, Jalan Sungai Chandong 22/KS 11, Taman Perindustrian Pulau Indah Fasa 3A, 42920 Pelabuhan Klang, Selangor held under H.S.(D) 158974, PT No. 152270, Mukim Klang, Daerah Klang, Negeri Selangor |
| "PRC" | : | People's Republic of China |
| "Preferred Advantage" | : | Preferred Advantage Sdn Bhd (Registration No. 200301023609 (626029)) |
| "Promoter(s)" | : | Lille Management, Alan Ong Lay Wooi, Angeline Ong Lay Shee, Adeline Ong Lay Suen and Ameline Ong Lay Ling, collectively |
| "Prospectus" | : | This prospectus dated 18 April 2024 in relation to our IPO |

DEFINITIONS (Cont'd)

| | |
|----------------------------------|---|
| "Public Issue" | : Public issue of 200,000,000 Issue Shares at our IPO Price |
| "RMCD" | : Royal Malaysian Customs Department |
| "ROC" | : Registrar of Companies |
| "RPGT" | : Real property gains tax |
| "SOP" | : Standard operating procedures |
| "SC" | : Securities Commission Malaysia |
| "SDBA 1974" | : Street, Drainage and Building Act 1974 |
| "Selling Shareholder(s)" | : Lille Management, Alan Ong Lay Wooi and Angeline Ong Lay Shee collectively, who are undertaking the Offer for Sale |
| "Shah Alam Office and Warehouse" | : A 5-storey office and single storey warehouse with a total built-up area of approximately 86,137 sq ft, located at Lot 1928, Jalan Bukit Kemuning, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia held under No. Hakmilik GRN 54428, Lot 15840, Mukim Klang, Daerah Klang, Negeri Selangor |
| "Shah Alam Workshop" | : A single storey workshop and 2-storey office with 1 unit of guard house with a total built-up area of approximately 16,468 sq ft, located at Lot 1928, Jalan Bukit Kemuning, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia held under No. Hakmilik GRN 54429, Lot 15845, Mukim Klang, Daerah Klang, Negeri Selangor |
| "Share(s) or SKL Share(s)" | : Ordinary share(s) in SKL |
| "Specified Shareholder(s)" | : Lille Management, Alan Ong Lay Wooi, Angeline Ong Lay Shee, Adeline Ong Lay Suen, Ameline Ong Lay Ling and Alex Ong Lay Ming, collectively |
| "STPM" | : Sijil Tinggi Persekolahan Malaysia |
| "Subang Airport" | : Sultan Abdul Aziz Shah Airport |
| "TBP" | : Temporary building permit issued by MBSA |
| "TCPA 1976" | : Town and Country Planning Act 1976 |
| "UBBL 1984" | : Uniform Building By-Laws 1984 |
| "ULD(s)" | : Unit load devices |
| "Underwriting Agreement" | : Underwriting agreement dated 1 April 2024 entered into between the Company and M&A Securities for the purpose of our IPO |
| "USA" | : United States of America |

DEFINITIONS (Cont'd)

"Valdor Office and Warehouse" : Proposed development of a single storey detached warehouse with a double storey office building with a total built-up area of approximately 164,000 sq ft, held under No. Hakmilik GRN 134497 (Lot 629), GRN 40431 (Lot 398), GM 384 (Lot 414) and GM 375 (Lot 418), Mukim 12, Daerah Seberang Perai Selatan, Negeri Pulau Pinang

CURRENCIES AND UNITS:

"EUR" : Euro
 "ft" : Feet
 "HKD" : Hong Kong Dollar
 "kg" : Kilogram
 "km" : Kilometres
 "m²" : Square metre
 "RM" or "sen" : Ringgit Malaysia and sen respectively
 "RMB" : Chinese Yuan Renminbi
 "SGD" : Singapore Dollar
 "sq ft" : Square feet
 "TEU" : Twenty-foot equivalent unit
 "THB" : Thai Baht
 "USD" : United States Dollar

LIST OF WAREHOUSES:

Owned properties

"Bukit Mertajam Warehouse" : A single storey warehouse with a total built-up area of approximately 52,888 sq ft, located at No.1498, Jalan Bukit Tengah, Kawasan Perusahaan Bukit Tengah, 14000 Bukit Mertajam, Penang held under H.S.(D) 40166, Lot No. 5947, Mukim 11, Daerah Seberang Perai Tengah, Negeri Pulau Pinang

"Port Klang Warehouse" : A single storey warehouse with a total built-up area of approximately 40,225 sq ft, located at Lot 183096, Jalan Sungai Chandong 22/KS 11, Taman Perindustrian Pulau Indah Fasa 3A, 42920 Pelabuhan Klang, Selangor held under H.S.(D) 158974, PT No. 152270, Mukim Klang, Daerah Klang, Negeri Selangor

"Shah Alam Warehouse" : A single storey warehouse with a total built-up area of approximately 49,325 sq ft, located at Lot 1928, Jalan Bukit Kemuning, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia held under No. Hakmilik GRN 54428, Lot 15840, Mukim Klang, Daerah Klang, Negeri Selangor

DEFINITIONS (Cont'd)

Rented properties

"Bukit Minyak Warehouse" : A single storey warehouse with a total built-up area of approximately 24,111 sq ft, located at Lot 7720, Mukim 14, Lorong IKS Bukit Minyak 2, Taman IKS Bukit Minyak, 14000 Bukit Mertajam, Penang held under No. Hakmilik PN 10436 (previously held under H.S.(D) 25139), Lot 7720, Mukim 14, Daerah Seberang Perai Tengah, Negeri Pulau Pinang

"Butterworth Warehouse" : A single storey warehouse with a total built-up area of approximately 6,000 sq ft, located at HSC Complex 1, Jalan Permatang Pauh, 13400 Butterworth, Penang held under No. Hakmilik GRN 40315, Lot 1979, Seksyen 3, Bandar Butterworth, Daerah Seberang Perai Utara, Negeri Pulau Pinang

To be acquired

"Valdor Warehouse" : Proposed development of a single storey detached warehouse with a total built-up area of approximately 143,000 sq ft, held under No. Hakmilik GRN 134497 (Lot 629), GRN 40431 (Lot 398), GM 384 (Lot 414) and GM 375 (Lot 418), Mukim 12, Daerah Seberang Perai Selatan, Negeri Pulau Pinang

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TECHNICAL GLOSSARY

This glossary contains an explanation of certain terms used throughout this Prospectus in connection with our Group's business. The terminologies and their meanings may not correspond to the standard industry usage of these terms:

| | | |
|---|---|---|
| "Airport-to-airport road feeder services" | : | Road transportation services which involve the transportation of cargo between two airports, essential in assisting airlines to extend their connectivity and network coverage for cargo transportation |
| "Air waybill" | : | A legally binding transport document that is issued by an international air courier, containing detailed information about a shipment |
| "Bonded goods" | : | Imported goods on which customs duties, taxes and any other customs charges have not been paid |
| "Box trailer" | : | A type of trailer with fully enclosed rectangular structure resembling a box, used for transporting goods |
| "Box truck with tail lift" | : | A box truck with a lifting platform mounted on the rear of the truck which can be lowered to ground level or raised to the truck's cargo floor, to facilitate the loading and unloading of goods |
| "Cargo" | : | Goods that are transported from one place to another |
| "Belly cargo" | : | Cargo carried on passenger aircraft |
| "Commercial vehicle" | : | A vehicle that is primarily used for business or commercial purposes instead of personal use and typically used for the transportation of goods |
| "Consignee" | : | A party whom goods are being shipped or delivered to |
| "Consignment note" | : | A document accompanying a shipment which shows details of goods for shipment and serves as evidence that the consignment has been received by carrier for delivery |
| "Consignor" | : | A party who sends goods to a consignee |
| "Container" | : | A metal box designed and built with standardised specifications and dimensions for cargo storage and intermodal transportation |
| "Container depot / container yard" | : | An open storage facility where empty containers are stored or held in transit |
| "Container haulage services" | : | Road transportation services which involve the transportation of containers by road, usually by means of a prime mover which hauls a trailer with container(s) |
| "Container trailer" | : | A type of trailer designed to carry and transport container by road |
| "Crane truck" | : | A truck with a crane built into its structure used to load and unload goods |
| "Curtain sider box trailer" | : | A type of box trailer with flexible, retractable curtain-like covering on its sides, providing easy loading and unloading of goods |

TECHNICAL GLOSSARY (Cont'd)

| | | |
|--|---|--|
| "Customs licensed public bonded warehouse" | : | A facility serves as a storage area that is licensed by the customs authority where bonded goods (i.e. goods on which customs duties and taxes have not been paid) may be stored and handled in |
| "Equipment interchange receipt" | : | A document recording details such as container number, customer name and the condition and status of container |
| "Freight forwarder" | : | An agent who acts on behalf of shippers to arrange and coordinate the shipment of goods from one place to another, using single or multiple transportation modes including land, rail, sea and/or air |
| "FTL" | : | Full truckload where the entire load or capacity of a commercial vehicle is dedicated to the shipment of a single customer |
| "GPS" | : | A satellite-based navigation system used to provide live tracking and coordinates to determine the exact position of a commercial vehicle |
| "Laden container" | : | A container that contains cargo |
| "Licensed brokerage and forwarding services" | : | Shipment services which involve the arrangement and coordination of shipment of cargo from its origin to the destination via single or multiple modes of transportation as well as managing customs clearance process |
| "Low loader trailer" | : | A type of trailer with low deck height designed for the transportation of heavy and oversized cargo |
| "LTL" | : | Less than truckload where the load or capacity of a commercial vehicle is shared among multiple customers in which the cargo of multiple customers will be transported using the same commercial vehicle going on the same route |
| "Non-bonded goods" | : | Goods that are either non-dutiable goods or dutiable goods on which customs duties and taxes have been paid |
| "Open truck" | : | A truck that does not have a permanent covering or enclosure on its cargo area and typically has an open-top design, allowing for easy loading and unloading of goods |
| "Pallet" | : | A portable, rigid and flat platform on which goods can be placed, stacked, stored and transported. A pallet supports and stabilises goods while they are being lifted by a fork lift, pallet jack or other lifting tools |
| "Point-to-point trucking services" | : | Road transportation services which involve the transportation of cargo from one or multiple designated pick-up point(s) to one or multiple designated drop-off point(s), where the pick-up and drop-off points include the customer's pick-up or drop-off premises (e.g. warehouses, factories or shopping malls), our Group's warehouses, airports and seaports |
| "Prime mover" | : | A commercial vehicle that provides the power to haul a trailer |

TECHNICAL GLOSSARY (Cont'd)

- "SDR" : Refers to Special Drawing Rights, an international reserve asset created by the International Monetary Fund to supplement other reserve assets of member countries and also serves as a unit of account of the IMF and some other international organisations, and financial obligations may also be denominated in SDR
- "Shock absorber" : A mechanical or hydraulic device fitted near the wheels of a vehicle to absorb and dampen impact that occurs when travelling over uneven ground
- "Sidelifter" : A specialised vehicle or semi-trailer on which a specially designed set of cranes are mounted to self-load and unload container
- "ULD" : Refers to unit load device which is a special container or pallet which comes in various sizes and is used in air cargo for storing baggage and cargo which will be loaded into the aircraft

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1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

| Name | Designation | Residential address | Nationality / Profession | Gender |
|--------------------------------------|--|---|---------------------------------|---------------|
| Tan Soo Mooi | Independent Non-Executive Chairwoman | 3, Lorong Gemilang Jaya 2 Taman Gemilang Jaya 14000 Bukit Mertajam Pulau Pinang | Malaysian / Director | Female |
| Alan Ong Lay Wooi | Managing Director (Non-Independent) | 11, Jalan Kemuning Damai 32/147M 40460 Shah Alam Selangor | Malaysian / Director | Male |
| Angeline Ong Lay Shee | Executive Director (Non-Independent) | 12A, Jalan Aman Arahsia 1 Bandar Tropicana Aman 42500 Telok Panglima Garang Selangor | Malaysian / Director | Female |
| Adeline Ong Lay Suen | Executive Director (Non-Independent) | 24G, Jalan Wawasan 1/2A Bandar Baru Ampang 68000 Ampang Selangor | Malaysian / Director | Female |
| Datuk Md Hassim Bin Pardi | Non-Independent Non-Executive Director | 81, Jalan Seri Sarawak 4 Taman Seri Andalas 41200 Klang Selangor | Malaysian / Director | Male |
| Dato' Haji Abdul Wahabi Bin Abdullah | Independent Non-Executive Director | 16, Jalan Kiasan U2/25 Taman TTDI Jaya 40150 Shah Alam Selangor | Malaysian / Director | Male |
| Dato' Ir. Hj Mohamad Bin Dalib | Independent Non-Executive Director | 139, Jalan Indah 5 Kg. Selayang Indah 68100 Batu Caves Selangor | Malaysian / Director | Male |
| Adam Muralidharan Bin Abdullah | Independent Non-Executive Director | 16, Jalan Tasik Beringin 1 Taman Pantai Sepang Putra 43950 Sungai Pelek Selangor | Malaysian / Director | Male |
| Lee Lean Suan | Independent Non-Executive Director | A-5-1, Kiaramas Danai 8, Jalan Desa Kiara Mont Kiara 50480 Kuala Lumpur | Malaysian / Director | Female |

1. CORPORATE DIRECTORY *(Cont'd)*

AUDIT AND RISK MANAGEMENT COMMITTEE

| Name | Designation | Directorship |
|--------------------------------------|--------------------|------------------------------------|
| Lee Lean Suan | Chairwoman | Independent Non-Executive Director |
| Dato' Haji Abdul Wahabi Bin Abdullah | Member | Independent Non-Executive Director |
| Adam Muralidharan Bin Abdullah | Member | Independent Non-Executive Director |
| Dato' Ir. Hj Mohamad Bin Dalib | Member | Independent Non-Executive Director |

NOMINATING AND REMUNERATION COMMITTEE

| Name | Designation | Directorship |
|--------------------------------------|--------------------|------------------------------------|
| Adam Muralidharan Bin Abdullah | Chairman | Independent Non-Executive Director |
| Dato' Haji Abdul Wahabi Bin Abdullah | Member | Independent Non-Executive Director |
| Dato' Ir. Hj Mohamad Bin Dalib | Member | Independent Non-Executive Director |
| Lee Lean Suan | Member | Independent Non-Executive Director |

COMPANY SECRETARIES : Ang Chee Hwai (MAICSA 7030659)
CCM Practising Certificate No.: 201908000009
(Chartered Secretary and Associate of the Malaysian Institute of Chartered Secretaries and Administrators)

Koay Poay Foon (MAICSA 7062823)
CCM Practising Certificate No.: 201908000281
(Chartered Secretary and Associate of the Malaysian Institute of Chartered Secretaries and Administrators)

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10150 Penang

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40460 Shah Alam
Selangor

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Selangor

Telephone: +603-5122 5000

EMAIL ADDRESS AND WEBSITE : Website: www.sinkung.my
Email address: sklkl@sinkung.com.my

1. CORPORATE DIRECTORY (Cont'd)

- AUDITORS AND REPORTING ACCOUNTANTS FOR OUR LISTING** : **UHY (AF 1411)**
Suite 11.05, Level 11
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

Partner-in-charge: Tio Shin Young
Approval number: 03355/02/2026 J
(Chartered Accountant of the MIA and Fellow Member of the ACCA)

Telephone number: +603-2279 3088
- ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT** : **M & A Securities Sdn Bhd**
(Registration No. 197301001503 (15017-H))

45 & 47, Levels 3 and 7
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

Telephone: +603-2284 2911
- SOLICITORS FOR OUR LISTING** : **Rosli Dahlan Saravana Partnership**

Level 16, Menara 1 Dutamas
1, Jalan Dutamas 1
Solaris Dutamas
50480 Kuala Lumpur

Telephone number: +603-6209 5400
- ISSUING HOUSE AND SHARE REGISTRAR** : **Tricor Investor & Issuing House Services Sdn Bhd**
(Registration No. 197101000970 (11324-H))

Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

Telephone number: +603-2783 9299

1. CORPORATE DIRECTORY (Cont'd)

INDEPENDENT MARKET RESEARCHER : **Smith Zander International Sdn Bhd**
(Registration No. 201301028298 (1058128-V))

15-01, Level 15
Menara MBMR
1, Jalan Syed Putra
58000 Kuala Lumpur

Telephone: +603-2732 7537

Partner-in-charge: Dennis Tan Tze Wen
(Bachelor of Science (major in Computer Science and minor in Business Administration) from Memorial University of Newfoundland, Canada)

LISTING SOUGHT : ACE Market of Bursa Securities

SHARIAH STATUS : Approved by Shariah Advisory Council of SC

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2. PROSPECTUS SUMMARY

This Prospectus Summary only highlights the key information from other parts of this Prospectus. It does not contain all the information that may be important to you. You should read and understand the contents of the whole Prospectus prior to deciding on whether to invest in our Shares.

2.1 PRINCIPAL DETAILS OF IPO

| | Public Issue | | Offer for Sale | | Total | |
|---|--------------------|-------------|--------------------|------------|--------------------|-------------|
| | No. of Shares | (1)% | No. of Shares | (1)% | No. of Shares | (1)% |
| Malaysian Public ⁽²⁾ | 60,000,000 | 5.0 | - | - | 60,000,000 | 5.0 |
| Pink Form Allocations | 45,000,000 | 3.8 | - | - | 45,000,000 | 3.8 |
| Private placement to MITI approved Bumiputera investors | 95,000,000 | 7.9 | 55,000,000 | 4.6 | 150,000,000 | 12.5 |
| Private placement to selected investors | - | - | 48,500,000 | 4.0 | 48,500,000 | 4.0 |
| | 200,000,000 | 16.7 | 103,500,000 | 8.6 | 303,500,000 | 25.3 |

| | |
|--|---------------|
| Enlarged number of Shares upon Listing | 1,200,000,000 |
| IPO Price per Share | RM0.13 |
| Market capitalisation upon Listing (based on our IPO Price and enlarged number of Shares upon Listing) | RM156,000,000 |

Notes:

- (1) Based on our enlarged share capital of 1,200,000,000 Shares after our IPO.
- (2) 30,000,000 Shares will be set aside for Bumiputera public investors.

Further details of our IPO are set out in Section 4.

In compliance with Rule 3.19(1) of the Listing Requirements, our Specified Shareholders, namely Lille Management's, Alan Ong Lay Wooi's and Angeline Ong Lay Shee's entire shareholdings after our IPO will be held under moratorium for 6 months from the date of our admission to the Official List. Thereafter, their shareholdings amounting to 45.0% of our share capital will remain under moratorium for another 6 months. Our Specified Shareholders may sell, transfer or assign up to a maximum of one-third per annum (on a straight-line basis) of their shares held under moratorium upon expiry of the second 6 months period. The moratorium has been fully accepted by the Specified Shareholders, who have provided written undertakings that they will not sell, transfer or assign their shareholdings under moratorium during the moratorium period.

Separately, the ultimate shareholders of Lille Management, namely Angeline Ong Lay Shee, Adeline Ong Lay Suen, Ameline Ong Lay Ling and Alex Ong Lay Ming have also undertaken not to sell, transfer or assign their shareholdings in Lille Management during the moratorium period.

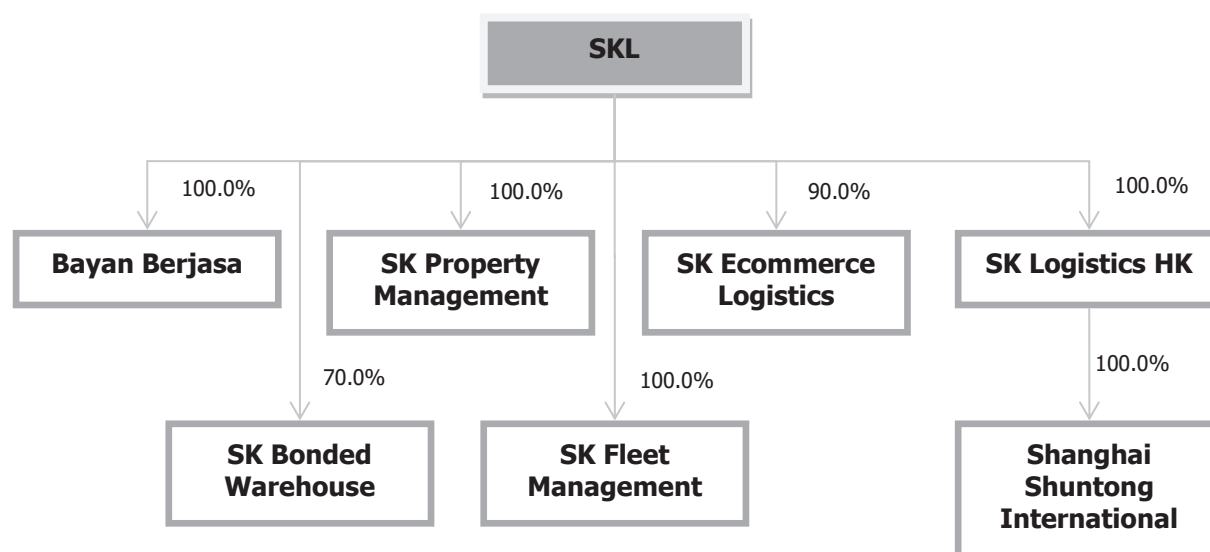
Further details on the moratorium on our Shares are set out in Section 3.2.

2.2 GROUP STRUCTURE, BUSINESS MODEL AND OPERATIONAL HIGHLIGHTS

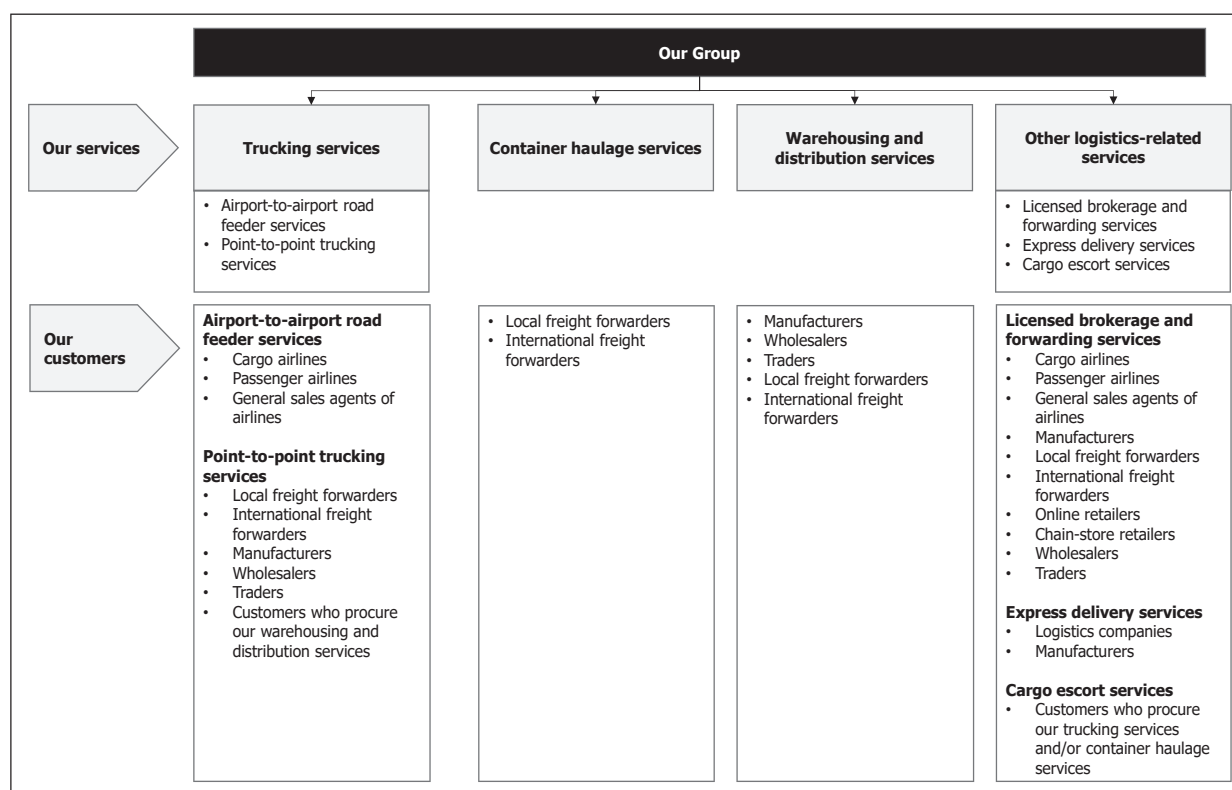
Our Company was incorporated in Malaysia under the Act on 25 October 1994 as a private limited company under the name of Sin-Kung Logistics Sdn Bhd. On 1 August 2022, we converted into a public limited company and adopted our present name.

2. PROSPECTUS SUMMARY (Cont'd)

We are an integrated logistics service provider principally involved in the provision of trucking services with a focus on airport-to-airport road feeder services. Additionally, we also provide container haulage services, warehousing and distribution services and other logistics-related services to our customers. Our Group structure as at LPD is as follows:



Our Group's business model is as illustrated as below:



Further details of our Group and our business model are set out in Sections 6 and 7.

2. PROSPECTUS SUMMARY (Cont'd)

The breakdown of our Group's revenue by business segment is as follows:

| Revenue by business segment | Audited | | | | | | | |
|---|---------------|--------------|---------------|--------------|---------------|--------------|---------------|--------------|
| | FYE 2020 | | FYE 2021 | | FYE 2022 | | FYE 2023 | |
| | RM'000 | % | RM'000 | % | RM'000 | % | RM'000 | % |
| Trucking services | | | | | | | | |
| - Airport-to-airport road feeder services | 24,543 | 57.0 | 32,593 | 62.4 | 28,739 | 50.6 | 27,022 | 52.0 |
| - Point-to-point trucking services | 10,332 | 24.0 | 10,953 | 21.0 | 14,469 | 25.5 | 10,553 | 20.3 |
| | 34,875 | 81.0 | 43,546 | 83.4 | 43,208 | 76.1 | 37,575 | 72.3 |
| Container haulage services | 4,164 | 9.7 | 3,470 | 6.6 | 4,399 | 7.8 | 4,940 | 9.5 |
| Warehousing and distribution services | 2,777 | 6.4 | 3,775 | 7.2 | 6,828 | 12.0 | 8,178 | 15.7 |
| Other logistics-related services ⁽¹⁾ | 1,255 | 2.9 | 1,465 | 2.8 | 2,308 | 4.1 | 1,291 | 2.5 |
| Total | 43,071 | 100.0 | 52,256 | 100.0 | 56,743 | 100.0 | 51,984 | 100.0 |

Note:

(1) Comprises licensed brokerage and forwarding services, express delivery services as well as cargo escort services.

The breakdown of our Group's revenue by geographical market is as follows:

| Revenue by geographical market ⁽¹⁾ | Audited | | | | | | | |
|---|---------------|--------------|---------------|--------------|---------------|--------------|---------------|--------------|
| | FYE 2020 | | FYE 2021 | | FYE 2022 | | FYE 2023 | |
| | RM'000 | % | RM'000 | % | RM'000 | % | RM'000 | % |
| Malaysia | 26,117 | 60.6 | 27,047 | 51.8 | 32,941 | 58.1 | 28,117 | 54.1 |
| Overseas | | | | | | | | |
| - Singapore | 9,367 | 21.7 | 15,246 | 29.2 | 12,789 | 22.5 | 14,173 | 27.3 |
| - Middle East | 3,420 | 7.9 | 4,718 | 9.0 | 3,685 | 6.5 | 3,186 | 6.1 |
| - Europe | 1,106 | 2.6 | 2,115 | 4.0 | 3,657 | 6.4 | 4,160 | 8.0 |
| - PRC | 2,200 | 5.1 | 1,940 | 3.7 | 1,385 | 2.4 | 1,457 | 2.8 |
| - Asia ⁽²⁾ | 318 | 0.7 | 1,126 | 2.2 | 1,333 | 2.4 | 332 | 0.6 |
| - Others ⁽³⁾ | 543 | 1.4 | 64 | 0.1 | 953 | 1.7 | 559 | 1.1 |
| Sub-total | 16,954 | 39.4 | 25,209 | 48.2 | 23,802 | 41.9 | 23,867 | 45.9 |
| Total | 43,071 | 100.0 | 52,256 | 100.0 | 56,743 | 100.0 | 51,984 | 100.0 |

Notes:

(1) Revenue by geographical market is based on the place of domicile of our customers.

(2) Comprises Japan, Korea, Sri Lanka, Taiwan and Vietnam excluding Singapore and PRC.

(3) Comprises Australia, Türkiye and USA.

2.3 INTERRUPTION TO BUSINESS AND OPERATIONS

Our Group has not experienced any interruption that had significant effect on our operations during the past 12 months preceding LPD.

During the outbreak of the global COVID-19 pandemic since 2020, as transportation and logistics are deemed as essential services, our Group was allowed to operate our business for our trucking, container haulage, warehousing and distribution and other logistics-related services, subject to compliance with the Government's SOP. As such, we did not experience any material interruptions to our business operations due to the COVID-19 pandemic.

2. PROSPECTUS SUMMARY (Cont'd)

As Malaysia transitions from COVID-19 pandemic to endemic since 1 April 2022 up to LPD, our business operations for our trucking, container haulage, warehousing and distribution and other logistics-related services have continued as usual and we did not face any material disruptions to our business operations for the past 12 months and up until LPD.

2.4 COMPETITIVE STRENGTHS

Our Directors believe that our business sustainability and future growth is built on the following competitive strengths:

- (a) We have extensive airport coverage across Peninsular Malaysia, Singapore and Thailand for the provision of airport-to-airport road feeder services. As at LPD, the service routes that we currently operate on a regular basis for airport-to-airport road feeder services cover 4 airports comprising of 3 airports in Peninsular Malaysia and 1 airport in Singapore. We also offer airport-to-airport road feeder services to other airports on an ad-hoc basis such as Langkawi International Airport and Senai International Airport in Malaysia as well as Phuket International Airport, Suvarnabhumi Airport, Don Mueang International Airport and U-Tapao-Rayong-Pattaya International Airport in Thailand.
- (b) We own and operate a wide and diverse range of commercial vehicles, ensuring greater control over our business operations, increasing delivery efficiency and enabling us to carry cargo and containers of various types and sizes. Our fleet of commercial vehicles is the backbone of our Group's business. As at LPD, our Group owns and operates 461 commercial vehicles for the provision of our trucking, container haulage, warehousing and distribution as well as other logistics-related businesses. Some of our commercial vehicles are also equipped with rollers which are suitable for carrying ULDs of different types and dimensions for the provision of our airport-to-airport road feeder services. Additionally, some of our commercial vehicles primarily our prime movers and trailers are installed with air suspension system to reduce bouncing over uneven surfaces on the road and minimise the risk of cargo damage.
- (c) We provide comprehensive logistics-related services which complement our trucking business and provide greater efficiency and convenience to our customers. Our Group primarily provides trucking services to our customers, comprising airport-to-airport road feeder services and point-to-point trucking services which covers an extensive network of service routes across Peninsular Malaysia, Singapore and Thailand. Further, our trucking services are also able to cater for customers' project cargo needs in carrying large, odd-size and/or heavy equipment or machinery.
- (d) We have an established history and proven track record of about 30 years where we have successfully grown our business from our trucking services to providing more services covering container haulage services, warehousing and distribution services, licensed brokerage and forwarding services, express delivery services and cargo escort services. We have also obtained the IILS status in 2016. Further, we have gradually expanded our warehousing and distribution business throughout the years since 1995 and the contribution of our warehousing and distribution services to our revenue has been increasing from 6.4% in FYE 2020 to 15.7% in FYE 2023.
- (e) We have an in-house vehicle maintenance team to perform the maintenance and repair works for our commercial vehicles stationed in Selangor as well as major repair works for our commercial vehicles stationed in Penang instead of depending on third party service providers. Our Shah Alam Workshop has the necessary equipment to facilitate us in carrying out the maintenance and repair works for our commercial vehicles more efficiently and promptly.

2. PROSPECTUS SUMMARY (Cont'd)

- (f) Our Group is led by our Managing Director, Executive Directors and key senior management team that have accumulated years of experience in their respective field and key expertise, industry experience and/or in-depth knowledge of our business operations.
- (g) We have been granted the AEO status by the RMCD which brings benefits to the business operations of our Group which include easier accessibility to customs simplifications and enhanced supply chain efficiency. AEOs may benefit from simplified customs procedures including reduced documentation requirements and priority treatment for inspections which can thus speed up the customs clearance process, reduce waiting times and expedite the movement of goods. As such, these benefits will serve to support the growth of our business and facilitate smooth movement of goods.

Further details of our competitive strengths are set out in Section 7.14.

2.5 BUSINESS STRATEGIES

Our business objectives are to maintain sustainable growth and create long term shareholder value. To achieve our business objectives, we will implement the following business strategies over the period of 36 months from the date of our Listing:

(a) Expansion of warehousing and distribution business

In June 2023, we entered into a sale and purchase agreement for the purchase of the Valdor Office and Warehouse. The Valdor Office and Warehouse has a total built-up area of approximately 164,000 sq ft and an annual capacity for Valdor Warehouse of approximately 192,000 pallets. The Valdor Office and Warehouse will be used for our warehousing and distribution services catering to customers located in the northern region of Peninsular Malaysia.

(b) Expansion of fleet of commercial vehicles

We intend to purchase 100 commercial vehicles by 2025 based on our Group's estimated requirements. These commercial vehicles are similar to the ones that we currently own and operate to provide our trucking and container haulage services.

Further details of our business strategies are set out in Section 7.15.

2.6 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with other matters in this Prospectus, the risk factors as set out in Section 9. Some of the more important risk factors are summarised below:

- (a) Our growth may be affected by any changes in the performance of the air freight industry as our provision of trucking services focuses on airport-to-airport road feeder services. Any future global events similar to the outbreak of the COVID-19 pandemic which may impact the global aviation industry and subsequently the air freight industry, may in turn affect the demand for our airport-to-airport road feeder services.

2. PROSPECTUS SUMMARY (Cont'd)

- (b) We may not be able to renew or obtain approvals, licences and permits required to carry on our business in countries which we have service routes to. Any revocation or failure to obtain, maintain or renew any of these approvals, licences and permits may adversely affect our ability to continue operations and hence affect our financial performance. If additional approvals, licences or permits are required for the operations of any part of our business and we are not able to obtain such approvals, licences, or permits or even adjust our business model to comply with such new laws in a timely manner, we could be subject to operational disruption and/or penalties which may lead to material adverse impact to our business and financial performance.
- (c) We are dependent on Customer A and Customer C, each of whom have contributed more than 10.0% of our Group's revenue in FYE 2020, 2021, 2022 and 2023. In the event of a termination or loss of Customer A and/or Customer C, as well as our inability to replace Customer A and/or Customer C with new customers or with additional sales from existing customers in a timely manner, this could result in a loss of revenue which may have an adverse impact on our financial performance.
- (d) We attribute the success of our Group to the experience, industry knowledge, domain expertise and continued service of our Managing Director, Executive Directors and key senior management who have on average of about 16 years of relevant experience in their respective fields. The loss of any of them without suitable and timely replacement may adversely affect our Group's operations, financial performance and the future growth of our business.
- (e) We may not be able to successfully implement our business strategies. The feasibility and implementation of such business strategies are also subject to factors beyond our control such as the general market conditions and changes in government's policy or regulatory regime for the logistics industry in Malaysia, Singapore and Thailand. Our financial performance will be adversely affected if we are not able to secure sufficient service engagements from existing and/or new customers following the implementation of our business strategies due to the additional costs incurred.

2.7 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and key senior management are as follows:

| Name | Designation |
|--------------------------------------|--|
| Directors | |
| Tan Soo Mooi | Independent Non-Executive Chairwoman |
| Alan Ong Lay Wooi | Managing Director |
| Angeline Ong Lay Shee | Executive Director |
| Adeline Ong Lay Suen | Executive Director |
| Datuk Md Hassim Bin Pardi | Non-Independent Non-Executive Director |
| Dato' Haji Abdul Wahabi Bin Abdullah | Independent Non-Executive Director |
| Dato' Ir. Hj Mohamad Bin Dalib | Independent Non-Executive Director |
| Adam Muralidharan Bin Abdullah | Independent Non-Executive Director |
| Lee Lean Suan | Independent Non-Executive Director |
| Key senior management | |
| Ameline Ong Lay Ling | General Manager |
| See Ai Lian | Financial Controller |
| Tan Pei Wun | Finance Manager |
| Ong Yit Hwa | Deputy General Manager (Northern Region) |

Further details of our Directors and key senior management are set out in Section 5.

2. PROSPECTUS SUMMARY (Cont'd)

2.8 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

The shareholdings of our Promoters and substantial shareholders in our Company before and after IPO are set out below:

| Name | Country of incorporation / Nationality | ⁽¹⁾ Before IPO | | | | ⁽²⁾ After IPO | | | |
|---|--|---------------------------|------|----------------------------|---------------------|--------------------------|------|----------------------------|---------------------|
| | | Direct | | Indirect | | Direct | | Indirect | |
| | | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Promoters and substantial shareholders | | | | | | | | | |
| Lille Management | Malaysia | 399,000,000 | 39.9 | - | - | 357,600,000 | 29.8 | - | - |
| Alan Ong Lay Wooi | Malaysian | 399,000,000 | 39.9 | - | - | 357,600,000 | 29.8 | - | - |
| Angeline Ong Lay Shee | Malaysian | 199,500,000 | 20.0 | ⁽³⁾ 399,000,000 | ⁽³⁾ 39.9 | 178,800,000 | 14.9 | ⁽³⁾ 357,600,000 | ⁽³⁾ 29.8 |
| Adeline Ong Lay Suen | Malaysian | - | - | ⁽³⁾ 399,000,000 | ⁽³⁾ 39.9 | - | - | ⁽³⁾ 357,600,000 | ⁽³⁾ 29.8 |
| Ameline Ong Lay Ling | Malaysian | - | - | ⁽³⁾ 399,000,000 | ⁽³⁾ 39.9 | - | - | ⁽³⁾ 357,600,000 | ⁽³⁾ 29.8 |
| Substantial shareholder | | | | | | | | | |
| Alex Ong Lay Ming | Malaysian | - | - | ⁽³⁾ 399,000,000 | ⁽³⁾ 39.9 | - | - | ⁽³⁾ 357,600,000 | ⁽³⁾ 29.8 |

Notes:

- ⁽¹⁾ Based on the share capital of 1,000,000,000 Shares before our IPO.
- ⁽²⁾ Based on the enlarged share capital of 1,200,000,000 Shares after our IPO.
- ⁽³⁾ Deemed interest by virtue of his/her direct shareholding in Lille Management pursuant to Section 8(4) of the Act.

Further details of our Promoters and substantial shareholders are set out in Section 5.1.

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2. PROSPECTUS SUMMARY (Cont'd)**2.9 UTILISATION OF PROCEEDS**

The gross proceeds to be raised by our Company from the Public Issue of RM26.0 million shall be utilised in the following manner:

| Utilisation of proceeds | RM'000 | % | ⁽¹⁾Estimated timeframe for utilisation |
|--|---------------|--------------|--|
| Expansion of warehousing and distribution services | 10,020 | 38.6 | Within 36 months |
| Repayment of bank borrowings | 9,630 | 37.0 | Within 12 months |
| Purchase of commercial vehicles | 2,000 | 7.7 | Within 24 months |
| Working capital | 1,050 | 4.0 | Within 12 months |
| Estimated listing expenses | 3,300 | 12.7 | Within 1 month |
| Total | 26,000 | 100.0 | |

Note:

(1) From the date of Listing.

There is no minimum subscription to be raised from our IPO.

Detailed information on our utilisation of proceeds is set out in Section 4.9.

2.10 FINANCIAL HIGHLIGHTS**2.10.1 Consolidated statements of comprehensive income**

The following table sets out the financial highlights based on our consolidated statements of comprehensive income for FYE 2020 to 2023:

| | FYE 2020 | FYE 2021 | FYE 2022 | FYE 2023 |
|---|-----------------|-----------------|-----------------|-----------------|
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 43,071 | 52,256 | 56,743 | 51,984 |
| GP | 18,958 | 24,480 | 28,044 | 24,029 |
| Other income | 143 | 3,714 | 112 | 247 |
| PBT | 10,274 | 17,504 | 15,223 | 9,681 |
| PAT attributable to owners of our Company | 9,385 | 14,496 | 12,339 | 6,418 |
| PAT | 9,388 | 14,504 | 12,343 | 6,407 |
| GP margin (%) ⁽¹⁾ | 44.0 | 46.8 | 49.4 | 46.2 |
| PAT margin (%) ⁽²⁾ | 21.8 | 27.8 | 21.8 | 12.3 |
| EPS (sen) ⁽³⁾ | 0.8 | 1.2 | 1.0 | 0.5 |
| Current ratio (times) | 0.8 | 2.2 | 2.6 | 2.1 |
| Gearing ratio (times) | 1.5 | 1.1 | 1.0 | 1.2 |

Notes:

(1) Calculated based on GP divided by revenue.

(2) Calculated based on PAT divided by revenue.

(3) Calculated based on PAT attributed to owners of our Company over enlarged share capital of 1,200,000,000 Shares after our IPO.

2. PROSPECTUS SUMMARY (Cont'd)

There were no exceptional items during the financial years under review. Our audited consolidated financial statements for the past financial years under review were not subject to any audit qualifications. Further details on the financial information are set out in Sections 12 and 13.

2.10.2 Pro forma consolidated statements of financial position

The following table sets out a summary of the pro forma statements of financial position of our Group to show the effects of the Public Issue and utilisation of proceeds. It is presented for illustrative purposes only and should be read together with the pro forma consolidated statements of financial position as set out in Section 14.

| | I | II | III |
|---|--|---------------------------------|---|
| | After adjustments for subsequent events⁽¹⁾ | After I and Public Issue | After II and utilisation of proceeds |
| As at 31 December 2023 | RM'000 | RM'000 | RM'000 |
| ASSETS | | | |
| Total non-current assets | 112,729 | 113,158 | 180,905 |
| Total current assets | 25,590 | 25,805 | 29,435 |
| TOTAL ASSETS | 138,319 | 138,963 | 210,340 |
| EQUITY AND LIABILITIES | | | |
| Share capital | 8,000 | 8,000 | 32,749 |
| Reserves | 52,203 | 52,203 | 51,001 |
| Equity attributable to owners of the parent | 60,203 | 60,203 | 83,750 |
| Non-controlling interests | 65 | 65 | 65 |
| TOTAL EQUITY | 60,268 | 60,268 | 83,815 |
| Total non-current liabilities | 65,617 | 66,149 | 115,199 |
| Total current liabilities | 12,434 | 12,546 | 11,326 |
| TOTAL LIABILITIES | 78,051 | 78,695 | 126,525 |
| TOTAL EQUITY AND LIABILITIES | 138,319 | 138,963 | 210,340 |
| No. of Shares in issue ('000) | 1,000,000 | 1,000,000 | 1,200,000 |
| NA attributable to owners of our Company per Share (RM) | 0.1 | 0.1 | 0.1 |
| Borrowings | 72,630 | 73,273 | 121,103 |
| Gearing (times) | 1.2 | 1.2 | 1.4 |

Note:

(1) The subsequent events arose from the following:

- (a) our Group has drawdown a term loan of RM214,214 to finance business takaful as part of the requirement of the loan; and

2. PROSPECTUS SUMMARY (Cont'd)

- (b) our Group purchased 2 units of commercial vehicles under lease financing for a total consideration of RM429,450.

2.11 DIVIDEND POLICY

Our Company presently does not have any formal dividend policy and the declaration of interim dividends and the recommendation of final dividends are subject to the discretion of our Board and any final dividends for the year are subject to shareholders' approval. It is our intention to pay dividends to shareholders in the future, however, such payments will depend upon a number of factors, including our Group's financial performance, capital expenditure requirements, general financial condition and any other factors considered relevant by our Board.

During FYE 2020 to 2023 and up to LPD, we have declared and paid the following dividends:

| | FYE 2020 | FYE 2021 | FYE 2022 | FYE 2023 | Up to LPD |
|--------------------|-----------------|-----------------|-----------------|-----------------|------------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Dividends proposed | 4,000 | - | 800 | - | - |
| Dividends paid | - | 4,000 | 800 | - | - |

The dividends declared and paid in FYE 2021 and FYE 2022 were funded via internally generated funds. We do not intend to declare and pay any dividends from the LPD up to the point of our Listing.

Further details of our dividend policy are set out in Section 12.16.

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3. APPROVALS AND CONDITIONS

3.1 APPROVALS AND CONDITIONS

3.1.1 Bursa Securities approval

Bursa Securities had, vide its letter dated 6 November 2023, approved our admission to the Official List of the ACE Market, the listing of and quotation for our entire enlarged issued share capital on the ACE Market. The approval from Bursa Securities is subject to the following conditions:

| No. | Details of conditions imposed | Status of compliance |
|------------|---|-----------------------------|
| (1) | Submit the following information in respect of the moratorium on the shareholdings of the Specified Shareholders to Bursa Depository: <ul style="list-style-type: none"> (i) Name of shareholders; (ii) Number of Shares; and (iii) Date of expiry of the moratorium for each block of Shares. | Complied |
| (2) | Confirmation that approvals from other relevant authorities have been obtained for implementation of the Listing; | Complied |
| (3) | The Bumiputera equity requirements for public listed companies as approved / exempted by the SC including any conditions imposed thereon; | Complied |
| (4) | Make the relevant announcement pursuant to Paragraphs 8.1 and 8.2 of Guidance Note 15 of the Listing Requirements; | To be complied |
| (5) | Furnish to Bursa Securities a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire issued share capital of SKL on the first day of Listing; | To be complied |
| (6) | In relation to the Public Issue to be undertaken by SKL, to announce at least 2 market days prior to the Listing date, the result of the offering including the following: <ul style="list-style-type: none"> (i) Level of subscription of public balloting and placement; (ii) Basis of allotment / allocation; (iii) A table showing the distribution for placement tranche; and (iv) Disclosure of placees who become substantial shareholders of SKL arising from the Public Issue, if any; | To be complied |
| (7) | SKL / M&A Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of SKL to the Official List. | To be complied |

3. APPROVALS AND CONDITIONS (Cont'd)

Further to the above, Bursa Securities had, vide its letter dated 12 March 2024 resolved to grant us an extension of time until 5 June 2024 to complete the implementation of our Listing.

3.1.2 SC approval

Our Listing is an exempt transaction under Section 212(8) of the CMSA and is therefore not subject to the approval of the SC.

The SC had, vide its letter dated 8 November 2023, approved our resultant equity structure pursuant to our Listing under the Bumiputera equity requirement for public listed companies.

The approval from the SC is subject to the following conditions:

| No. | Details of conditions imposed | Status of compliance |
|-----|---|----------------------|
| (a) | SKL is to allocate shares equivalent to 12.5% of its enlarged number of issued shares at the point of Listing to Bumiputera investors to be approved by MITI; and | Complied |
| (b) | SKL is to make available at least 50.0% of the Shares offered to the Malaysian public investors via balloting to Bumiputera public investors at the point of Listing. | Complied |

The effect of our Listing on our equity structure is as follows:

| Category of shareholders | As at 31 May 2023 | | After Listing | |
|---|----------------------|--------------|----------------------------|--------------|
| | No. of Shares | % | No. of Shares | % |
| Bumiputera | | | | |
| - Bumiputera investors to be approved by MITI | - | - | ⁽¹⁾ 150,000,000 | 12.5 |
| - Bumiputera public investors via balloting | - | - | ⁽¹⁾ 30,000,000 | 2.5 |
| - Others | 2,500,000 | 0.2 | ⁽²⁾ 3,100,000 | 0.3 |
| Total Bumiputera | 2,500,000 | 0.2 | 183,100,000 | 15.3 |
| Non-Bumiputera | 997,500,000 | 99.8 | 1,016,900,000 | 84.7 |
| Malaysian | 1,000,000,000 | 100.0 | 1,200,000,000 | 100.0 |
| Foreigners | - | - | - | - |
| | 1,000,000,000 | 100.0 | 1,200,000,000 | 100.0 |

Notes:

- (1) Based on the assumption that Shares offered to Bumiputera investors to be approved by MITI and Bumiputera public investors via balloting shall be fully subscribed.
- (2) Based on the assumption that Shares offered to Bumiputera directors under the Pink Form Allocations shall be fully subscribed.

The Shariah Advisory Council of SC had, vide its letter dated 8 April 2024 classified our Shares as shariah-compliant based on our audited consolidated financial statements for FYE 2023.

3. APPROVALS AND CONDITIONS (Cont'd)

3.1.3 MITI approval

The MITI had, vide its letter dated 4 September 2023, taken note and has no objection to our Listing.

3.2 MORATORIUM ON OUR SHARES

In accordance with Rule 3.19(1) of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of those Shares held by our Specified Shareholders as follows:

- (a) The moratorium applies to the entire shareholdings of our Specified Shareholders for a period of 6 months from the date of our admission to the ACE Market ("**First 6-Month Moratorium**");
- (b) Upon the expiry of the First 6-Month Moratorium, our Company must ensure that our Specified Shareholders' aggregate shareholdings amounting to at least 45.0% of the total number of issued ordinary shares remain under moratorium for another period of 6 months ("**Second 6-Month Moratorium**"); and
- (c) On the expiry of the Second 6-Month Moratorium, our Specified Shareholders may sell, transfer or assign up to a maximum of 1/3 per annum (on a straight line basis) of those Shares held under moratorium.

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3. APPROVALS AND CONDITIONS (Cont'd)

Details of our Specified Shareholders and their Shares which will be subject to the abovesaid moratorium, are set out below:

| Specified Shareholders | Year 1 | | | | Year 2 | | Year 3 | |
|------------------------|---|-------------|--|-------------|------------------------------|-------------|------------------------------|-------------|
| | Moratorium shares during the First 6-Month Moratorium | | Moratorium shares during the Second 6-Month Moratorium | | Moratorium shares | | Moratorium shares | |
| | No. of Shares ⁽¹⁾ | (2)% | No. of Shares ⁽¹⁾ | (2)% | No. of Shares ⁽¹⁾ | (2)% | No. of Shares ⁽¹⁾ | (2)% |
| Lille Management | 357,600,000 | 29.8 | 216,000,000 | 18.0 | 144,000,000 | 12.0 | 72,000,000 | 6.0 |
| Alan Ong Lay Wooi | 357,600,000 | 29.8 | 216,000,000 | 18.0 | 144,000,000 | 12.0 | 72,000,000 | 6.0 |
| Angeline Ong Lay Shee | 178,800,000 | 14.9 | 108,000,000 | 9.0 | 72,000,000 | 6.0 | 36,000,000 | 3.0 |
| | 894,000,000 | 74.5 | 540,000,000 | 45.0 | 360,000,000 | 30.0 | 180,000,000 | 15.0 |

Notes:

(1) After Offer for Sale.

(2) Based on the enlarged share capital of 1,200,000,000 Shares after our IPO.

The moratorium has been fully accepted by our abovementioned Specified Shareholders, who have provided written undertakings that they will not sell, transfer or assign their shareholdings under moratorium during the moratorium period.

The moratorium restrictions are specifically endorsed on the share certificates representing the Shares under moratorium held by the abovementioned Specified Shareholders to ensure that our Share Registrar does not register any transfer that contravenes with such restrictions.

Separately, the ultimate shareholders of Lille Management, namely Angeline Ong Lay Shee, Adeline Ong Lay Suen, Ameline Ong Lay Ling and Alex Ong Lay Ming have also undertaken not to sell, transfer or assign their shareholdings in Lille Management during the abovementioned moratorium period.

4. DETAILS OF OUR IPO

4.1 OPENING AND CLOSING OF APPLICATION PERIOD

The Application period will open at 10.00 a.m. on 18 April 2024 and will remain open until 5.00 p.m. on 2 May 2024. **LATE APPLICATIONS WILL NOT BE ACCEPTED.**

4.2 INDICATIVE TIMETABLE

| Events | Indicative date |
|---|------------------------|
| Issuance of this Prospectus / Opening of Application | 18 April 2024 |
| Closing of Application | 2 May 2024 |
| Balloting of Application | 6 May 2024 |
| Allotment / Transfer of our IPO Shares to successful applicants | 13 May 2024 |
| Date of Listing | 15 May 2024 |

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

4.3 DETAILS OF OUR IPO

4.3.1 Listing scheme

(a) Public Issue

A total of 200,000,000 Issue Shares, representing approximately 16.7% of our enlarged share capital are offered at our IPO Price. The Issue Shares shall be allocated in the following manner:

(i) Malaysian Public

60,000,000 Issue Shares, representing approximately 5.0% of our enlarged share capital, are reserved for application by the Malaysian Public, to be allocated via balloting process as follows:

- (aa) 30,000,000 Issue Shares made available to public investors; and
- (bb) 30,000,000 Issue Shares made available to Bumiputera public investors.

(ii) Eligible Directors, employees and persons who have contributed to the success of our Group

45,000,000 Issue Shares, representing approximately 3.8% of our enlarged share capital, are reserved for our eligible Directors, employees and persons who have contributed to the success of our Group under the Pink Form Allocations. Further details of our Pink Form Allocations are set out in Section 4.3.2.

(iii) Private placement to Bumiputera investors approved by MITI

95,000,000 Issue Shares, representing approximately 7.9% of our enlarged share capital, are reserved for private placement to Bumiputera investors approved by MITI.

4. DETAILS OF OUR IPO (*Cont'd*)

The basis of allocation of the Issue Shares shall take into account our Board's intention to distribute 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 and adequate market for our Shares. Applicants will be selected in a fair and equitable manner to be determined by our Directors.

Upon completion of our Public Issue, our share capital will increase from RM8,000,000 comprising 1,000,000,000 Shares to RM34,000,000 comprising 1,200,000,000 Shares. There is no over-allotment or 'greenshoe' option that will increase the number of our IPO Shares.

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

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4. DETAILS OF OUR IPO (Cont'd)

(b) Offer for Sale

A total of 103,500,000 Offer Shares, representing 8.6% of our enlarged share capital, are offered by our Selling Shareholders. The Offer Shares shall be allocated in the following manner:

(i) Private placement to Bumiputera investors approved by MITI

55,000,000 Offer Shares, representing approximately 4.6% of our enlarged share capital, are reserved for private placement to Bumiputera investors approved by MITI.

(ii) Private placement to selected investors

48,500,000 Offer Shares, representing approximately 4.0% of our enlarged share capital, are reserved for private placement to selected investors.

Our Offer for Sale is subject to the terms and conditions of this Prospectus. The details of our Selling Shareholders and their relationship with our Group are as follows:

| Name / Registered or Residential address | Relationship with our Group | Before IPO / As at LPD | | Offer Shares offered | | | After IPO | |
|---|---|------------------------|------|----------------------|------|------|---------------|------|
| | | No. of Shares | (1)% | No. of Shares | (1)% | (2)% | No. of Shares | (3)% |
| Lille Management / Room B, 3rd Floor 309-K Perak Road 10150 Georgetown Pulau Pinang | Promoter and substantial shareholder | 399,000,000 | 39.9 | 41,400,000 | 4.1 | 3.5 | 357,600,000 | 29.8 |
| Alan Ong Lay Wooi / 11, Jalan Kemuning Damai 32/147M 40460 Shah Alam Selangor | Promoter, substantial shareholder and Managing Director | 399,000,000 | 39.9 | 41,400,000 | 4.1 | 3.5 | 357,600,000 | 29.8 |

4. DETAILS OF OUR IPO (Cont'd)

| Name / Registered or Residential address | Relationship with our Group | Before IPO / As at LPD | | Offer Shares offered | | | After IPO | |
|---|--|------------------------|------|----------------------|------|------|---------------|------|
| | | No. of Shares | (1)% | No. of Shares | (1)% | (2)% | No. of Shares | (3)% |
| Angeline Ong Lay Shee / 12A, Jalan Aman Arahsia 1 Bandar Tropicana Aman 42500 Telok Panglima Garang Selangor | Promoter, substantial shareholder and Executive Director | 199,500,000 | 20.0 | 20,700,000 | 2.1 | 1.7 | 178,800,000 | 14.9 |

Notes:

(1) Based on the share capital of 1,000,000,000 Shares before our IPO.

(2) Based on our enlarged share capital of 1,200,000,000 Shares after our IPO.

Further details of our Selling Shareholders, some of who are also our Promoters, substantial shareholders and Directors can be found in Section 5.1.

(c) Listing

Upon completion of our IPO, our Company's entire enlarged share capital of RM34,000,000 comprising 1,200,000,000 Shares shall be listed on the ACE Market.

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4. DETAILS OF OUR IPO (Cont'd)**4.3.2 Pink Form Allocations**

We have allocated 45,000,000 Issue Shares under the Pink Form Allocations to our eligible Directors, employees and persons who have contributed to the success of our Group as follows:

| Category | No. of eligible persons | Aggregate no. of Issue Shares allocated |
|--|--------------------------------|--|
| Eligible Directors | 5 | 3,500,000 |
| Eligible employees | 43 | 2,938,700 |
| Persons who have contributed to the success of our Group | 123 | 38,561,300 |
| | 171 | 45,000,000 |

Pink Form Allocations which are not accepted by certain eligible Directors, employees and persons who have contributed to the success of our Group will be re-allocated among the other eligible employees and persons who have contributed to the success of our Group at the discretion of our Board.

(a) Allocation to eligible Directors

The criteria for allocation to our eligible Directors are based on amongst others their anticipated contribution to our Group.

Alan Ong Lay Wooi (our Managing Director), Angeline Ong Lay Shee (our Executive Director) and Adeline Ong Lay Suen (our Executive Director) have opted not to participate in the Pink Form Allocations as they are already our substantial shareholders and will be undertaking the Offer for Sale directly and/or through Lille Management. Additionally, Datuk Md Hassim Bin Pardi (our Non-Independent Non-Executive Director) has also opted not to participate in the Pink Form Allocation.

Details of the proposed allocation to our other Directors are as follows:

| Name | Designation | No. of Issue Shares allocated |
|--------------------------------------|--------------------------------------|--------------------------------------|
| Tan Soo Mooi | Independent Non-Executive Chairwoman | 400,000 |
| Dato' Haji Abdul Wahabi Bin Abdullah | Independent Non-Executive Director | 50,000 |
| Dato' Ir. Hj Mohamad Bin Dalib | Independent Non-Executive Director | 50,000 |
| Adam Muralidharan Bin Abdullah | Independent Non-Executive Director | 500,000 |
| Lee Lean Suan | Independent Non-Executive Director | 2,500,000 |
| | | 3,500,000 |

(b) Allocation to our eligible employees

The criteria of allocation to our eligible employees (as approved by our Board) are based on, among others, the following factors:

- (i) Our employees must be an eligible and confirmed employee and on the payroll of our Group;

4. DETAILS OF OUR IPO (Cont'd)

(ii) The number of shares allocated to our eligible employees are based on their seniority, position, length of service and respective contribution made to our Group as well as other factors deemed relevant to our Board; and

(iii) Be a full time employee of at least 18 years of age.

Included in the allocation to our eligible employees are the proposed allocations to our key senior management:

| Name | Designation | No. of Issue Shares allocated |
|-------------|--|--------------------------------------|
| See Ai Lian | Financial Controller | 154,000 |
| Tan Pei Wun | Finance Manager | 154,000 |
| Ong Yit Hwa | Deputy General Manager (Northern Region) | 750,000 |
| | | 1,058,000 |

Ameline Ong Lay Ling (our General Manager) has opted not to participate in the Pink Form Allocations as she is already our indirect substantial shareholder through Lille Management.

(c) Allocation to persons who have contributed to the success of our Group

Persons who have contributed to the success of our Group include business associates, customers and suppliers.

The number of Issue Shares to be allotted to those persons who have contributed to the success of our Group are based on amongst others, the nature and terms of their business relationship with us, length of their relationship with us and the level of contribution and support to our Group.

4.3.3 Placement and underwriting arrangement

Our Underwriter will underwrite 105,000,000 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. The balance 95,000,000 Issue Shares from the Public Issue and 103,500,000 Offer Shares available for application by Bumiputera investors approved by MITI and selected investors will not be underwritten and shall be placed out by our Placement Agent.

Any of our Issue Shares not subscribed by the Malaysian Public and Pink Form Allocations shall be subject to the following clawback and reallocation provisions:

- (a) If any Issue Shares allocated to the Malaysian Public are undersubscribed, the balance portion will be allocated for excess application by our eligible employees and persons who have contributed to the success of our Group. Likewise, any Issue Shares which are not taken up by our eligible Directors, employees and persons who have contributed to the success of our Group, will be allocated to the Malaysian Public.
- (b) After (a) above, the remaining portion will be made available for application by way of private placement to selected investors to be identified.
- (c) Thereafter, any remaining Issue Shares that are not subscribed for will be subscribed by our Underwriter based on the terms and conditions of the Underwriting Agreement.

4. DETAILS OF OUR IPO (*Cont'd*)

The allocation of Issue Shares to identified Bumiputera investors shall be subject to the allocation as approved by MITI. Such Issue Shares shall be subject to the following clawback and reallocation provisions:

- (a) Any unsubscribed Issue Shares allocated to Bumiputera investors approved by MITI shall firstly be reallocated to Malaysian institutional investors. If after the above reallocation, there are still Issue Shares not taken up, the said unsubscribed Issue Shares shall then be offered to Bumiputera public investors via public balloting.
- (b) After (a) above, the remaining portion will be made available for:
 - (i) Malaysian Public, in the event of an oversubscription; or
 - (ii) application by way of private placement to selected investors to be identified, the proportion of which will be determined by our Board and Placement Agent.

The clawback and reallocation shall not apply in the event of over-application of the Issue Shares allocated to the Malaysian Public, Pink Form Allocations and private placement to Bumiputera investors approved by MITI.

4.3.4 Minimum and over-subscription

There is no minimum subscription to be raised from our IPO. However, in order to comply with the public spread requirements of Bursa Securities, 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 to comply with the public spread requirements as set out in the Listing Requirements or as approved by Bursa Securities.

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 Directors.

Under the Listing Requirements, at least 25.0% of our enlarged share capital for which listing is sought must be in the hands of a minimum of 200 public shareholders, each holding not less than 100 Shares upon our admission to the ACE Market. We expect to meet the public shareholding requirement at the point of our Listing. If we fail to meet the said requirement, we may not be allowed to proceed with our Listing on the ACE Market.

In such an event, we will return in full, without interest, all monies paid in respect of all applications. If any such monies are not repaid within 14 days after we become liable to do so, the provision of sub-section 243(2) of the CMSA shall apply accordingly.

As at LPD, save as disclosed in Section 4.3.2, to the extent known to our Company:

- (a) there are no substantial shareholder(s), Directors or key senior management of our Company who have indicated to our Company that they intend to subscribe for the IPO Shares; and
- (b) there are no person(s) who have indicated to our Company that they intend to subscribe for more than 5.0% of the IPO Shares.

4. DETAILS OF OUR IPO (*Cont'd*)

4.4 SHARE CAPITAL, CLASSES OF SHARES AND RANKINGS

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

| Details | No. of Shares | RM |
|--|----------------------|-------------------|
| Share capital | | |
| As at the date of this Prospectus | 1,000,000,000 | 8,000,000 |
| To be issued under our Public Issue | 200,000,000 | 26,000,000 |
| Enlarged share capital upon our Listing | 1,200,000,000 | 34,000,000 |

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

As at the date of this Prospectus, we have only one class of shares, being ordinary shares, all of which rank equally amongst one another.

Our Issue Shares will, upon allotment and issuance, rank equally in all respects with our existing ordinary shares including voting rights and will be entitled to all rights and dividends and other distributions that may be declared subsequent to the date of allotment of our Issue Shares.

Our Offer Shares rank equally in all respects with our existing ordinary shares including voting rights and will be entitled to all rights and dividends and other distributions that may be declared subsequent to the date of transfer of the Offer Shares.

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 paid-up on the Shares held by them, be entitled to share in the whole of the profits paid out by us as dividends and other distributions and any surplus if our Company is liquidated in accordance with our Constitution.

Each of our shareholders shall be entitled to vote at any of our general meetings in person or by proxy or by other duly authorised representative. Every shareholder present in person or by proxy or other duly authorised representative shall have one vote for each ordinary share held.

4.5 PURPOSES OF OUR IPO

The purposes of our IPO are as follows:

- (a) To enable our Group to raise funds for the purposes specified in Section 4.9 herein;
- (b) To gain recognition through our listing status to enhance our reputation and to retain and attract new, skilled employees from the logistics and warehousing industry;
- (c) To provide an opportunity for the Malaysian Public, including our eligible Directors, employees and persons who have contributed to the success of our Group to participate in our equity; 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 they arise.

4. DETAILS OF OUR IPO (*Cont'd*)

4.6 BASIS OF ARRIVING AT OUR IPO PRICE

Our IPO Price was determined and agreed upon by us and M&A Securities, as our Adviser, Sponsor, Underwriter and Placement Agent, after taking into consideration the following factors:

- (a) Our pro forma NA attributable to owners of our Company per Share as at 31 December 2023 after IPO and utilisation of proceeds of RM0.07, calculated based on our pro forma NA attributable to owners of our Company after IPO and utilisation of proceeds as at 31 December 2023 of approximately RM83.8 million and enlarged share capital of 1,200,000,000 Shares upon Listing;
- (b) The PE Multiple of our IPO Price of approximately 24.3 times based on our EPS of approximately 0.5 sen for FYE 2023, calculated based on our PAT attributable to owners of our Company for FYE 2023 of RM6.4 million and enlarged share capital of 1,200,000,000 Shares upon Listing;
- (c) Our historical financial track record as follows:

| | Audited | | | |
|--------------|-----------------|-----------------|-----------------|-----------------|
| | FYE 2020 | FYE 2021 | FYE 2022 | FYE 2023 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 43,071 | 52,256 | 56,743 | 51,984 |
| GP | 18,958 | 24,480 | 28,044 | 24,029 |
| Other income | 143 | 3,714 | 112 | 247 |
| PAT | 9,388 | 14,504 | 12,343 | 6,407 |

- (d) Our competitive strengths as set out in Section 7.14; and
- (e) Our business strategies and prospects as set out in Section 7.15.

You should note that our market price upon Listing is subject to the vagaries of market forces and other uncertainties that may affect the price of our Shares. You should form your own views on the valuation of our IPO Shares before deciding to invest in them. You are reminded to carefully consider the risk factors as set out in Section 9 before deciding to invest in our Shares.

4.7 TOTAL MARKET CAPITALISATION UPON LISTING

Based on our IPO Price and enlarged share capital of 1,200,000,000 Shares upon Listing, our total market capitalisation will be RM156.0 million.

4. DETAILS OF OUR IPO (*Cont'd*)

4.8 DILUTION

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

| | RM |
|---|-----------|
| IPO Price | 0.13 |
| Pro forma NA attributable to owners of our Company per Share as at 31 December 2023 before IPO | 0.06 |
| Pro forma NA attributable to owners of our Company per Share as at 31 December 2023 after IPO and utilisation of proceeds | 0.07 |
| Increase in pro forma NA attributable to owners of our Company per Share attributable to existing shareholders | 0.01 |
| (Decrease) in pro forma NA attributable to owners of our Company per Share to our new public investors | (0.06) |
| (Decrease) in pro forma NA attributable to owners of our Company per Share as a percentage of our IPO Price | (46.2%) |

Further details of our pro forma NA attributable to owners of our Company per Share as at 31 December 2023 is set out in Section 14.

The following table shows the average effective cost per Share paid by our existing shareholders for our Shares since incorporation up to LPD:

| Shareholders | No. of Shares | Average effective cost per Share |
|---------------------------|----------------------|---|
| | | RM |
| Lille Management | 399,000,000 | 0.008 |
| Alan Ong Lay Wooi | 399,000,000 | 0.008 |
| Angeline Ong Lay Shee | 199,500,000 | 0.008 |
| Datuk Md Hassim Bin Pardi | 2,500,000 | 0.008 |
| | 1,000,000,000 | |

Save as disclosed above and the Pink Form Allocations to our eligible Directors and key senior management, there has been no acquisitions or subscription of any of our Shares by our Directors or key senior management, substantial shareholders or persons connected with them, or any transaction entered into by them which grants them the right to acquire any of our existing Shares, in the past 3 years up to LPD.

4. DETAILS OF OUR IPO (Cont'd)**4.9 UTILISATION OF PROCEEDS****4.9.1 Public Issue**

The estimated gross proceeds from our Public Issue of RM26.0 million will accrue entirely to us and are planned to be utilised in the following manner:

| Utilisation of proceeds | Notes | RM'000 | % | ⁽¹⁾Estimated timeframe for utilisation |
|--|--------------|---------------|--------------|--|
| Expansion of warehousing and distribution services | (a) | 10,020 | 38.6 | Within 36 months |
| Repayment of bank borrowings | (b) | 9,630 | 37.0 | Within 12 months |
| Purchase of commercial vehicles | (c) | 2,000 | 7.7 | Within 24 months |
| Working capital | (d) | 1,050 | 4.0 | Within 12 months |
| Estimated listing expenses | (e) | 3,300 | 12.7 | Within 1 month |
| Total | | 26,000 | 100.0 | |

Pending the deployment of the proceeds raised from our Public Issue as aforementioned, the funds will be placed in short-term deposits with financial institutions.

Notes:

(1) From the date of Listing.

(a) Expansion of warehousing and distribution services

As part of our business strategy, our Group had on 27 June 2023 entered into a sale and purchase agreement with Merbau Sejati Sdn Bhd for the purchase of Valdor Office and Warehouse, and a down payment amounting to RM4.0 million has been paid for the industrial property. For information purposes, the industrial property has a total built-up area of approximately 164,000 sq ft.

Upon completion of its construction, the Valdor Office and Warehouse will be used for our warehousing and distribution services, catering to customers located in the northern region of Peninsular Malaysia. The Valdor Warehouse has a larger annual storage capacity of approximately 192,000 pallets as compared to Bukit Mertajam Warehouse, Butterworth Warehouse, Bukit Minyak Warehouse, which have annual capacities of 35,232 pallets, 2,760 pallets and 20,820 pallets respectively. As at LPD, we operate 5 warehouses, located in Shah Alam and Port Klang, Selangor, Bukit Mertajam, Butterworth and Bukit Minyak, Penang with an aggregate annual capacity of approximately 190,260 pallets. Please refer to Section 7.12.3 for further details on the capacity, actual usage and utilisation rate for each of our warehouses for FYE 2022 to 2023.

The Valdor Warehouse is a built-to-suit warehouse and as at LPD, earthworks have been commissioned by the developer, namely Merbau Sejati Sdn Bhd, for its construction. The construction is expected to be completed within 36 months upon the signing of the sale and purchase agreement. Subsequently, we expect to commence operations by fourth quarter of 2026.

4. DETAILS OF OUR IPO (Cont'd)

The total purchase consideration of the Valdor Office and Warehouse is RM70.6 million (including incidental expenses such as legal costs, stamp duty and memorandum of transfer of RM3.0 million) whereby RM4.0 million has been funded internally by our Group. We intend to allocate RM3.0 million from the proceeds to defray the incidental expenses. The balance purchase price of RM63.6 million will be funded via bank borrowings which we have obtained from Hong Leong Islamic Bank Berhad.

In addition, we also intend to purchase the racking systems amounting to RM7.0 million to furnish the property which will be fully funded by the proceeds from Public Issue. The estimated cost of RM7.0 million for the racking systems was arrived based on the quotation by supplier.

Please refer to Section 7.15.1 for further details on the expansion of warehousing and distribution services.

(b) Repayment of bank borrowings

Our Group has allocated RM9.6 million to fully repay our term loans which were mainly drawn down to finance the purchase of 2 vacant lands located at Sepang, Selangor, refinance the term loan used for the acquisition of Shah Alam Workshop and for working capital purposes as well as to partially repay our term loan which was obtained for the purchase of Bukit Mertajam Office and Warehouse. For avoidance of doubt, we prioritise the repayment of our term loans from AmBank Islamic Berhad as they carry higher effective interest rate of 7.7% for FYE 2023 compared to Alliance Bank Malaysia Berhad's borrowings which carry effective interest rates of 5.4% for FYE 2023.

For illustrative purpose, the details of our borrowings as at LPD are set out as follows, among which we have indicated where the RM9.6 million repayment will be made to:

| Financial institution / Type of facility | Purpose | Interest rate per annum | Maturity date | Balance as at LPD RM'000 | Amount to be repaid RM'000 | Annual interest savings RM'000 |
|---|--|---|----------------------|-------------------------------------|---------------------------------------|---|
| AmBank Islamic Berhad / Term loan | Purchase of 1 vacant land (Lot 41897) located at Sepang, Selangor | Base financing rate – 6.7% (effectively 7.7%) | 1 October 2034 | 3,635 | 3,635 | 280 |
| AmBank Islamic Berhad / Term loan | Purchase of 1 vacant land (Lot 41898) located at Sepang, Selangor | Base financing rate – 6.7% (effectively 7.7%) | 1 January 2035 | 2,448 | 2,448 | 188 |
| AmBank Islamic Berhad / Term loan | Refinance the term loan for the purchase of the Shah Alam Workshop | Base financing rate – 6.7% (effectively 7.7%) | 1 April 2027 | 2,271 | 2,271 | 175 |
| AmBank Islamic Berhad / Term loan | For working capital requirements | Base financing rate – 6.7% (effectively 8.2%) | 1 April 2026 | 442 | 442 | 36 |
| Alliance Bank Malaysia Berhad / Term loan | Purchase of Bukit Mertajam Office and Warehouse | Base financing rate – 6.7% (effectively 5.4%) | 1 August 2035 | 14,584 | 834 | 45 |
| Total | | | | 23,380 | 9,630 | 724 |

4. DETAILS OF OUR IPO (Cont'd)

In this respect, we have allocated RM9.6 million for repayment of the term loans following completion of our IPO. The repayment of the term loans is expected to result in interest saving of RM0.7 million per annum based on the interest rates as stated above. Following the repayment of bank borrowings, our Group's pro forma gearing ratio is still expected to rise to 1.4 times as compared to 1.2 times as at 31 December 2023. This is because, despite allocating RM9.6 million for the repayment of term loans, our Group will still incur additional borrowings to finance the acquisition of Valdor Office and Warehouse, as detailed in Section 4.9.1(a). Nonetheless, the proceeds channelled towards the repayment of bank borrowings will allow our Group to be better positioned to undertake more sizeable borrowings for future expansion.

The early repayment of the term loans from AmBank Islamic Berhad will attract a one-off early settlement fee of approximately RM0.3 million. Nonetheless, the expected annual interest savings from the repayment of the bank borrowings are approximately RM0.7 million based on the interest rate of 6.7% (effectively 7.7%) per annum as tabulated above. However, the actual interest savings may vary depending on the then applicable interest rates.

(c) Purchase of commercial vehicles

As part of our strategy to continue growing our trucking and container haulage businesses, we will need more commercial vehicles in order to increase our capacity for the transportation of more cargo and containers. For avoidance of doubt, these commercial vehicles are similar to the ones that we currently own and operate to provide our trucking and container haulage services.

As at LPD, we own and operate a total of 461 commercial vehicles comprising trucks, prime movers, trailers, delivery vans and cargo escort vehicles for our business operations.

Our Group intends to purchase 100 commercial vehicles by 2025 based on our Group's estimated requirements. Details of the 100 commercial vehicles are as follows:

| Commercial vehicles | Units |
|---|--------------|
| <u>Provision of trucking services</u> | |
| Prime mover | 8 |
| Low loader trailer | 2 |
| <u>Provision of container haulage services</u> | |
| Prime mover | 15 |
| 20-ft container trailer | 25 |
| 40-ft container trailer | 48 |
| Sidelifter | 2 |
| Total | 100 |

The total cost of the 100 commercial vehicles are estimated to be RM8.0 million which was arrived based on quotations by suppliers. We intend to allocate RM2.0 million of the proceeds for the purchase of commercial vehicles and the balance of RM6.0 million will be funded from our internally-generated funds and/or bank borrowings.

4. DETAILS OF OUR IPO (Cont'd)



Prime mover (trucking)



Prime mover (container haulage)



Low loader trailer



20-ft container trailer



40-ft container trailer



Sidelifter

Please refer to Section 7.15.2 for further details on the purchase of commercial vehicles.

4. DETAILS OF OUR IPO (Cont'd)**(d) Working capital**

Our Group's working capital requirements are expected to increase in line with the growth in our business operations. We have allocated RM1.1 million to be used to supplement our working capital requirements mainly used for day-to-day operations of our logistics services business as well as warehousing including but not limited to maintenance expenses for commercial vehicles, motor vehicles, warehouses and machinery and, payroll and administrative expenses. The breakdown are as follows:

| Details | RM'000 |
|--|---------------|
| Payroll and administrative expenses | 850 |
| Maintenance expenses for commercial vehicles, motor vehicles, warehouses and machinery | 200 |
| Total | 1,050 |

The proceeds allocated for these expenses may vary depending on working capital requirements, but will nonetheless be used among these categories. For reference, manpower costs for drivers, diesel and maintenance expenses incurred for commercial vehicles, motor vehicles, warehouses and machinery accounted for 20.8%, 18.3% and 10.7% of our total cost of sales of RM28.0 million in FYE 2023. As such, the proceeds earmarked for working capital is expected to supplement our working capital in this respect, in line with our expected business growth.

(e) Estimated listing expenses

An amount of RM3.3 million is allocated to meet the estimated cost of our Listing. The following summarises the estimated expenses incidental to our Listing to be borne by us:

| Estimated listing expenses | RM'000 |
|---|---------------|
| Professional fees ⁽¹⁾ | 2,150 |
| Fees payable to authorities | 95 |
| Underwriting, placement and brokerage fees | 816 |
| Printing, advertising fees and contingencies ⁽²⁾ | 239 |
| | 3,300 |

Notes:

(1) Includes advisory fees for, amongst others, our Adviser, solicitors, reporting accountants, IMR, independent internal control review consultant and Issuing House.

(2) Other incidental or related expenses in connection with our IPO.

Any variations of the allocation in proceeds set out above shall be adjusted towards or against the proceeds allocated towards our working capital as set out in item (d). Where applicable and required under Rule 8.24 of the Listing Requirements, we will seek shareholders' approval for any material variation to the intended utilisation of proceeds. Any further shortfall is to be funded from our internally-generated funds and/or bank borrowings.

4. DETAILS OF OUR IPO (Cont'd)

4.9.2 Offer for Sale

The Offer for Sale is expected to raise gross proceeds of approximately RM13.5 million which will accrue entirely to our Selling Shareholders and we will not receive any of the proceeds.

The Selling Shareholders shall bear all of the expenses relating to the Offer Shares, the aggregate of which is estimated to be approximately RM0.3 million.

4.10 BROKERAGE FEES, PLACEMENT FEES AND UNDERWRITING COMMISSION

4.10.1 Brokerage fees

Brokerage is payable in respect of the Issue Shares at the rate of 1.0% of our IPO Price in respect of successful applicants which bear the stamp of member companies of Bursa Securities, member of the Association of Banks in Malaysia, members of the Malaysia Investment Banking Association in Malaysia or Issuing House.

4.10.2 Placement fees

Our Placement Agent will place out a total of 95,000,000 Issue Shares and 103,500,000 Offer Shares to Bumiputera investors approved by MITI and selected investors.

We will pay our Placement Agent a placement fee of 2.5% of our IPO Price multiplied by the number of Issue Shares placed out by our Placement Agent.

The placement fee of 2.5% of the value of those Offer Shares placed out by our Placement Agent will be paid by our Selling Shareholders.

4.10.3 Underwriting commission

Our Underwriter has agreed to underwrite 105,000,000 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. We will pay our Underwriter an underwriting commission of 2.5% of our IPO Price multiplied by the number of Shares underwritten.

4.11 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

We have entered into the Underwriting Agreement with M&A Securities, to underwrite 105,000,000 Issue Shares ("**Underwritten Shares**") as set out in Section 4.3.3.

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

4.11.1 Conditions precedent

The several obligations of the Underwriter under the Underwriting Agreement shall further be conditional upon:

- (a) the acceptance of our Listing and the clearance of registrable prospectus from Bursa Securities, and the lodgement of registrable prospectus with the ROC respectively together with copies of all documents required under Section 154 of the Act prior to the issuance of this Prospectus to the public;

4. DETAILS OF OUR IPO (*Cont'd*)

- (b) the issuance of this Prospectus (including all procedures, requirements, letters and documents) required under Section 154 of the Act to the public within 3 months from the date hereof or such extension as consented by the Underwriter;
- (c) there having been, as at any time hereafter up to and including the Closing Date, no material adverse change, or any development involving a prospective material adverse change, in the condition, financial or otherwise of our Group (which in the reasonable opinion of the Underwriter is or will be material in the context of the issue of the Issue Shares) from that set forth in this Prospectus, nor the occurrence of any event nor the discovery of any fact rendering inaccurate, untrue or incorrect to an extent which is or will be material in any of the representations, warranties and undertakings contained in the Underwriting Agreement, if they are repeated on and as of the Closing Date;
- (d) the issue, offering and subscription of the Issue Shares in accordance with the provisions hereof and this Prospectus not being prohibited by any statute, order, rule, regulation, directive or guideline (whether or not having the force of law) promulgated or issued by any legislative, executive or regulatory body or authority of Malaysia (including Bursa Securities);
- (e) all necessary approvals and consents required in relation to the Public Issue including but not limited to governmental approvals having been obtained and are in full force and effect;
- (f) the Underwriter having been satisfied that arrangements have been made by our Company to ensure payment of the expenses referred to in Underwriting Agreement;
- (g) the delivery to the Underwriter prior to the date of registration of this Prospectus of (i) a copy certified as a true copy by an authorised officer of our Company of all the resolutions of our Board and the shareholders in general meeting approving the Underwriting Agreement, this Prospectus, the Public Issue and authorising the execution of the Underwriting Agreement and the issuance of this Prospectus; (ii) a certificate dated the date of this Prospectus signed by duly authorised officers of our Company stating that, after having made all reasonable enquiries, there has been no such change, development or occurrence as referred to in sub-section (c);
- (h) the delivery to the Underwriter on the Closing Date of such reports and confirmations dated the Closing Date from our Board as the Underwriter may reasonably require to ascertain that there is no material change subsequent to the date of the Underwriting Agreement that will adversely affect the performance or financial position of our Group nor the occurrence of any event rendering, untrue or incorrect, to a material extent any representations and/or warranties contained in the Underwriting Agreement as though they have been given and/or made on such date; and
- (i) the Underwriter being satisfied that our Company will, following completion of the Public Issue be admitted to the official list and its issued share capital listed and quoted on the ACE Market of Bursa Securities without undue delay.

4. DETAILS OF OUR IPO (*Cont'd*)

4.11.2 Non-fulfilment of conditions precedent

In the event any of the conditions as set out in Section 4.11.1 are not satisfied by the Closing Date, the Underwriter shall thereupon be entitled but not bound to terminate the Underwriting Agreement by notice given to our Company not later than 3 Market Days after the Closing Date and upon such termination, our Company and the Underwriter shall be released and discharged from their obligations save for our Company's obligations pursuant to the Underwriting Agreement and none of the parties shall have a claim against the other save for antecedent breaches by our Company and claims arising therefrom. Each party shall in such event return any and all monies paid to the other under the Underwriting Agreement within 72 hours of the receipt of such notice (except for monies paid by our Company for the payment of the expenses as provided in the Underwriting Agreement). The Underwriter reserves the right to waive or modify any of the conditions aforesaid and such waiver or modification shall not prejudice the Underwriter's rights under the Underwriting Agreement.

4.11.3 Termination

Notwithstanding anything herein contained, the Underwriter may by notice in writing to our Company given at any time on or before the allotment and issuance of the Issue Shares, terminate and cancel and withdraw its commitment to underwrite the Underwritten Shares if:

- (a) there is any breach by our Company of any of the representations, warranties or undertakings, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to our Company, or by the Closing Date, whichever is earlier, or withholding of information of a material nature from the Underwriter, which is required to be disclosed pursuant to the Underwriting Agreement which, in the opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of the Public Issue, or the distribution of the Issue Shares; or
- (b) there is withholding of information of a material nature from the Underwriter, which, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to our Company, which, in the opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group and the success of the Public Issue, or the distribution of the Issue Shares; or
- (c) there shall have occurred, happened or come into effect in the opinion of the Underwriter any material and/or adverse change to the business or financial condition of our Group; or
- (d) there shall have occurred, happened or come into effect any of the following circumstances:
 - (i) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to interbank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or

4. DETAILS OF OUR IPO (Cont'd)

- (ii) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of our Company and/or the Underwriter (including without limitation, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents); which, (in the reasonable opinion of the Underwriter), would have or can reasonably be expected to have, a material adverse effect on and/or materially prejudice the business or the operations of our Group and the success of the Public Issue, or the distribution of the Issue Shares, or which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or
- (iii) the FTSE Bursa Malaysia KLCI Index ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:
 - (1) on or after the date of the Underwriting Agreement; and
 - (2) prior to the allotment of the Issue Shares, lower than 90% of the level of the Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to such date and remains at or below that level for at least 3 Market Days; or
- (iv) in the event of national disorder, outbreak of war or the declaration of a state of national emergency; or
- (e) there is failure on the part of our Company to perform any of our respective obligations contained under the Underwriting Agreement; or
- (f) any matter which arose immediately before the date of this Prospectus would have constituted a material and adverse omission in the context of the Public Issue; or
- (g) any event, act or omission which gives or is likely to give rise to any liability which will have a material and adverse effect on our Company pursuant to the indemnities contained under the Underwriting Agreement.

4.12 TRADING AND SETTLEMENT IN SECONDARY MARKET

Our Shares will be admitted to the Official List of the ACE Market and an official quotation will commence after, among others, the receipt of confirmation from Bursa Depository that all of our IPO Shares have been duly credited into the respective CDS Accounts of the successful applicants and the notices of allotment have been issued and despatched to all the successful applicants.

Pursuant to Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as securities to be deposited into the CDS. Following this, we will deposit our Shares directly with Bursa Depository and any dealings in our Shares will be carried out in accordance with the SICDA and Depository Rules. We will not issue any share certificates to successful applicants.

Upon our Listing, transactions in our Shares under the book-entry settlement system will be reflected by the seller's CDS Account being debited with the number of Shares sold and the buyer's CDS Account being credited with the number of Shares acquired.

Trading of shares of companies listed on Bursa Securities is normally done in "board lots" of 100 shares. Investors who desire to trade less than 100 shares will trade under the odd lot board. Settlement of trades done on a "ready" basis on Bursa Securities generally takes place on the second Market Day following the transaction date, and payment for the securities is generally settled on the second Market Day following the transaction date.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters' and substantial shareholders' shareholdings

The shareholdings of our Promoters and substantial shareholders in our Company before and after IPO are set out below:

| Name | Country of incorporation / Nationality | ⁽¹⁾ Before IPO / As at LPD | | | | ⁽²⁾ After IPO | | | |
|---|--|---------------------------------------|------|----------------------------|---------------------|--------------------------|------|----------------------------|---------------------|
| | | Direct | | Indirect | | Direct | | Indirect | |
| | | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Promoters and substantial shareholders | | | | | | | | | |
| Lille Management | Malaysia | 399,000,000 | 39.9 | - | - | 357,600,000 | 29.8 | - | - |
| Alan Ong Lay Wooi | Malaysian | 399,000,000 | 39.9 | - | - | 357,600,000 | 29.8 | - | - |
| Angeline Ong Lay Shee | Malaysian | 199,500,000 | 20.0 | ⁽³⁾ 399,000,000 | ⁽³⁾ 39.9 | 178,800,000 | 14.9 | ⁽³⁾ 357,600,000 | ⁽³⁾ 29.8 |
| Adeline Ong Lay Suen | Malaysian | - | - | ⁽³⁾ 399,000,000 | ⁽³⁾ 39.9 | - | - | ⁽³⁾ 357,600,000 | ⁽³⁾ 29.8 |
| Ameline Ong Lay Ling | Malaysian | - | - | ⁽³⁾ 399,000,000 | ⁽³⁾ 39.9 | - | - | ⁽³⁾ 357,600,000 | ⁽³⁾ 29.8 |
| Substantial shareholder | | | | | | | | | |
| Alex Ong Lay Ming | Malaysian | - | - | ⁽³⁾ 399,000,000 | ⁽³⁾ 39.9 | - | - | ⁽³⁾ 357,600,000 | ⁽³⁾ 29.8 |

Notes:

- (1) Based on the share capital of 1,000,000,000 Shares before our IPO.
- (2) Based on the enlarged share capital of 1,200,000,000 Shares after our IPO.
- (3) Deemed interest by virtue of his/her direct shareholding in Lille Management pursuant to Section 8(4) of the Act.

Our Promoters and substantial shareholders do not have different voting rights from other shareholders of our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.1.2 Profiles of Promoters and/or substantial shareholders

(a) Lille Management

Lille Management was incorporated in Malaysia on 20 May 2021 under the Act as a private limited company. Lille Management is an investment holding (in shares) company. As at LPD, the issued share capital of Lille Management is RM100 comprising 100 ordinary shares. As at LPD, the Directors and substantial shareholders of Lille Management are as follows:

| Name | Designation | Nationality | Direct | | Indirect | |
|-----------------------|--------------------------|-------------|---------------|------|---------------|---|
| | | | No. of shares | % | No. of shares | % |
| Angeline Ong Lay Shee | Director and shareholder | Malaysian | 25 | 25.0 | - | - |
| Adeline Ong Lay Suen | Director and shareholder | Malaysian | 25 | 25.0 | - | - |
| Ameline Ong Lay Ling | Shareholder | Malaysian | 25 | 25.0 | - | - |
| Alex Ong Lay Ming | Shareholder | Malaysian | 25 | 25.0 | - | - |

(b) Alan Ong Lay Wooi

Alan Ong Lay Wooi, a Malaysian, aged 41, is our Promoter, substantial shareholder and Managing Director. He is involved in overseeing our business operations, and is responsible in setting and formulating strategic directions to drive the business development, growth and expansion of our Group. He was appointed to our Board on 11 February 2003.

In 2002, he completed his STPM in Sekolah Menengah Kebangsaan Datok Lokman, Kuala Lumpur. He then completed training courses related to the requirements and practices of internal quality audit pertaining to ISO 9001:2000 and ISO 9001:2008 in 2007 and 2013 respectively, as well as a training course on 'Good Distribution Practice for Medical Devices (GDPMD)' in 2017. He also passed and obtained his Non-Executive KEK certificate from AKMAL in 2018.

Prior to formal employment in SKL, he had been working as Maintenance Assistant with SKL on a part-time basis starting 2000. To deepen his knowledge and technical skills in vehicle maintenance, he participated and completed several training courses in relation to vehicle systems covering diesel brake and steering system as well as filtration system. In 2002, he was appointed as Maintenance Manager where he was involved in managing the daily operations of our Purchasing Department, handling group licensing related matters, and dealing with government authorities in obtaining, renewing and maintaining the licences required for our business operations.

Subsequently in 2003, as the successor to his father, Ong Leng Jin, who was the founder of our Group, he was appointed as Executive Director of SKL. Since then, he gradually undertook additional roles and responsibilities covering amongst others, operational and business development, and setting strategic directions for the growth and expansion of our Group, and eventually was appointed as Managing Director in 2015 (concurrent with the late Ong Leng Jin stepping down from our Group), a position he holds to-date.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

Please refer to Section 5.2.3(b) for his involvement in other business activities outside our Group.

(c) Angeline Ong Lay Shee

Angeline Ong Lay Shee, a Malaysian, aged 35, is our Promoter, substantial shareholder and Executive Director. She is responsible for overseeing the information technology division as well as insurance-related matters covering enquiries, purchases and claims of insurance by our Group. She was appointed to our Board on 18 April 2013.

In 2006, she completed her Sijil Pelajaran Malaysia in Sekolah Menengah Kebangsaan Datok Lokman, Kuala Lumpur.

In 2007, she joined SKL as a Management Trainee in IT Department where she was involved in upkeeping and maintaining computer and software systems used in our business operations, which include planning for the purchase, upgrade and update of hardware and software as well as identifying suitable software systems to enhance our Group's operations. She also undertook additional responsibilities in customer service to provide support to, and maintain relationships with, our customers.

In 2009, she was promoted to Head of Group IT and Insurance Claims where she led the operations of the IT Department and matters pertaining to insurance and claims. She also took on additional responsibilities in managing daily operational matters of our trucking business and other logistics-related business, customer service as well as assisting in network planning for customers of our trucking services, and service route coverage. Further, she also assisted in matters related to banking operations including exploring and liaising with bankers for facilities available for borrowings and savings.

In 2013, she was appointed as Executive Director of SKL, assuming her current responsibilities.

Please refer to Section 5.2.3(c) for her involvement in other business activities outside our Group.

(d) Adeline Ong Lay Suen

Adeline Ong Lay Suen, a Malaysian, aged 34, is our Promoter, substantial shareholder and Executive Director. She is responsible for overseeing our Group's warehouse division including managing matters related to customer enquiries, preparation of quotations, negotiation of pricing and terms with customers, accommodation of customers' special requests and overall warehousing operations. She was appointed to our Board on 12 August 2022.

In 2014, she graduated with a Bachelor of Business and Commerce from Monash University, Malaysia. Subsequently, she pursued further studies and obtained a Graduate Diploma of Accounting from Deakin University, Australia in 2021.

In 2008, while pursuing her degree in university, she joined SKL as Human Resource Executive on a part time basis where she assisted in ad-hoc human resource related activities, matters pertaining to vehicle maintenance and ISO compliance, as well as administrative works. In 2011, she became our Accounts and Operations Executive, also on a part-time basis, where she assisted in the preparation of quotations and documentations for our customers, as well as being involved in managing petty cash and implementing a new accounting system. In 2013, she left SKL to focus on completing her degree.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

Upon graduating from Monash University in April 2014, she joined United Overseas Bank (M) Bhd as a Management Trainee Officer where she was involved in marketing-related tasks in several branches of the bank. In August 2014, she was promoted to Marketing Manager where she was responsible for promoting the bank's loan products to small and medium enterprises, until she left in September 2015.

In October 2015, she joined Standard Chartered Bank Malaysia Berhad as Business Development Executive, Business Clients where her responsibilities included preparing credit papers and analysing customers' financial reports, cash flow statements and management accounts for loan applications. In 2019, she left to further her studies at Deakin University, Australia.

Upon completing her studies in Deakin University in 2021, she joined SKL as Business Development Manager, where she was responsible for amongst others, implementing business strategies according to the strategic directions set by our directors, overseeing the operations of our warehousing and distribution division and forwarding division, overseeing customer support, and formulating strategies to ensure our Group operates according to the budgetary controls set by our Finance Department. In August 2022, she was appointed as our Executive Director, a position she holds to-date, assuming her current responsibilities.

Please refer to Section 5.2.3(d) for her involvement in other business activities outside our Group.

(e) Ameline Ong Lay Ling

Ameline Ong Lay Ling, a Malaysian, aged 32, is our Promoter, substantial shareholder and General Manager. She is responsible for leading our Group's transport division, safety, security and compliance division as well as human resources and administrative division. She also oversees the implementation of quality standards and policies to ensure continuous compliance to with the relevant quality standards as well as laws and regulations.

In 2014, she graduated with a Bachelor of Business and Commerce from Monash University, Malaysia. She subsequently passed and obtained the KEK certificate from AKMAL in 2019.

Prior to formal employment in SKL, she had been working as Human Resource and Administrative Executive with SKL on a part-time basis starting from 2007, and continuing through 2010 when she began her university studies, where she managed the overall operations of human resource and administrative functions.

Upon graduating from Monash University in 2014, she was promoted to Assistant General Manager. She was involved in overseeing the daily operations of the transport and warehouse division, procurement related matters, management of overall human resources and administrative functions as well as the development and implementation of quality standards and policies to ensure continuous quality compliance.

In January 2022, she was promoted to Deputy General Manager (Central). She was responsible for leading our Group's transport division, safety, security and compliance division; as well as human resource and administrative division in Central region, Malaysia. In August 2022, she was promoted to General Manager, a position she holds to-date.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Please refer to Section 5.3.4(a) for her involvement in other business activities outside our Group.

(f) Alex Ong Lay Ming

Alex Ong Lay Ming, a Malaysian aged 29, is our substantial shareholder by virtue of his shareholding in Lille Management pursuant to Section 8(4) of the Act as set out in Section 5.1.1.

Prior to obtaining his Bachelor of Business and Commerce from Monash University, Malaysia in 2019, he was a Warehouse Executive and Warehouse Manager of our Company in 2013 and 2014 respectively. He was responsible for supervising and coordinating the inbound and outbound shipments. He also assisted in the daily inbound and outbound shipment tasks which include picking, packing as well as loading and unloading cargo.

Upon completing his studies, he began his career as a Customer Service Executive in Webhelp Malaysia Sdn Bhd in September 2019 where he was responsible in responding to customer inquiries, resolving issues faced by the customers and providing product or service information to the customers. He left Webhelp Malaysia Sdn Bhd in November 2019 and is currently on career break whilst actively seeking for employment opportunity.

He does not hold any directorships in other companies outside our Group.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.1.3 Changes in Promoters' and substantial shareholders' shareholdings

The changes in our Promoters and substantial shareholders' respective shareholdings in our Company during FYE 2020 to FYE 2023 and up to LPD are as follows:

| Name | As at 31 December 2020 | | | | As at 31 December 2021 | | | |
|---|---------------------------------------|------|----------------|---------|---------------------------------------|------|----------------|---------|
| | Direct | | Indirect | | Direct | | Indirect | |
| | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Promoters and substantial shareholders | | | | | | | | |
| Lille Management | - | - | - | - | - | - | - | - |
| Alan Ong Lay Wooi | 1,592,000 | 19.9 | (2)4,000,000 | (2)50.0 | 1,592,000 | 19.9 | (2)4,000,000 | (1)50.0 |
| Angeline Ong Lay Shee | 2,388,000 | 29.9 | (2)4,000,000 | (2)50.0 | 2,388,000 | 29.9 | (2)4,000,000 | (1)50.0 |
| Adeline Ong Lay Suen | - | - | - | - | - | - | - | - |
| Ameline Ong Lay Ling | - | - | - | - | - | - | - | - |
| Substantial shareholders | | | | | | | | |
| Prefered Advantage ⁽¹⁾ | 4,000,000 | 50.0 | - | - | 4,000,000 | 50.0 | - | - |
| Alex Ong Lay Ming | - | - | - | - | - | - | - | - |
| Name | ⁽³⁾ As at 31 December 2022 | | | | ⁽³⁾ As at 31 December 2023 | | | |
| | Direct | | Indirect | | Direct | | Indirect | |
| | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Promoters and substantial shareholders | | | | | | | | |
| Lille Management | 399,000,000 | 39.9 | - | - | 399,000,000 | 39.9 | - | - |
| Alan Ong Lay Wooi | 399,000,000 | 39.9 | - | - | 399,000,000 | 39.9 | - | - |
| Angeline Ong Lay Shee | 199,500,000 | 20.0 | (4)399,000,000 | (4)39.9 | 199,500,000 | 20.0 | (4)399,000,000 | (4)39.9 |
| Adeline Ong Lay Suen | - | - | (4)399,000,000 | (4)39.9 | - | - | (4)399,000,000 | (4)39.9 |
| Ameline Ong Lay Ling | - | - | (4)399,000,000 | (4)39.9 | - | - | (4)399,000,000 | (4)39.9 |
| Substantial shareholder | | | | | | | | |
| Alex Ong Lay Ming | - | - | (4)399,000,000 | (4)39.9 | - | - | (4)399,000,000 | (4)39.9 |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Name | ⁽³⁾ As at LPD | | | |
|---|--------------------------|------|----------------------------|---------------------|
| | Direct | | Indirect | |
| | No. of Shares | % | No. of Shares | % |
| Promoters and substantial shareholders | | | | |
| Lille Management | 399,000,000 | 39.9 | - | - |
| Alan Ong Lay Wooi | 399,000,000 | 39.9 | - | - |
| Angeline Ong Lay Shee | 199,500,000 | 20.0 | ⁽⁴⁾ 399,000,000 | ⁽⁴⁾ 39.9 |
| Adeline Ong Lay Suen | - | - | ⁽⁴⁾ 399,000,000 | ⁽⁴⁾ 39.9 |
| Ameline Ong Lay Ling | - | - | ⁽⁴⁾ 399,000,000 | ⁽⁴⁾ 39.9 |
| Substantial shareholder | | | | |
| Alex Ong Lay Ming | - | - | ⁽⁴⁾ 399,000,000 | ⁽⁴⁾ 39.9 |

Notes:

- ⁽¹⁾ The Shares held by Preferred Advantage was transferred to Lille Management and Alan Ong Lay Wooi on 24 January 2022 as part of an internal restructuring among siblings. The internal restructuring among siblings had resulted an increase in Alan Ong Lay Wooi's direct shareholding to 39.9% (from 19.9%). Simultaneously, Angeline Ong Lay Shee's direct shareholding has reduced to 20.0% (from 29.9%).

Preferred Advantage was incorporated in Malaysia on 25 August 2003 under the Act as a private limited company. Preferred Advantage is a share investment holding company. As at LPD, the issued share capital of Preferred Advantage is RM3,500,000 comprising 3,500,000 ordinary shares. As at LPD, the Directors and substantial shareholders of Preferred Advantage are as follows:

| Name | Designation | Nationality | Direct | | Indirect | |
|-------------------------|--------------------------|-------------|---------------|------|---------------|---|
| | | | No. of shares | % | No. of shares | % |
| Alan Ong Lay Wooi | Director and shareholder | Malaysian | 560,000 | 16.0 | - | - |
| Angeline Ong Lay Shee | Director and shareholder | Malaysian | 840,000 | 24.0 | - | - |
| Mohd Nazrin Bin Basiran | Director and shareholder | Malaysian | 2,100,000 | 60.0 | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

- (2) Deemed interest by virtue of his/her shareholdings in Preferred Advantage pursuant to Section 8(4) of the Act.
- (3) Based on the enlarged share capital of 1,000,000,000 Shares before our IPO.
- (4) Deemed interest by virtue of his/her shareholdings in Lille Management pursuant to Section 8(4) of the Act.

5.1.4 Persons exercising control over the corporation

Save for our Promoters and substantial shareholders as set out in Section 5.1.1, there is no other person who is able to, directly or indirectly, jointly or severally, exercise control over our Company. As at LPD, our Promoters have the same voting rights as our other shareholders and there is no arrangement between our Company and its shareholders with any third parties, the operation of which may, at a subsequent date, result in the change in control of our Company.

5.1.5 Amounts or benefits paid or intended to be paid or given to our Promoters or substantial shareholders

Save for the issuance of our Shares as disclosed in Section 6.1, the dividends as set out in Section 12.16 and aggregate remuneration and benefits paid or proposed to be paid for services rendered to our Group in all capacities as disclosed in Sections 5.2.4 and 5.3.5, there are no other amounts or benefits that have been paid or intended to be paid to our Promoters and substantial shareholders within the 2 years preceding the date of this Prospectus.

5.2 DIRECTORS

Our Board takes note of the recommendations under the MCCG released on 28 April 2021. As at LPD, our Board has adopted all relevant recommendations of the MCCG, specifically, on Practice Notes 1.4, 5.2 and 5.9, i.e. to have at least half of the Board comprising Independent Non-Executive Directors, that the Chairman of our Board should not be a member of our Audit and Risk Management Committee, Nomination Committee or Remuneration Committee, and to have at least 30.0% women directors on our Board.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.2.1 Directors' shareholdings

The shareholdings of our Directors in our Company before and after IPO assuming that our Directors will fully subscribe for their respective entitlements under the Pink Form Allocations are set out below:

| Name | Designation / Nationality | ⁽¹⁾ Before IPO | | | | ⁽²⁾ After IPO | | | |
|--------------------------------------|--|---------------------------|--------------------|----------------------------|---------------------|--------------------------|---------------------|----------------------------|---------------------|
| | | Direct | | Indirect | | Direct | | Indirect | |
| | | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Tan Soo Mooi | Independent Non-Executive Chairwoman / Malaysian | - | - | - | - | ⁽³⁾ 400,000 | ⁽³⁾ <0.1 | - | - |
| Alan Ong Lay Wooi | Managing Director / Malaysian | 399,000,000 | 39.9 | - | - | 357,600,000 | 29.8 | - | - |
| Angeline Ong Lay Shee | Executive Director / Malaysian | 199,500,000 | 20.0 | ⁽⁴⁾ 399,000,000 | ⁽⁴⁾ 39.9 | 178,800,000 | 14.9 | ⁽⁴⁾ 357,600,000 | ⁽⁴⁾ 29.8 |
| Adeline Ong Lay Suen | Executive Director / Malaysian | - | - | ⁽⁴⁾ 399,000,000 | ⁽⁴⁾ 39.9 | - | - | ⁽⁴⁾ 357,600,000 | ⁽⁴⁾ 29.8 |
| Datuk Md Hassim Bin Pardi | Non-Independent Non-Executive Director / Malaysian | ⁽⁵⁾ 2,500,000 | ⁽⁵⁾ 0.2 | - | - | ⁽³⁾ 2,500,000 | ⁽³⁾ 0.2 | - | - |
| Dato' Haji Abdul Wahabi Bin Abdullah | Independent Non-Executive Director / Malaysian | - | - | - | - | ⁽³⁾ 50,000 | ⁽³⁾ <0.1 | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Name | Designation / Nationality | ⁽¹⁾ Before IPO | | | | ⁽²⁾ After IPO | | | |
|--------------------------------|--|---------------------------|---|---------------|---|--------------------------|---------------------|---------------|---|
| | | Direct | | Indirect | | Direct | | Indirect | |
| | | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Dato' Ir. Hj Mohamad Bin Dalib | Independent Non-Executive Director / Malaysian | - | - | - | - | ⁽³⁾ 50,000 | ⁽³⁾ <0.1 | - | - |
| Adam Muralidharan Bin Abdullah | Independent Non-Executive Director / Malaysian | - | - | - | - | ⁽³⁾ 500,000 | ⁽³⁾ <0.1 | - | - |
| Lee Lean Suan | Independent Non-Executive Director / Malaysian | - | - | - | - | ⁽³⁾ 2,500,000 | ⁽³⁾ 0.2 | - | - |

Notes:

- ⁽¹⁾ Based on the share capital of 1,000,000,000 Shares before our IPO.
- ⁽²⁾ Based on the enlarged share capital of 1,200,000,000 Shares after our IPO.
- ⁽³⁾ Assuming that they will fully subscribe for their entitlement under the Pink Form Allocations.
- ⁽⁴⁾ Deemed interest by virtue of his/her shareholdings in Lille Management pursuant to Section 8(4) of the Act.
- ⁽⁵⁾ Datuk Md Hassim Bin Pardi had on 23 November 2021 became a shareholder of SKL.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.2.2 Profiles of Directors

The profiles of Alan Ong Lay Wooi, Angeline Ong Lay Shee and Adeline Ong Lay Suen are set out in Section 5.1.2. The profiles of our other Directors are as follows:

(a) Tan Soo Mooi

Tan Soo Mooi, a Malaysian, aged 57, is our Independent Non-Executive Chairwoman. She was appointed to our Board on 13 August 2022.

In 1992, she graduated with a Bachelor of Accounting from University of Malaya. Subsequently, she obtained her Professional Examination II Certificate from MACPA in 1993. She was admitted as a Chartered Accountant of MIA in 1995. In 2017, she passed her Computerised Unit Trust Examination from the Federation of Investment Managers Malaysia.

In 1992, she joined BDO Binder as Audit Assistant where she was involved in audit related works of companies in various industries such as trading, manufacturing and stockbroking. She left BDO Binder as Senior II and joined Ancom Berhad as Assistant Accountant in 1994 where she was involved in managing the accounting functions for the Agrochemical Division covering various manufacturing companies. She left Ancom Berhad and joined Berjaya Cycles Sdn Bhd as Accountant in 1995 where she was responsible for managing the accounting functions of Berjaya Cycles Sdn Bhd and Berjaya Lerun Industries Berhad (the holding company of Berjaya Cycles Sdn Bhd).

In 1998, she left Berjaya Cycles Sdn Bhd and joined CITC Enterprise Sdn Bhd as Deputy Finance Manager, where she was responsible for overseeing the operations of the Accounts Department. In 2002, she was promoted to Accounts Manager where she was responsible for overseeing the operations of the Accounts Department and Local Purchasing Department. In 2004, she was promoted to Financial Controller and in 2017, she was appointed as Executive Manager where she was involved in overseeing and managing the cessation operations of the company. She left the company in 2018 as her contract tenure ended.

During her tenure in CITC Enterprise Sdn Bhd, she passed her Computerised Unit Trust Examination in 2017 and subsequently became a part-time Unit Trust and Private Retirement Scheme Consultant of Public Mutual Berhad. She has been a Unit Trust and Private Retirement Scheme Consultant to-date, where she is involved in the provision of investment consultation services.

She also joined Unicorn Industry (M) Sdn Bhd in 2018 as Consultant on a contractual basis while she was working for CITC Enterprise Sdn Bhd and acting as a Unit Trust and Private Retirement Scheme Consultant of Public Mutual Berhad concurrently. She was responsible for overseeing the accounting, finance, costing and taxation department until she left Unicorn Industry (M) Sdn Bhd in 2020.

In 2019, she co-founded Enhanz Capital Management PLT with another partner. She was involved in providing accounting and taxation, management, investment, corporate and financial planning, internal audit, and properties management services as Partner, a position which she continues to hold to-date.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

She was appointed as Independent Non-Executive Director of Muar Ban Lee Group Berhad (a company listed on the Main Market of Bursa Securities) in April 2019 and Tek Seng Holdings Berhad (a company listed on the Main Market of Bursa Securities), in July 2019 which she continues to hold to-date.

Please refer to Section 5.2.3(a) for her involvement in other business activities outside our Group.

(b) Datuk Md Hassim Bin Pardi

Datuk Md Hassim Bin Pardi, a Malaysian, aged 72, is our Non-Independent Non-Executive Director who is responsible for providing customs formalities advisory services to our Group. He was appointed to our Board on 30 November 2021.

In 1975, he graduated with a Bachelor of Arts (Hons) from University of Malaya. Subsequently, he pursued further studies and obtained a Diploma in Public Administration from University of Malaya in 1984.

In 1976, he joined the RMCD as Superintendent of Customs, where he was tasked as an investigation officer, raiding officer and prosecution in court. While continuing to pursue his career, he was granted full pay study leave by the RMCD where he completed his Diploma in Public Administration at the University of Malaya.

In 1985, he resumed his employment in the RMCD as Assistant Director – Head of Enforcement Department in the Kuantan office where he was responsible for managing the enforcement department specifically on matters pertaining to investigation and prosecution. In 1991, he was transferred to the RMCD's Sabah office as Assistant Director of Customs Department where he was mainly involved in managing customs matters pertaining to sales and service tax. In 1995, he was promoted to Senior Assistant Director at the RMCD's Port Klang office where he was in charge of the audit department. Between 1997 and 2007, he was the State Customs Director in several state offices in Perlis, Melaka and Sarawak, where he was responsible for overseeing state office operations including carrying out intelligence operations on smuggling activities and enforcement tasks against offences involving Intellectual Property Rights, Anti Money Laundering and Terrorist Financing Act 2001, Anti Trafficking in Persons Act 2007, and Weapons of Mass Destruction.

In 2007, he was promoted to Director of Corporate Planning Division at the RMCD's Putrajaya headquarters where he was responsible for identifying areas of improvement and formulating strategies to improve customs services. In 2009, he was promoted to Assistant Director General of Customs (Enforcement and Compliance) where he oversaw the enforcement and compliance division. His responsibilities also included formulating plans in conducting systematic and efficient audits on licensees and importers to ensure proper collection of taxes. He retired from the RMCD in 2010.

He was appointed as Independent Non-Executive Director of JAG Berhad (a company listed on the ACE Market of Bursa Securities) in 2011, a position he holds to-date.

Please refer to Section 5.2.3(e) for his involvement in other business activities outside our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(c) Dato' Haji Abdul Wahabi Bin Abdullah

Dato' Haji Abdul Wahabi Bin Abdullah, a Malaysian, aged 62, is our Independent Non-Executive Director. He was appointed to our Board on 13 August 2022.

In 1985, he graduated with a Bachelor of Science (Nuclear Science) with Honours from University Kebangsaan Malaysia.

In 1985, he joined the RMCD as Customs Superintendent, where he was responsible for the processing of goods imported to Malaysia and processing of internal tax licences. In 2002, he was promoted to Senior Assistant Director of Customs, where he was responsible for the enforcement and operations of preventive measures.

In 2011, he was promoted to Deputy Director of Customs where he was responsible for overseeing the enforcement and operations of preventive measures. In 2018, he was further promoted to Director of Customs, where he was involved in overseeing the administration of the customs department in KLIA and the enforcement and operations of preventive measures.

In March 2021, he was promoted to Assistant Director General of Customs (Enforcement) where he was responsible for overseeing and managing all customs enforcement matters throughout Malaysia. In December 2021, he was promoted to Deputy Director General of Customs (Enforcement & Compliance), where his responsibilities expanded to policy making of customs enforcement matters throughout Malaysia. He retired in 2022.

Please refer to Section 5.3.2(f) for his involvement in other business activities outside our Group.

(d) Dato' Ir. Hj Mohamad Bin Dalib

Dato' Ir. Hj Mohamad Bin Dalib, a Malaysian, aged 66, is our Independent Non-Executive Director. He was appointed to our Board on 13 August 2022.

In 1997, he obtained a Bachelor of Engineering (Manufacturing Engineering) from University of Sunderland, United Kingdom. He has been a Professional Engineer with Practising Certificate of the Board of Engineers Malaysia since 2015.

In 1977, he joined Syarikat Hargill Malaysia Sdn Bhd as Apprentice Mechanic where he was involved in repairing heavy machinery and vehicles. He left the company in 1982 and took a career break.

In 1983, he joined the Road Transport Department of Malaysia (a department under the Ministry of Transport of Malaysia) as Vehicle Examiner where he was responsible for inspecting commercial and private vehicles. In 1994, he took a study break to pursue his studies in University of Sunderland, United Kingdom. Upon completing his studies in 1997, he returned to Malaysia and rejoined the Road Transport Department of Malaysia where he undertook the same role prior to his study break. In 1999, he was promoted to Assistant Director of the Automotive Engineering Division where he was responsible for leading and managing technical matters pertaining to modification and inspection activities of commercial vehicles.

In 2008, he was promoted to Director of the Automotive Engineering Division where he was responsible for approving modifications of vehicles on behalf of the Director General. He retired in 2018.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

Upon retirement, in 2018, he established DIMD Automotif Consultant, a sole proprietorship where he is presently involved. He provides advisory and consultancy services on vehicle approvals to automotive companies.

Please refer to Section 5.3.2(g) for his involvement in other business activities outside our Group.

(e) Adam Muralidharan Bin Abdullah

Adam Muralidharan Bin Abdullah, a Malaysian, aged 58, is our Independent Non-Executive Director. He was appointed to our Board on 13 August 2022.

In 1985, he obtained his Sijil Pelajaran Malaysia from Sekolah Tinggi Segamat, Johor. In 1986, he obtained his Certificate in Food and Beverage Management and Front Office Procedures from The Educational Institute of the American Hotel and Motel Association.

In 1988, he joined Sankyu (Singapore) Pte Ltd in Singapore as Contract Staff where he was involved in the coordination of warehouse operations. In 1990, he left Sankyu (Singapore) Pte Ltd and joined Singapore Prisons Department as Officer (Contract Service) where he was responsible for managing inmates and maintaining order within the prison facility. He left the Singapore Prison Department and returned to Malaysia in 1994.

In 1994, he joined Sri Bayanaemas Warehousing (K.L.) Sdn Bhd as Security Officer. He was responsible for managing warehouse operations and inbound and outbound movement of goods. He left the company in 1998.

In 1999, he joined Air Express International Malaysia Sdn Bhd as Security Department Manager where he was responsible for overseeing overall security operations. He left the company in December 2000.

In 2001, he joined Danzasmal Domestic Logistics Services Sdn Bhd (DHL Global Forwarding) as Security Department Manager where he was responsible for overseeing overall security operations. He held various positions in the company over the years and he left Danzasmal Domestic Logistics Services Sdn Bhd (DHL Global Forwarding) in 2021 as Branch Manager of KLIA branch, where he was involved in managing the financial performance of the branch and staff performance.

In 2022, he joined Ecologis Services (M) Sdn Bhd as Business Development Director where he was involved in providing advisory services for airport handling operations. He continues to hold this position to-date.

He does not hold any directorships in other companies outside our Group.

(f) Lee Lean Suan

Lee Lean Suan, a Malaysian, aged 57, is our Independent Non-Executive Director. She was appointed to our Board on 13 August 2022.

In 1992, she graduated with a Bachelor of Accounting from University of Malaya. In 1994, she obtained her Professional Examination II Certificate from MACPA. She was subsequently admitted as a Chartered Accountant of MIA in 1995. She has also been an Associate Member of the Chartered Tax Institute Of Malaysia since 1996 and a Fellow Member of the Chartered Tax Institute Of Malaysia since 2005.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

In 1992, she joined Deloitte Malaysia (previously known as Kassim Chan & Co) as Audit Assistant where she was involved in various audit assignments comprising clients ranging from small and medium enterprises ("**SMEs**") and private companies to public listed companies and multinational corporations. In 1993, she was promoted to Audit Senior where she was involved in carrying out statutory audit of company accounts, audit planning, review of internal controls, tests of transactions and balances, preparation of reports and financial statements, and drafting management letters. In May 1994, she was promoted to Assistant Manager, where she was involved in supervising and reviewing audit works. In September 1994, she was transferred to the Business Services, Corporate Recovery and Insolvency Division as Division Senior, where she was responsible for conducting feasibility studies of client's business and financial positions, advising client on financial matters, and was involved in listing exercises. She left the company in December 1994.

In 1995, she joined Magnum Corporation Berhad as Financial Accountant where she was involved in reviewing and maintaining accounts, liaising with subsidiaries and associate companies for timely submission of reports, and overseeing the completion of statutory accounts of the Group. During her tenure with Magnum Corporation Berhad, she also held various positions for different durations in several subsidiaries of Magnum Corporation Berhad, as follows:

- Financial Controller at Syarikat Perniagaan Selangor Sdn Bhd where she was responsible for overseeing the financial and administrative matters of the company and assisting in feasibility studies on new projects.
- Finance & Administrative Manager at Vijura Sdn Bhd where she was responsible for overseeing the financial and administrative matters of the company.
- Finance & Administrative Manager at Tasek Ampang Hotel Sdn Bhd where she was responsible for overseeing the financial and administrative matters of the company.
- Chief Executive Officer and Principal at Flamingo International College where she was responsible for setting up and expanding Flamingo International College.

In 2000, she left Magnum Corporation Berhad when she performed a management buy-out of Flamingo International College from Magnum Corporation Berhad together with another partner. Subsequent to that, she became the Chief Executive Officer and Finance Director of Flamingo International College where she was responsible for managing the overall operations of Flamingo International College until she sold the college licence and retired in 2018.

In 2019, she joined Gaya Sekitar Sdn Bhd as Director, a position she holds to-date. She is involved in overseeing the food and beverage business of the company.

She was appointed as Independent Non-Executive Director of Luster Industries Bhd (a company listed on the Main Market of Bursa Securities) in 2023, a position she holds to-date.

Please refer to Section 5.3.2(h) for her involvement in other business activities outside our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.2.3 Principal business performed outside our Group

Save as disclosed below, none of our Directors has any other principal directorship and/or principal business activities performed outside our Group in the past 5 years up to LPD:

(a) Tan Soo Mooi

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|---|--|--|---------------------|-------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| Present involvement | | | | | | |
| Muar Ban Lee Group Berhad (a company listed on Main Market of Bursa Securities) | Palm kernel expeller manufacturer specialising in palm oil machinery and oil seed crushing machinery | Independent Non-Executive Director | 10 April 2019 | - | - | - |
| Tek Seng Holdings Berhad (a company listed on Main Market of Bursa Securities) | Manufacturing and trading of polyvinyl chloride related products and polypropylene non-woven, trading of solar cell products and generating and supplying renewable energy | Independent Non-Executive Director / Shareholder | 1 July 2019 | - | <0.1 | - |
| Polypalm Wood Products Sdn Bhd | Manufacturing and selling of polypalm wood flooring material, provision of installation services and labour services | Shareholder | - | - | 10.0 | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|---|--|------------------------------------|---------------------|-------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| Enhanz Capital Management PLT | Provision of advisory and services on accounting, auditing, taxation, secretarial, business management, and investment | Partner | 15 May 2019 | - | - | - |
| Past involvement | | | | | | |
| UM92 PG Sdn Bhd | Cafeterias and canteens | Director | 23 July 2019 | 20 September 2019 | - | - |
| Ivory Properties Group Berhad (a company listed on Main Market of Bursa Securities) | Investment holding and property development | Independent Non-Executive Director | 16 October 2019 | 1 September 2022 | - | - |
| En Hanz Capital Management Services | Providing advisory and services on accounting, taxation, secretarial, management, investment, corporate planning, financial planning, internal audit and properties management | Partner | 1 April 2019 | 9 April 2020 | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(b) Alan Ong Lay Wooi

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|---|--|------------------------|----------------------------|--------------------------|--------------------------------|-----------------|
| | | | | | Direct | Indirect |
| Present involvement | | | | | | |
| Prefered Advantage | Investment holding in shares | Director / Shareholder | 5 September 2003 | - | 16.0 | - |
| Lille Equity Sdn Bhd (formerly known as Sin-Kung Logistics (Penang) Sdn Bhd) | Dormant with no intended future activities, and previously involved in the provision of hiring of motor trucks services and as transport and forwarding agent (in the process of striking off) | Director / Shareholder | 7 October 2004 | - | 50.0 | - |
| Dyna Auto Manufacturing Sdn Bhd | Dormant with no intended future activities, and previously involved in manufacturing and assembling of commercial and electric vehicles | Director / Shareholder | 18 October 2004 | - | 60.5 | - |
| Ekspress Masyhur Semenanjung Sdn Bhd | Dormant with no intended future activities, and previously involved in provision of hiring of coach | Director / Shareholder | 23 May 2006 | - | 17.5 | - |
| Platinum Star Holidays Sdn Bhd | Tour and travel agent, transportation (coaches and vans) and general trading | Director / Shareholder | 14 September 2009 | - | 32.5 | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|-------------------------------------|---|------------------------|---------------------|-------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| Sepang Airport Services Sdn Bhd | Provision of airport ground handling services which include cargo terminal handling, aircraft towing, baggage handling, fuelling and crew handling | Director | 5 May 2015 | - | - | - |
| Lille Property Sdn Bhd | Investment holdings in property | Director / Shareholder | 2 June 2021 | - | 40.0 | - |
| Past involvement | | | | | | |
| Sin Kung Cheras Corporation Sdn Bhd | Dormant and previously an armed escort services provider (struck off on 10 February 2023) | Director | 14 February 2003 | 26 July 2021 | - | - |
| Forecom Sdn Bhd | Dormant and previously involved in the provision of hiring of motor trucks services and as transport and forwarding agent (struck off on 7 July 2023) | Director | 5 March 2004 | 26 July 2021 | - | - |
| Grand Account Sdn Bhd | Dormant and no intended activity (struck off on 21 July 2021) | Director / Shareholder | 5 March 2004 | 21 July 2021 | 33.3 | - |
| Forecom Inter-phase Sdn Bhd | Dormant and previously a transport and forwarding agent; dealing in packaging and moving; rental of motor vehicles (struck off on 18 January 2019) | Director | 5 March 2004 | 18 January 2019 | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|------------------------------------|--|---------------|---------------------|-------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| Forecom (JB) Sdn Bhd | Dormant and previously a forwarding agent (struck off on 18 January 2019) | Director | 5 March 2004 | 18 January 2019 | - | - |
| Forecom Agencies Sdn Bhd | Dormant and no intended activity (struck off on 18 January 2019) | Director | 5 March 2004 | 18 January 2019 | - | - |
| Forecom HR Sdn Bhd | Dormant and previously involved in the provision of manpower services (struck off on 2 May 2023) | Director | 23 September 2004 | 13 August 2021 | - | - |
| Pengangkutan Ikatan Jerneh Sdn Bhd | Dormant and previously involved in the provision of hiring of motor trucks and lorry transport services and human resources for client businesses (in the process of striking off) | Director | 7 October 2004 | 18 February 2022 | - | - |
| Carta Kreatif Sdn Bhd | Dormant and previously involved in the provision of hiring of motor trucks services and as transport and forwarding agent (struck off on 24 March 2023) | Director | 7 October 2004 | 6 August 2021 | - | - |
| Sin Kung Transit Service Sdn Bhd | Dormant and no intended activity (struck off on 27 September 2019) | Director | 7 October 2004 | 27 September 2019 | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|-----------------------------------|---|---------------------------------|---------------------|-------------------|-------------------------|---------------------|
| | | | | | Direct | Indirect |
| Sasita Transport Sdn Bhd | Dormant and previously involved in the provision of hiring of motor trucks services and as transport and forwarding agent (struck off on 27 January 2023) | Director | 22 June 2005 | 6 May 2021 | - | - |
| Concepts Logistics (M) Sdn Bhd | Dormant and no intended activity (struck off on 18 January 2019) | Director / Shareholder | 18 July 2005 | 18 January 2019 | 32.1 | ⁽¹⁾ 52.7 |
| Forecom Properties Sdn Bhd | Dormant and previously involved in property investment holding (struck off on 18 January 2019) | Director | 29 August 2005 | 18 January 2019 | - | - |
| Amalan Bahagia Sdn Bhd | Dormant and previously involved in the provision of hiring of motor trucks services and as transport and forwarding agent (struck off on 27 January 2023) | Director | 25 August 2006 | 26 July 2021 | - | - |
| Forecom Logistics (KL) Sdn Bhd | Dormant and no intended activity (struck off on 18 January 2019) | Director | 25 August 2006 | 18 January 2019 | - | - |
| Sin-Kung Kangaroo Express Sdn Bhd | Dormant and no intended activity (struck off on 14 August 2019) | Director / Indirect shareholder | 21 November 2006 | 14 August 2019 | - | ⁽²⁾ 51.0 |
| Platinum Star Coach Sdn Bhd | Dormant and previously a coach service provider (struck off on 10 March 2023) | Director | 18 July 2008 | 26 July 2021 | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|---|---|------------------------|---------------------|-------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| Genuine Pavilion Sdn Bhd | Dormant and previously a general merchant, importers and exporters (struck off on 6 March 2019) | Director / Shareholder | 16 December 2010 | 6 March 2019 | 50.0 | - |
| Bright Pavilion Sdn Bhd | Dormant and previously a travel and tour agent, and involved in the provision of transportation and general trading (struck off on 6 March 2019) | Director / Shareholder | 16 December 2010 | 6 March 2019 | 50.0 | - |
| Eureka Elegan Sdn Bhd | Dormant and no intended activity (struck off on 13 November 2020) | Director / Shareholder | 6 January 2011 | 13 November 2020 | 20.0 | - |
| Dyna Auto Industrial Machinery Sdn Bhd | Dormant and previously involved in wholesale and retail sale of all kinds of parts, components, supplies, tools and accessories for motor vehicles | Director | 22 November 2012 | 26 July 2021 | - | - |
| All Win Green Power Technology (Malaysia) Sdn Bhd | Dormant and previously involved in the export and import of a variety of goods without any particular specialisation; manufacture of parts and accessories for motor vehicles (struck off on 3 August 2020) | Director / Shareholder | 6 May 2014 | 3 August 2020 | 50.0 | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|----------------------------------|--|---------------------------------|---------------------|-------------------|-------------------------|---------------------|
| | | | | | Direct | Indirect |
| Sin Kung Air Cargo Sdn Bhd | Dormant and previously involved in the provision of logistics and forwarding services (struck off on 15 July 2020) | Director / Indirect shareholder | 12 June 2014 | 15 July 2020 | - | ⁽²⁾ 50.0 |
| Premium Liquor & Tobacco Sdn Bhd | Dormant and previously involved in the export and import of tobacco products (struck off on 24 December 2020) | Director / Shareholder | 21 September 2016 | 24 December 2020 | 70.0 | - |
| Cargo Compass (M) Sdn Bhd | Provision of air freight services; general sales agent for airlines companies | Director | 16 December 2016 | 4 August 2021 | - | - |

Notes:

- (1) Deemed interested by virtue of his shareholdings in Grand Account Sdn Bhd pursuant to Section 8(4) of the Act.
- (2) Deemed interested by virtue of his shareholdings in SKL pursuant to Section 8(4) of the Act.

(c) Angeline Ong Lay Shee

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|-----------------------------|------------------------------|------------------------|---------------------|-------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| Present involvement | | | | | | |
| Prefered Advantage | Investment holding in shares | Director / Shareholder | 1 August 2012 | - | 24.0 | - |
| Dyna Hobbyworld (M) Sdn Bhd | Trading in toys | Director / Shareholder | 5 December 2012 | - | 50.0 | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|---|--|---------------------------------|---------------------|-------------------|-------------------------|----------------------|
| | | | | | Direct | Indirect |
| Lille Equity Sdn Bhd (formerly known as Sin-Kung Logistics (Penang) Sdn Bhd) | Dormant with no intended future activities, and previously involved in the provision of hiring of motor trucks services and as transport and forwarding agent (in the process of striking off) | Director / Shareholder | 29 July 2013 | - | 50.0 | - |
| Platinum Star Holidays Sdn Bhd | Tour and travel agent, transportation (coaches and vans) and general trading | Director / Shareholder | 7 March 2014 | - | 42.5 | - |
| Sepang Airport Services Sdn Bhd | Provision of airport ground handling services which include cargo terminal handling, aircraft towing, baggage handling, fuelling and crew handling | Director / Indirect shareholder | 5 May 2015 | - | - | ⁽¹⁾ 100.0 |
| Lille Management | Investment holdings in our Company and Lille Property Sdn Bhd | Director / Shareholder | 20 May 2021 | - | 25.0 | - |
| Lille Property Sdn Bhd | Investment holdings in property | Director / Shareholder | 2 June 2021 | - | 20.0 | ⁽²⁾ 40.0 |
| Dyna Auto Manufacturing Sdn Bhd | Dormant with no intended future activities, and previously involved in manufacturing and assembling of commercial and electric vehicles | Director / Shareholder | 26 July 2021 | - | 2.5 | ⁽¹⁾ 32.0 |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|---|---|------------------------|---------------------|-------------------|-------------------------|---------------------|
| | | | | | Direct | Indirect |
| Ekspress Masyhur Semenanjung Sdn Bhd | Dormant with no intended future activities, and previously involved in provision of hiring of coach | Director / Shareholder | 3 August 2021 | - | 17.5 | ⁽¹⁾ 45.0 |
| Past involvement | | | | | | |
| Eureka Elegan Sdn Bhd | Dormant and no intended activity (struck off on 13 November 2020) | Director / Shareholder | 6 January 2011 | 13 November 2020 | 20.0 | - |
| Dyna Auto Industrial Machinery Sdn Bhd | Dormant and previously involved in wholesale and retail sale of all kinds of parts, components, supplies, tools and accessories for motor vehicles | Director | 22 November 2012 | 26 July 2021 | - | - |
| Pengangkutan Ikatan Jerneh Sdn Bhd | Dormant and previously involved in the provision of hiring of motor trucks and lorry transport services and human resources for client businesses (in the process of striking off) | Director | 20 December 2013 | 18 February 2022 | - | - |
| All Win Green Power Technology (Malaysia) Sdn Bhd | Dormant and previously involved in export and import of a variety of goods without any particular specialisation; manufacture of parts and accessories for motor vehicles (struck off on 3 August 2020) | Director | 12 June 2014 | 3 August 2020 | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|-----------------------------|--|---------------------------------|---------------------|-------------------|-------------------------|---------------------|
| | | | | | Direct | Indirect |
| Sin Kung Air Cargo Sdn Bhd | Dormant and previously involved in the provision of logistics and forwarding services (struck off on 15 July 2020) | Director / Indirect shareholder | 22 November 2017 | 15 July 2020 | - | ⁽³⁾ 50.0 |
| Genuine Pavilion Sdn Bhd | Dormant and previously a general merchant, importers and exporters (struck off on 6 March 2019) | Director / Shareholder | 16 December 2010 | 6 March 2019 | 50.0 | - |
| Bright Pavilion Sdn Bhd | Dormant and previously a travel and tour agent, and involved in the provision of transportation and general trading (struck off on 6 March 2019) | Director / Shareholder | 16 December 2010 | 6 March 2019 | 50.0 | - |
| Platinum Star Coach Sdn Bhd | Dormant and previously a coach service provider (struck off on 10 March 2023) | Director | 20 June 2008 | 26 July 2021 | - | - |
| Forecom Inter-phase Sdn Bhd | Dormant and previously a transport and forwarding agent; dealing in packaging and moving; rental of motor vehicles (struck off on 18 January 2019) | Shareholder | - | 18 January 2019 | 50.0 | - |
| Leelee Transport Sdn Bhd | Dormant and previously involved in general trading (struck off on 4 August 2023) | Director | 19 October 2020 | 20 January 2023 | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|------------------------|--|---------------|---------------------|-------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| Lily Transport Sdn Bhd | Dormant and previously involved in general trading (struck off on 4 August 2023) | Director | 19 October 2020 | 20 January 2023 | - | - |

Notes:

- (1) Deemed interested by virtue of her shareholdings in Preferred Advantage pursuant to Section 8(4) of the Act.
- (2) Deemed interest by virtue of her shareholdings in Lille Management pursuant to Section 8(4) of the Act.
- (3) Deemed interested by virtue of her shareholdings in SKL pursuant to Section 8(4) of the Act.

(d) Adeline Ong Lay Suen

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|-----------------------------------|---|---------------------------------|---------------------|-------------------|-------------------------|---------------------|
| | | | | | Direct | Indirect |
| <u>Present involvement</u> | | | | | | |
| Lille Management | Investment holdings in our Company and Lille Property Sdn Bhd | Director / Shareholder | 20 May 2021 | - | 25.0 | - |
| Lille Property Sdn Bhd | Investment holdings in property | Director / Indirect shareholder | 2 June 2021 | - | - | ⁽¹⁾ 40.0 |
| <u>Past involvement</u> | | | | | | |
| Eureka Elegan Sdn Bhd | Dormant and no intended activity (struck off on 13 November 2020) | Shareholder | - | 13 November 2020 | 20.0 | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Note:

(1) Deemed interest by virtue of her shareholdings in Lille Management pursuant to Section 8(4) of the Act.

(e) Datuk Md Hassim Bin Pardi

| <u>Company</u> | <u>Principal activities</u> | <u>Position held</u> | <u>Date of appointment</u> | <u>Date of cessation</u> | <u>% of shareholdings held</u> | |
|---|---|------------------------------------|----------------------------|--------------------------|--------------------------------|-----------------|
| | | | | | <u>Direct</u> | <u>Indirect</u> |
| <u>Present involvement</u> | | | | | | |
| JAG Berhad (a company listed on ACE Market) | Investment holding with its subsidiaries principally involved in metal recycling and manufacturing activities; property developer and management company; and computer software development | Independent Non-Executive Director | 26 August 2011 | - | - | - |
| Plus Max Security Sdn Bhd | Provision of security services | Director / Shareholder | 29 September 2020 | - | 70.0 | - |
| <u>Past involvement</u> | | | | | | |
| Forecom Sdn Bhd | Dormant and previously involved in the provision of hiring of motor trucks services and as transport and forwarding agent (struck off on 7 July 2023) | Director | 26 September 2012 | 30 September 2021 | - | - |
| Sanden Air Conditioning (Malaysia) Sdn Bhd | Manufacturing, installing and maintaining auto air conditioners | Director | 1 November 2013 | 1 November 2020 | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|-----------------------------|---|----------------------|----------------------------|--------------------------|--------------------------------|-----------------|
| | | | | | Direct | Indirect |
| Plus Max Logistics Sdn Bhd | Export and import of a variety of goods without any particular specialisation | Director | 9 April 2018 | 2 October 2021 | - | - |
| Payload Warehousing Sdn Bhd | Forwarding agent | Director | 9 April 2018 | 2 October 2021 | - | - |
| Tasimas Trading Sdn Bhd | Forwarding agent | Director | 16 July 2018 | 2 October 2021 | - | - |
| Plus Max Info Tech Sdn Bhd | Real estate activities with own or leased property N.E.C. | Director | 4 February 2019 | 20 July 2020 | - | - |

(f) Dato' Haji Abdul Wahabi Bin Abdullah

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|--|---|----------------------|----------------------------|--------------------------|--------------------------------|-----------------|
| | | | | | Direct | Indirect |
| <u>Present involvement</u> | | | | | | |
| Nil | | | | | | |
| <u>Past involvement</u> | | | | | | |
| Vehicle Theft Reduction Council of Malaysia Berhad | Reporting of statistics in respect of vehicle theft in Malaysia | Director | 6 December 2021 | 20 June 2022 | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(g) Dato' Ir. Hj Mohamad Bin Dalib

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|-----------------------------------|---|------------------------|---------------------|-------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| <u>Present involvement</u> | | | | | | |
| Mighty Consultant | Technical drawing on automotive, adviser for automotive and lecturing on automotive | Partner | 11 December 2018 | - | - | - |
| DIMD Automotif Consultant | Automotive consultant | Sole Proprietor | 11 December 2018 | - | - | - |
| Brilliance Group Yamaha Sdn Bhd | Wholesale and retail sale of parts and accessories for motorcycles; repair and maintenance of motorcycles | Director / Shareholder | 8 January 2024 | - | 33.0 | - |
| <u>Past involvement</u> | | | | | | |
| MTech RNA Driving Skills Sdn Bhd | Dormant and no intended activity | Director | 22 January 2020 | 3 January 2023 | - | - |

(h) Lee Lean Suan

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|-----------------------------------|----------------------------------|---------------|---------------------|-------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| <u>Present involvement</u> | | | | | | |
| Connectrio Sdn Bhd | Dormant and no intended activity | Shareholder | - | - | 100.0 | - |
| Gaya Sekitar Sdn Bhd | Dessert shop | Director | 29 March 2019 | - | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|-------------------------------|--|------------------------------------|---------------------|-------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| Luster Industries Bhd | Investment holding and provision of management services to its subsidiaries which are involved in amongst others, manufacturing of precision plastic parts and property construction and development | Independent Non-Executive Director | 28 February 2023 | - | - | - |
| Past involvement | | | | | | |
| Flamingo Antarabangsa Sdn Bhd | Dormant and previously involved in the provision of educational services (struck off on 16 March 2021) | Director / Shareholder | 27 February 2007 | 16 March 2021 | 70.0 | - |
| MKR Venture Sdn Bhd | Dormant and never had any operations (struck off on 4 January 2021) | Director | 2 April 2019 | 4 January 2021 | - | - |
| Connectrio Sdn Bhd | Dormant and no intended activity | Director | 7 April 2021 | 30 August 2022 | - | - |

As at LPD, the directorships of our Directors in other companies are in compliance with Rule 15.06 of the Listing Requirements as our Directors do not hold more than 5 directorships in public listed companies on Bursa Securities.

The involvement of our Directors in those business activities outside our Group does not give rise to any conflict of interest situation with our business. The involvement of our Executive Directors in those business activities does not require significant amount of time as they are not involved in the management and day-to-day operations of these businesses, other than attending meetings of the board of directors on which they serve. As such, it does not affect their ability to perform their executive roles and responsibilities to our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.2.4 Directors remuneration and benefits

The remuneration of our Directors including fees, salaries, bonuses, other emoluments and benefits-in-kind, must be reviewed and recommended by our Nominating and Remuneration Committee and subsequently, be approved by our Board. The Director's fees and any benefits payable to Directors shall be subject to annual approval by our shareholders pursuant to an ordinary resolution passed at a general meeting in accordance with our Constitution. Please refer to Section 15.3 for further details.

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Directors for services rendered in all capacities to our Group for FYE 2021 to 2024 are as follows:

| | <u>Directors' fees</u> | <u>Salaries</u> | <u>Bonuses</u> | <u>Other emolument</u> | <u>Benefits-in-kind</u> | <u>Total</u> |
|---|------------------------|-------------------|----------------|----------------------------|-------------------------|--------------|
| | RM'000 | | | | | |
| FYE 2021 (Paid) | | | | | | |
| Alan Ong Lay Wooi | - | 240 | - | - | 24 | 264 |
| Angeline Ong Lay Shee | - | 210 | - | - | 24 | 234 |
| Datuk Md Hassim Bin Pardi | - | - | - | - | - | - |
| FYE 2022 (Paid) | | | | | | |
| Tan Soo Mooi ⁽¹⁾ | 14 | - | - | - | - | 14 |
| Alan Ong Lay Wooi | - | 480 | 35 | - | 25 | 540 |
| Angeline Ong Lay Shee | - | 396 | 30 | - | 24 | 450 |
| Adeline Ong Lay Suen ⁽¹⁾ | - | 300 | 15 | - | 4 | 319 |
| Datuk Md Hassim Bin Pardi | - | ⁽²⁾ 60 | - | - | - | 60 |
| Dato' Haji Abdul Wahabi Bin Abdullah ⁽¹⁾ | 14 | - | - | - | - | 14 |
| Dato' Ir. Hj Mohamad Bin Dalib ⁽¹⁾ | 14 | - | - | - | - | 14 |
| Adam Muralidharan Bin Abdullah ⁽¹⁾ | 14 | - | - | - | - | 14 |
| Lee Lean Suan ⁽¹⁾ | 14 | - | - | - | - | 14 |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| | Directors' fees | Salaries | Bonuses | Other emolument | Benefits-in-kind | Total |
|---|-----------------|----------|---------|--------------------|------------------|-------|
| | RM'000 | | | | | |
| FYE 2023 (Paid) | | | | | | |
| Tan Soo Mooi | 36 | - | - | 1 | - | 37 |
| Alan Ong Lay Wooi | - | 645 | 80 | - | 28 | 753 |
| Angeline Ong Lay Shee | - | 506 | 66 | - | 28 | 600 |
| Adeline Ong Lay Suen | - | 410 | 38 | - | 4 | 452 |
| Datuk Md Hassim Bin Pardi | - | (2)71 | 10 | - | - | 81 |
| Dato' Haji Abdul Wahabi Bin Abdullah | 36 | - | - | 1 | - | 37 |
| Dato' Ir. Hj Mohamad Bin Dalib | 36 | - | - | 1 | - | 37 |
| Adam Muralidharan Bin Abdullah | 36 | - | - | 1 | - | 37 |
| Lee Lean Suan | 36 | - | - | 1 | - | 37 |
| FYE 2024 (Proposed) | | | | | | |
| Tan Soo Mooi | 44 | - | - | 1 | - | 45 |
| Alan Ong Lay Wooi | - | 660 | 55 | - | 28 | 743 |
| Angeline Ong Lay Shee | - | 516 | 43 | - | 28 | 587 |
| Adeline Ong Lay Suen | - | 420 | 35 | - | 5 | 460 |
| Datuk Md Hassim Bin Pardi | - | (2)72 | 6 | - | - | 78 |
| Dato' Haji Abdul Wahabi Bin Abdullah | 36 | - | - | 1 | - | 37 |
| Dato' Ir. Hj Mohamad Bin Dalib | 36 | - | - | 1 | - | 37 |
| Adam Muralidharan Bin Abdullah | 36 | - | - | 1 | - | 37 |
| Lee Lean Suan | 36 | - | - | 1 | - | 37 |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Notes:

- (1) Pro-rated based on their respective appointment dates.
- (2) The salaries are paid and proposed to be paid to Datuk Md Hassim Bin Pardi for his role wherein he provides customs advisory to our Group on a consultative basis leveraging his experience in RMCD.

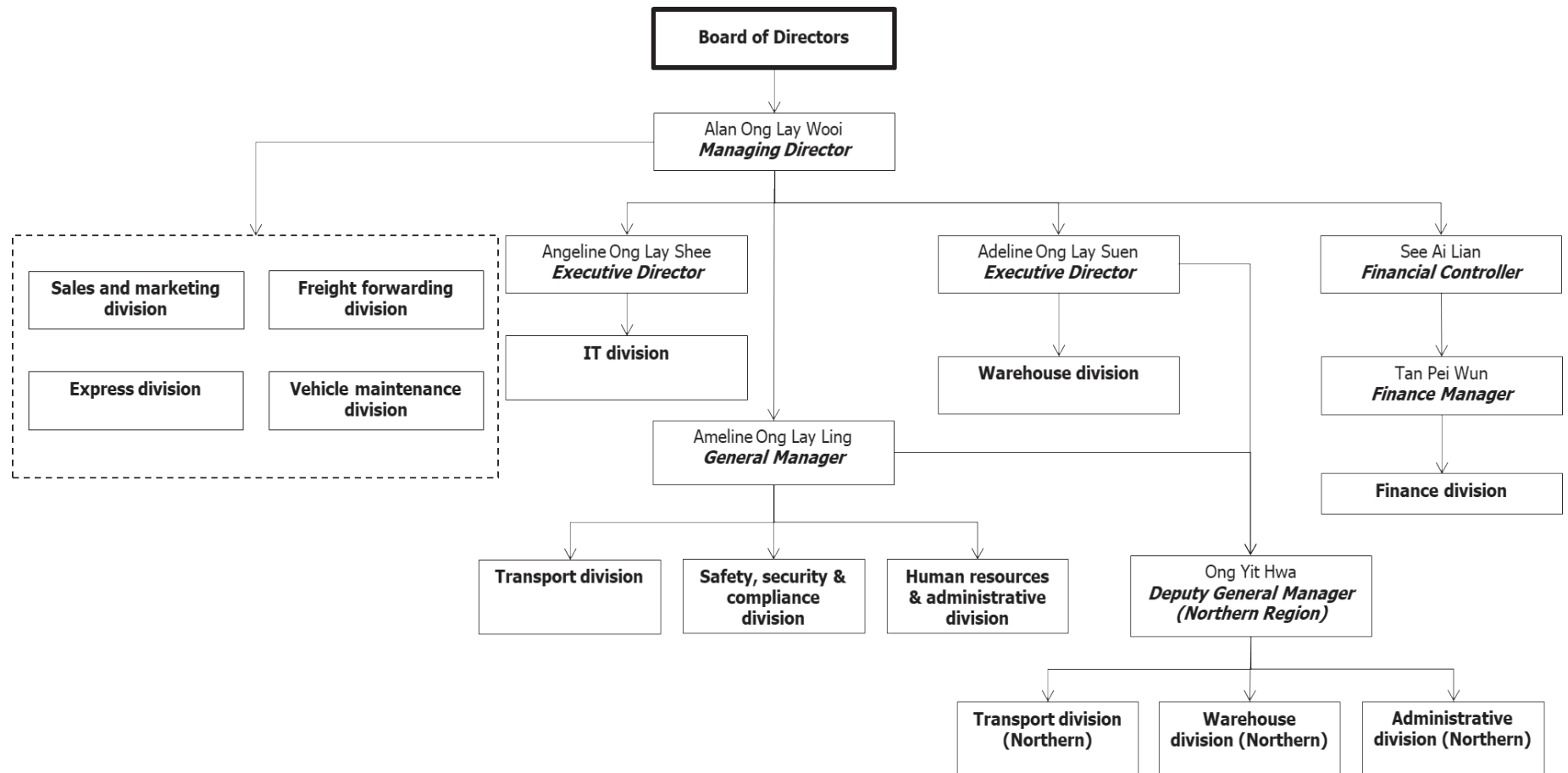
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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.3 KEY SENIOR MANAGEMENT

5.3.1 Management structure

The management reporting structure of our Group is as follows:



5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.3.2 Key senior management shareholdings

The shareholdings of our key senior management in our Company before and after IPO, save for our Executive Directors, which are disclosed in Section 5.2.1, assuming that they will fully subscribe for their respective entitlements under the Pink Form Allocations are set out below:

| Name | Designation / Nationality | ⁽¹⁾ Before IPO | | | | ⁽²⁾ After IPO | | | |
|----------------------|--|---------------------------|---|----------------------------|---------------------|--------------------------|---------------------|----------------------------|---------------------|
| | | Direct | | Indirect | | Direct | | Indirect | |
| | | No. of Shares | % | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Ameline Ong Lay Ling | General Manager / Malaysian | - | - | ⁽³⁾ 399,000,000 | ⁽³⁾ 39.9 | - | - | ⁽³⁾ 357,600,000 | ⁽³⁾ 29.8 |
| See Ai Lian | Financial Controller / Malaysian | - | - | - | - | ⁽⁴⁾ 154,000 | ⁽⁴⁾ <0.1 | - | - |
| Tan Pei Wun | Finance Manager / Malaysian | - | - | - | - | ⁽⁴⁾ 154,000 | ⁽⁴⁾ <0.1 | - | - |
| Ong Yit Hwa | Deputy General Manager (Northern Region) / Malaysian | - | - | - | - | ⁽⁴⁾ 750,000 | ⁽⁴⁾ 0.1 | - | - |

Notes:

- ⁽¹⁾ Based on the share capital of 1,000,000,000 Shares before our IPO.
- ⁽²⁾ Based on the enlarged share capital of 1,200,000,000 Shares after our IPO.
- ⁽³⁾ Deemed interest by virtue of her shareholdings in Lille Management pursuant to Section 8(4) of the Act.
- ⁽⁴⁾ Assuming they will fully subscribe for their entitlement under the Pink Form Allocations.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.3.3 Profiles of key senior management

Save for the profile of Ameline Ong Lay Ling (our General Manager) which is set out in Section 5.1.2, the profiles of the other key senior management of our Group are as follows:

(a) See Ai Lian

See Ai Lian, a Malaysian, age 30, is our Financial Controller. She is responsible for overseeing our Group's finance and accounting divisions which include preparation of financial and management reports, taxation, financial planning and forecast.

In 2013, she completed the Certified Accounting Technician Programme at Sunway College. Following this, she completed the ACCA programme in 2016. She was admitted as a member of the ACCA and has been a Chartered Accountant of MIA since 2019.

In 2015, she began her career by joining Hong Associates as Audit Assistant where she prepared and maintained accounting and audit documents as well as involved in audit works for dormant companies and SMEs primarily in the manufacturing and trading industries. She left the company in February 2016 to focus on completing the ACCA programme.

Towards the end of the ACCA programme, she joined Crowe Horwath (now known as Crowe Malaysia PLT) in April 2016 as Audit Assistant where she was involved in audit works for dormant companies and SMEs primarily in the trading, manufacturing and food and beverage industries. In 2017, she was promoted to Senior Assistant, where she was involved in audit works for active companies and public listed companies primarily in the trading, manufacturing and food and beverage industries. In 2018, she was promoted to Audit Senior where her responsibilities expanded to include leading an audit team by supervising workflow and coaching team members.

She left Crowe Horwath in 2019 and joined Shopee Mobile Malaysia Sdn Bhd as Senior Finance Associate where she was responsible for preparing financial reports, accounting and tax documents, and financial forecasts, as well as guiding team members' works.

She left Shopee Mobile Malaysia Sdn Bhd in May 2023 and joined our Group as Finance Manager where she was responsible for the preparation of tax documents as well as group financial and management reports. She was promoted to Financial Controller of our Group in 19 September 2023, a position she holds to-date.

She does not hold any directorships in other companies outside our Group.

(b) Tan Pei Wun

Tan Pei Wun, a Malaysian, aged 34, is our Finance Manager. She is responsible in assisting See Ai Lian, our Financial Controller, in preparation of financial and management reports, taxation, financial planning and forecast.

In 2008, she completed the Certified Accounting Technician Programme at Sunway University College. Following this, she completed the ACCA programme in 2012. She was admitted as a member and a fellow of the ACCA in 2013 and 2018 respectively. She has been a Chartered Accountant of the MIA since 2013.

In 2009, she began her career by joining ICM Professional Consultancy Sdn Bhd as Accounts Clerk where she prepared, maintained and filed accounting and tax documents. She left the company in 2010 to focus on pursuing the ACCA programme.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Towards the end of the ACCA programme, she joined Crowe Horwath in 2011 as Audit Assistant where she was involved in audit works for dormant companies. In 2012, she was promoted to Senior Assistant, where she was involved in audit works for active companies. In 2013, she was promoted to Audit Senior where her responsibilities expanded to include leading an audit team by supervising workflow and reviewing audit works. She left the company in 2014 and took a career break.

In 2015, she co-founded MJ Consultancy Services together with another partner. As a Partner, she was involved in providing outsourced accounting services for sole proprietorships, partnerships and private companies.

In 2018, she joined our Group as Accountant where she was involved in managing the preparation of financial reports and projections. Since then, she has been inactive in MJ Consultancy Services until MJ Consultancy Services was dissolved in 2019. In 2022, she was promoted to Chief Financial Officer of our Group where she was responsible in overseeing our Group's finance and accounting divisions which include preparation of financial and management reports, taxation, financial planning and forecast. In October 2023, she was re-designated as our Finance Manager, a position she holds to-date.

She does not hold any directorships in other companies outside our Group.

(c) Ong Yit Hwa

Ong Yit Hwa, a Malaysia, aged 52, is our Deputy General Manager (Northern Region). He is responsible for leading the Group's transport division, warehouse division and administrative division in northern Malaysia.

In 1992, he completed his STPM in Sekolah Menengah Laki-Laki Methodist, Penang. In 2005, he passed and obtained the KEK certificate from AKMAL.

In 1993, he began his career when he joined SKL as a General Clerk where he assisted in office administrative tasks. He left the company and joined Ban Hin Lee Bank Berhad in 1994 as a Teller Clerk where he was involved in handling front-desk banking transactions.

In 1996, he left Ban Hin Lee Bank Berhad and re-joined SKL as Warehouse Assistant Manager where he was responsible for assisting the warehouse manager in managing daily warehousing operations. In 1997, he was promoted to Warehouse Manager where he was responsible for managing and overseeing overall warehousing operations.

In 1998, he was appointed as Director of SKL where he was tasked to manage and coordinate operations in our Penang office. In 2013, he resigned from the directorship of SKL and he was redesignated to Operation Director of Penang Branch and assumed similar responsibilities. In 2022, his responsibilities were expanded to cover the management and overseeing of the operations of our Group in the northern region on Peninsular Malaysia when he was promoted to Deputy General Manager (Northern Region), a position he holds to-date.

Please refer to Section 5.3.4(c) for his involvement in other business activities outside our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.3.4 Principal business performed outside our Group

Save as disclosed below, none of our key senior management has any other principal directorship and/or principal business activities performed outside our Group within the last 5 years up to LPD:

(a) Ameline Ong Lay Ling

| <u>Company</u> | <u>Principal activities</u> | <u>Position held</u> | <u>Date of appointment</u> | <u>Date of cessation</u> | <u>% of shareholdings held</u> | |
|-----------------------------------|--|------------------------|----------------------------|--------------------------|--------------------------------|---------------------|
| | | | | | <u>Direct</u> | <u>Indirect</u> |
| <u>Present involvement</u> | | | | | | |
| Dyna Hobbyworld (M) Sdn Bhd | Trading in toys | Director / Shareholder | 5 December 2012 | - | 50.0 | - |
| Platinum Star Holidays Sdn Bhd | Tour and travel agent, transportation (coaches and vans) and general trading | Director / Shareholder | 7 March 2014 | - | 25.0 | - |
| Lille Management | Investment holdings in our Company and Lille Property Sdn Bhd | Shareholder | - | - | 25.0 | - |
| Lille Property Sdn Bhd | Investment holdings in property | Indirect shareholder | - | - | - | ⁽¹⁾ 40.0 |
| <u>Past involvement</u> | | | | | | |
| Sin Kung Air Cargo Sdn Bhd | Dormant and previously involved in the provision of logistics and forwarding services (struck off on 15 July 2020) | Director | 22 November 2017 | 15 July 2020 | - | - |
| Eureka Elegan Sdn Bhd | Dormant and no intended activity (struck off on 13 November 2020) | Shareholder | - | 13 November 2020 | 20.0 | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Note:

(1) Deemed interest by virtue of her shareholdings in Lille Management pursuant to Section 8 of the Act.

(b) Tan Pei Wun

| <u>Company</u> | <u>Principal activities</u> | <u>Position held</u> | <u>Date of appointment</u> | <u>Date of cessation</u> | <u>% of shareholdings held</u> | |
|-----------------------------------|---|----------------------|----------------------------|--------------------------|--------------------------------|-----------------|
| | | | | | <u>Direct</u> | <u>Indirect</u> |
| <u>Present involvement</u> | | | | | | |
| EZ1 Services | Management services, insurance agent, commission agent, vehicle services | Partner | 10 March 2023 | - | - | - |
| <u>Past involvement</u> | | | | | | |
| MJ Consultancy Services | Provision of general and life insurance services, accounting and management services (business terminated on 27 March 2019) | Partner | 6 March 2015 | 27 March 2019 | - | - |

(c) Ong Yit Hwa

| <u>Company</u> | <u>Principal activities</u> | <u>Position held</u> | <u>Date of appointment</u> | <u>Date of cessation</u> | <u>% of shareholdings held</u> | |
|-------------------------------------|---|----------------------|----------------------------|--------------------------|--------------------------------|-----------------|
| | | | | | <u>Direct</u> | <u>Indirect</u> |
| <u>Present involvement</u> | | | | | | |
| Ong Kongs Penang Plantation Sdn Bhd | Durian plantation, selling and trading of durians | Shareholder | - | - | 1.8 | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|------------------------------------|--|------------------------|---------------------|-------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| Past involvement | | | | | | |
| Carta Kreatif Sdn Bhd | Dormant and previously involved in hiring of motor trucks services and as transport and forwarding agent (struck off on 24 March 2023) | Director | 15 December 1997 | 6 August 2021 | - | - |
| Forecom Inter-phase Sdn Bhd | Dormant and previously a transport and forwarding agent, dealing in packaging and moving and rental of motor vehicles (struck off on 18 January 2019) | Director | 6 January 1999 | 18 January 2019 | - | - |
| Pengangkutan Ikatan Jerneh Sdn Bhd | Dormant and previously involved in the provision of hiring of motor trucks and lorry transport services and human resources for client businesses (in the process of striking off) | Director | 1 February 2001 | 18 May 2021 | - | - |
| Sasita Transport Sdn Bhd | Dormant and previously involved in the provision of hiring of motor trucks services and as transport and forwarding agent (struck off on 27 January 2023) | Director | 1 February 2001 | 26 July 2021 | - | - |
| Sin Kung Transit Service Sdn Bhd | Dormant and no intended activity (struck off on 27 September 2019) | Director / Shareholder | 1 February 2001 | 27 September 2019 | 60.0 | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|-------------------------------------|--|---------------|---------------------|-------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| Sin Kung Cheras Corporation Sdn Bhd | Dormant and previously an armed escort services provider (struck off on 10 February 2023) | Director | 28 October 2002 | 26 July 2021 | - | - |
| Forecom Sdn Bhd | Dormant and previously involved in the provision of hiring of motor trucks and as transport and forwarding agent (struck off on 7 July 2023) | Director | 30 July 2004 | 26 July 2021 | - | - |
| Forecom HR Sdn Bhd | Dormant and previously involved in the provision of manpower services (struck off on 2 May 2023) | Director | 23 September 2004 | 13 August 2021 | - | - |
| Dyna Auto Manufacturing Sdn Bhd | Dormant with no intended future activities, and previously involved in manufacturing and assembling of commercial and electric vehicles | Director | 18 October 2004 | 26 July 2021 | - | - |
| Forecom Properties Sdn Bhd | Dormant and previously involved in property investment holding (struck off on 18 January 2019) | Director | 29 August 2005 | 18 January 2019 | - | - |
| Concepts Logistics (M) Sdn Bhd | Dormant and no intended activity (struck off on 18 January 2019) | Director | 29 September 2005 | 18 January 2019 | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|--------------------------------------|---|---------------|---------------------|-------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| Ekspress Masyhur Semenanjung Sdn Bhd | Dormant with no intended future activities, and previously involved in provision of hiring of coach | Director | 23 May 2006 | 3 August 2021 | - | - |
| Amalan Bahagia Sdn Bhd | Dormant and previously involved in the provision of hiring of motor trucks services and as transport and forwarding agent (struck off on 27 January 2023) | Director | 25 August 2006 | 26 July 2021 | - | - |
| Grand Account Sdn Bhd | Dormant and no intended activity (struck off on 21 July 2021) | Director | 25 August 2006 | 21 July 2021 | - | - |
| Forecom Logistics (KL) Sdn Bhd | Dormant and no intended activity (struck off on 18 January 2019) | Director | 25 August 2006 | 18 January 2019 | - | - |
| Forecom Agencies Sdn Bhd | Dormant and no intended activity (struck off on 18 January 2019) | Director | 25 August 2006 | 18 January 2019 | - | - |
| Forecom (JB) Sdn Bhd | Dormant and previously a forwarding agent (struck off on 18 January 2019) | Director | 25 August 2006 | 18 January 2019 | - | - |
| Sin-Kung Kangaroo Express Sdn Bhd | Dormant and no intended activity (struck off on 14 August 2019) | Director | 21 November 2006 | 14 August 2019 | - | - |

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

| Company | Principal activities | Position held | Date of appointment | Date of cessation | % of shareholdings held | |
|-------------------------------------|---|---------------|---------------------------|-------------------|-------------------------|----------|
| | | | | | Direct | Indirect |
| Platinum Star Coach Sdn Bhd | Dormant and previously a coach service provider (struck off on 10 March 2023) | Director | 20 June 2008 | 26 July 2021 | - | - |
| Platinum Star Holidays Sdn Bhd | Tour and travel agent, transportation (coaches and vans) and general trading | Director | 14 September 2009 | 1 October 2021 | - | - |
| P.G. Construction & Trading Sdn Bhd | Dormant and previously involved in construction works (struck off on 16 September 2022) | Director | Not sighted in CCM search | 16 September 2022 | - | - |

The involvement of our key senior management in those business activities outside our Group does not give rise to any conflict of interest situation with our business. Their involvement in those business activities does not require significant amount of time, and hence does not affect their ability to perform their executive roles and responsibilities to our Group.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

5.3.5 Key senior management remuneration and benefits

The remuneration of our key senior management including salaries, bonuses, other emoluments and benefits-in-kind, must be reviewed and recommended by our Nominating and Remuneration Committee and subsequently, be approved by our Board.

The aggregate remuneration and material benefits-in-kind (in bands of RM50,000) paid and proposed to be paid to our key senior management (save for our Directors which are disclosed in Section 5.2.4) for services rendered in all capacities to our Group for FYE 2021 to 2024 are as follows:

| | ⁽¹⁾ Remuneration band | | | |
|----------------------|----------------------------------|--------------------|-------------------------|------------------------|
| | FYE 2021 (Paid) | FYE 2022 (Paid) | FYE 2023 (Paid) | FYE 2024 (Proposed) |
| | RM'000 | | | |
| Ameline Ong Lay Ling | 200 – 250 | 350 – 400 | 450 – 500 | 450 – 500 |
| See Ai Lian | - | - | ⁽²⁾ 50 – 100 | 150 – 200 |
| Tan Pei Wun | 100 – 150 | 100 – 150 | 150 – 200 | 100 – 150 |
| Ong Yit Hwa | 50 – 100 | 150 – 200 | 200 – 250 | 200 – 250 |

Notes:

- (1) The remuneration for key senior management includes salaries, bonuses, allowances and other emoluments.
- (2) See Ai Lian joined our Group as Finance Manager in May 2023 and subsequently promoted to Financial Controller on 19 September 2023.

5.4 BOARD PRACTICE

5.4.1 Board

Our Board has adopted the following responsibilities for effective discharge of its functions:

- reviewing and approving the overall strategic plans and direction of our Group including strategies on economic, environment and social considerations underpinning sustainability as well as updating regularly and monitoring management's performance in its implementation;
- overseeing and evaluating the conduct and performance of our Group including our acquisition exercises;
- identifying our Group's principal risks and establishing, reviewing, monitoring and ensuring implementation of a proper risk management system, policies, processes and infrastructure;
- establishing procedures to identify, assess, evaluate and approve any related party transactions or conflict of interest situations that may arise within our Group;
- establishing internal control systems and corporate governance practices to be in compliance with the MCCG;
- establishing a succession plan and considering emerging issues which may be material to the business and affairs of our Group;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

- (g) reviewing and approving the financial reports as required by Bursa Securities and Audit Committee report at the end of each financial year;
- (h) overseeing the development and implementation of a shareholder communication policy for our Group to ensure appropriate disclosure and effective communication are delivered on a timely manner; and
- (i) reviewing the adequacy and the integrity of the management information and internal controls system of our Group, including systems for compliance with applicable laws and regulations, accounting standards and guidelines such as Listing Requirement, CMSA and the Act.

In accordance with our Constitution, at the first annual general meeting of our Company, all our Directors shall retire from the office and be eligible for re-election and an election of Directors shall take place each year at the annual general meeting of our Company, where one-third of our Directors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest to one-third shall retire from office. This is provided always that all Directors shall retire from office once at least in each 3 years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

As at LPD, the details of the date of expiration of the current term of office for each of our Directors and the period that each of our Directors has served in office are as follows:

| Name | Date of appointment as Director | Date of expiration of the current term in office | Approximate no. of months in office as at LPD |
|--------------------------------------|--|---|--|
| Tan Soo Mooi | 13 August 2022 | At the 2025 Annual General Meeting of our Company | 1 year and 7 months |
| Alan Ong Lay Wooi | 11 February 2003 | At the 2024 Annual General Meeting of our Company | 21 years and 1 month |
| Angeline Ong Lay Shee | 18 April 2013 | At the 2024 Annual General Meeting of our Company | 10 years and 11 months |
| Adeline Ong Lay Suen | 12 August 2022 | At the 2025 Annual General Meeting of our Company | 1 year and 7 months |
| Datuk Md Hassim Bin Pardi | 30 November 2021 | At the 2024 Annual General Meeting of our Company | 2 years and 3 months |
| Dato' Haji Abdul Wahabi Bin Abdullah | 13 August 2022 | At the 2025 Annual General Meeting of our Company | 1 year and 7 months |
| Dato' Ir. Hj Mohamad Bin Dalib | 13 August 2022 | At the 2026 Annual General Meeting of our Company | 1 year and 7 months |
| Adam Muralidharan Bin Abdullah | 13 August 2022 | At the 2026 Annual General Meeting of our Company | 1 year and 7 months |
| Lee Lean Suan | 13 August 2022 | At the 2026 Annual General Meeting of our Company | 1 year and 7 months |

The members of our Board are set out in Section 5.2.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

5.4.2 Audit and Risk Committee

Our Audit and Risk Management Committee undertakes, among others, the following functions:

External Audit

- (a) Nominate and recommend the external auditors for appointment / re-appointment, to consider the adequacy of experience, resources, audit fee and any issue regarding resignation or dismissal of the external auditors. In considering the appointment / re-appointment of the external auditors, to consider among others:
- (i) the adequacy of the experience and resources of the accounting firm;
 - (ii) the persons assigned to the audit;
 - (iii) the accounting firm's audit engagements;
 - (iv) the size and complexity of our Group being audited; and
 - (v) the number and experience of supervisory and professional staff assigned to the particular audit;

The Audit and Risk Management Committee is to also consider the performance of the external auditors and their independence as below:

- (i) the external auditors' ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;
 - (ii) the nature of the non-audit services provided by the external auditors and fees paid for such services relative to the audit fee;
 - (iii) the competence, audit quality and resource capacity of the external auditor in relation to the audit;
 - (iv) whether there are safeguards in place to ensure that there is no threat to the objectivity and independence of the audit arising from the provision of non-audit services relative to the audit fee; and
 - (v) obtaining written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.
- (b) Review with the external auditors, the nature, scope and plan of the audit including any changes to the scope of the audit plan before the audit commences and report the same to our Board;
- (c) Ensure co-ordination if more than 1 audit firm is involved in the audit;
- (d) Review with the external auditors, their audit report and report the same to our Board;
- (e) Review with the external auditors, their evaluation of the system of internal controls and risk management and report the same to our Board;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

- (f) Review the assistance given by the employees of our Group to the external auditors and report the same to our Board;
- (g) Review any letter of resignation from the external auditors and report the same to our Board;
- (h) Review whether there is reason, supported by grounds, to believe that the external auditors are not suitable for reappointment and report the same to our Board;
- (i) Discuss problems and reservations, if any, arising from the interim and final audits, and any matter which the external and internal auditors wish to discuss in the absence of the management, where necessary;
- (j) Discuss and review the external auditors' management letter and management response, if any;
- (k) Discuss the contracts and nature for the provision of non-audit services which can be entered into by our Group as well as procedures that must be followed by the external auditors for the provision of non-audit services. The contracts cannot be entered into should include:
 - (i) Management consulting;
 - (ii) Strategic decision;
 - (iii) Internal audit; and
 - (iv) Policy and standard operating procedures documentation; and
- (l) In the event that the non-audit fees paid to the external auditors, or a firm or corporation affiliated to the external auditors' firm are significant (eg. constitute 50% of the total amount of audit fees paid to our Company's external auditors) our Company is required to state the details on the nature of non-audit services rendered in the Audit and Risk Management Committee report of our Company.

Internal Audit

- (a) To ensure the internal audit function is independent of the activities it audits and the head of internal audit reports directly to the Audit and Risk Management Committee. The head of internal audit should have the relevant qualifications and be responsible for providing assurance to the Audit and Risk Management Committee that the internal controls are operating effectively. The internal audit will be responsible for the regular review and/or appraisal of the effectiveness of the risk management, internal control, and governance processes within our Company;
- (b) Review and report the same to our Board on the adequacy of the scope, competency, functions and resources of the internal audit function, and that it has the necessary authority to carry out its work;
- (c) Review and report the same to our Board on the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken, and whether or not appropriate action is taken on the recommendations of the internal audit function;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

- (d) Ensure that appropriate action is taken on the recommendations of the internal auditors, where necessary;
- (e) Review the assistance and co-operation given by the employees of our Group to the internal auditors;
- (f) Review any appraisal or assessment of the performance of the internal auditors;
- (g) Approve any appointment or termination of the internal auditors;
- (h) Review any letter of resignation of internal auditors and request the resigning firm to submit its reasons for resigning;
- (i) Investigate or cause to be investigated any activity within its terms of reference; and
- (j) To have explicit authority over the resources such as professional advice and full access to information to investigate certain matters.

Risk Management

- (a) Review the adequacy of our Group's risk management framework and assess the resources and knowledge of the management and employee involved in the risk management process;
- (b) Review the effectiveness of internal control systems deployed by the management to address those risks;
- (c) Review and recommend corrective measures undertaken to remedy any failures and/or weaknesses;
- (d) Review and further monitor principal risks that may affect our Group directly or indirectly that if deemed necessary, recommend additional course of action to mitigate such risks;
- (e) Communication and monitoring of risk assessment results to our Board; and
- (f) Actual and potential impact of any failures or weakness, particularly those related to financial performance or conditions affecting our Group.

Others

- (a) Prior to the approval of our Board, review the quarterly and year-end financial statements and report the same to our Board, focusing particularly on:
 - (i) significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transactions and how these matters are being addressed;
 - (ii) any major changes in or implementation of accounting policies and practices;
 - (iii) the going concern assumption; and
 - (iv) compliance with accounting standards and other legal requirements;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

- (b) Review any related party transactions and conflict of interest situation that may arise within our Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity and the framework established / to be established;
- (c) Discuss and review the major findings of any internal investigations and the management's response;
- (d) Review and report the same to our Board the statement with regard to the state of internal controls and risk management of our Group for inclusion in the annual report of our Company;
- (e) Oversee our Group's internal control structure to ensure operational effectiveness and efficiency, reduce risk of inaccurate financial reporting, protect our Group's assets from misappropriation and encourage legal and regulatory compliance;
- (f) Perform any other work that it is required or empowered to do by statutory legislation or guidelines as prepared by the relevant government authorities; and
- (g) Consider other topics as defined by our Board.

The recommendations of our Audit and Risk Management Committee are subject to the approval of our Board.

The members of our Audit and Risk Management Committee as at LPD are as follows:

| Name | Designation | Directorship |
|--------------------------------------|--------------------|------------------------------------|
| Lee Lean Suan | Chairwoman | Independent Non-Executive Director |
| Dato' Haji Abdul Wahabi Bin Abdullah | Member | Independent Non-Executive Director |
| Adam Muralidharan Bin Abdullah | Member | Independent Non-Executive Director |
| Dato' Ir. Hj Mohamad Bin Dalib | Member | Independent Non-Executive Director |

Our Nominating and Remuneration Committee will review the composition, performance and effectiveness of our Audit and Risk Management Committee annually.

5.4.3 Nominating and Remuneration Committee

The duties and responsibilities as stated in the terms of reference of our Nominating and Remuneration Committee include the following:

- (a) Having evaluated the balance of skills, knowledge and experience on our Board, and hence defined the role and capabilities required for a particular appointment, be responsible for identifying and nominating, for the approval of our Board, candidates to fill Board vacancies as and when they arise. In making the recommendations, the Nominating and Remuneration Committee will also consider candidates proposed by our Managing Director, and within the bounds of practicability, by any other senior executive, Director or shareholder. The Nominating and Remuneration Committee may also utilise independent services to identify suitably qualified candidates. In making its recommendations, the Nominating and Remuneration Committee shall assess and consider the following attributes or factors:
 - (i) professionalism;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

- (ii) commitment (including time commitment) to effectively discharge his/her role as a Director;
 - (iii) merit and against objective criteria with due regard for the benefits of boardroom diversity including gender, age, experience, skills, geography and independence;
 - (iv) contribution and performance;
 - (v) background, character, integrity, and competence; and
 - (vi) in the case of candidates for the position of Independent Non-Executive Directors, the Nominating and Remuneration Committee shall also evaluate the candidates' ability to discharge such responsibilities / functions as are expected from Independent Non-Executive Directors. In considering independence, it is necessary to focus not only a Director's background and current activities qualify him or her as independent but also whether the Director can act independently of management;
- (b) Make recommendations to our Board for the appointment of the Chairman and the Managing Director, including an assessment of the time commitment expected and recognising the need for availability in the event of crises;
 - (c) Determine and recommend to our Board the general remuneration policy for Executive Directors and Non-Executive Directors, including Non-Executive Chairman, and senior management including Managing Director and chief financial officer. In determining such policy, the Nominating and Remuneration Committee shall take into account all factors which it deems necessary including relevant legal and regulatory requirements. The objective of remuneration policy is to attract, retain and motivate executive management of the quality required to run our Company successfully without paying more than necessary, having regard to the views of shareholders and other stakeholders. The remuneration policy should have regard to the risk appetite of our Company and alignment to our Company's long term strategic goals;
 - (d) Review and define orientation and induction plans for new directors;
 - (e) Review the criteria to be used in the recruitment process and annual assessment of Directors. Our Board nomination and election process as well as the criteria used in the selection process and the assessment undertaken in respect of our Board, committees and individual Director should be disclosed in the annual report of our Company. recommend to our Board, Directors to fill the seats on Board Committees;
 - (f) Assess the training needs of each Director, review the fulfilment of such training, and disclose details in the annual report of our Company as appropriate;
 - (g) Review our Board's succession plans;
 - (h) Review the Directors' continuing education programmes;
 - (i) Review and make recommendations on succession planning for management;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

- (j) Review annually:
 - (i) the structure, size and composition of our Board, including the skills, knowledge, experience and diversity of our Board and core competencies which Non-Executive Directors should bring to our Board. This activity shall be disclosed in the annual report of our Company;
 - (ii) the effectiveness of our Board as a whole, the Nominating and Remuneration Committee of our Board and the contribution of each individual Director including his time commitment, character, experience and integrity vide a formal and objective assessment. All assessments and evaluations carried out by the Nominating and Remuneration Committee in the discharge of all its functions shall be properly documented;
 - (iii) the term of office and performance of the Audit Committee and each of its members to determine whether they have carried out their duties in accordance with their terms of reference;
 - (iv) the character, experience, integrity and competence of Directors, chief executive and chief financial officer and to ensure they have time to discharge their respective roles; and
 - (v) the independence of its independent directors;
- (k) Establish a set of quantitative and qualitative performance criteria to evaluate the performance of each member of our Board;
- (l) Recommend the re-appointment of any Non-Executive Director at the conclusion of his or her specified term of office, re-election of any director under the retirement by rotation provisions in our Company's Constitution;
- (m) Consider the size and balance of our Board with a view to determine the impact of the number upon our Board's effectiveness and recommend it to our Board;
- (n) Recommend to our Board the Company's gender, age, experience and diversity policies, targets and discuss measures to be taken to meet those targets;
- (o) Consider and recommend the Independent Directors beyond 9 years for continuation in office, having due regard to their performance and ability to continue to contribute to our Board in the light of knowledge, skills and experience required;
- (p) Recommend to our Board the remuneration of Executive Directors and Non-Executive Directors in all forms;
- (q) Review the remuneration package for the Non-Executive Directors and the Nominating and Remuneration Committee to be aligned with their responsibilities and contributions;
- (r) Determination of remuneration packages of Executive Directors and Non-Executive Directors, including Non-Executive Chairman, should be a matter for our Board as a whole where the individuals concerned shall abstain from discussion of their own remuneration. No individual shall take part in any discussion concerning specifically his or her own remuneration;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

- (s) Align remuneration arrangements that focuses on senior management achieving long-term business objectives and growth in shareholders' wealth through formulation of incentive arrangements, including key performance indicators and performance hurdles;
- (t) Assist our Board in developing and administrating a fair and transparent procedure for setting policy on remuneration of Directors and senior management;
- (u) Ensure that the remuneration packages are determined on the basis of the Directors' and senior management's merit, qualification and competence, having regard to our Company's operating results, individual performance and comparable market statistics. The detailed remuneration of each Director should be disclosed in the annual report of our Company on a named basis;
- (v) Communicating with shareholders on executive remuneration, where necessary;
- (w) Recommend the engagement of external professional advisors to assist and/or advise the Nominating and Remuneration Committee, on remuneration matters, where necessary;
- (x) Review the fees of the Directors and any benefits payable to the Directors including any compensation for loss of employment of director or former director. Pursuant to Section 230 of the Act, the fees of the Directors and any benefits payable to the Directors including any compensation for loss of employment of director or former director of our Company shall be approved at a general meeting; and
- (y) Review, at least once a year, its own performance, constitution and Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to our Board for approval duly revised or amended.

The recommendations of our Nomination and Remuneration Committee are subject to the approval of our Board.

The members of our Nomination and Remuneration Committee as at LPD are as follows:

| Name | Designation | Directorship |
|--------------------------------------|--------------------|------------------------------------|
| Adam Muralidharan Bin Abdullah | Chairman | Independent Non-Executive Director |
| Dato' Haji Abdul Wahabi Bin Abdullah | Member | Independent Non-Executive Director |
| Dato' Ir. Hj Mohamad Bin Dalib | Member | Independent Non-Executive Director |
| Lee Lean Suan | Member | Independent Non-Executive Director |

5.5 RELATIONSHIPS AND/OR ASSOCIATIONS

Save as disclosed below, there are no family relationships (as defined under Section 197 of the Act) or association between or amongst our Promoters, substantial shareholders, Directors and key senior management as at LPD:

- (a) Lille Management is a company held by Angeline Ong Lay Shee, Adeline Ong Lay Suen, Ameline Ong Lay Ling and Alex Ong Lay Ming; and
- (b) Alan Ong Lay Wooi, Angeline Ong Lay Shee, Adeline Ong Lay Suen, Ameline Ong Lay Ling and Alex Ong Lay Ming are siblings.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*Cont'd*)

In addition, Ong Yit Hwa is the uncle of Alan Ong Lay Wooi, Angeline Ong Lay Shee, Adeline Ong Lay Suen, Ameline Ong Lay Ling and Alex Ong Lay Ming.

5.6 EXISTING OR PROPOSED SERVICE AGREEMENTS

As at LPD, there are no existing or proposed service agreements entered into between our Company with any Directors or between any companies within our Group with any key senior management.

5.7 DECLARATION FROM PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

As at LPD, none of our Promoters, Directors or key senior management is or has been involved in any of the following (whether in or outside Malaysia):

- (a) in the last 10 years, a petition under any bankruptcy or insolvency laws that was filed (and not struck out) against him or any partnership in which he was a partner or any corporation of which he was a Director or a member of key senior management;
- (b) disqualified from acting as a Director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (c) in the last 10 years, charged or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (d) in the last 10 years, any judgment that was entered against him, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his part, involving a breach of any law or regulatory requirement that relates to the capital market;
- (e) in the last 10 years, was the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his part that relates to the capital market;
- (f) being the subject of any order, judgment or ruling of any court, government, or regulatory authority or body temporarily enjoining him from engaging in any type of business practice or activity;
- (g) in the last 10 years has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; and
- (h) has any unsatisfied judgment against him.

6. INFORMATION ON OUR GROUP

6.1 INFORMATION ON OUR COMPANY

Our Company was incorporated in Malaysia under the Act on 25 October 1994 as a private limited company under the name of Sin-Kung Logistics Sdn Bhd. On 1 August 2022, we converted into a public limited company and adopted our present name.

Our Group is an integrated logistics service provider principally involved in the provision of trucking services with a focus on airport-to-airport road feeder services. Additionally, we also provide container haulage services, warehousing and distribution services and other logistics-related services to our customers.

There has been no material change in the manner in which we conduct our business or activities since our incorporation and up to LPD. Please refer to Section 7.1 for detailed information of our Group's history.

As at LPD, our share capital is RM8,000,000 comprising 1,000,000,000 Shares, all of which have been issued and fully paid-up. The movements in our share capital since the date of our incorporation are set out below:

| Date of allotment | No. of Shares allotted | Consideration / Types of issue | Cumulative share capital RM |
|--------------------------|-------------------------------|--|--|
| 25 October 1994 | 100,000 | RM100,000 / Subscriber's share and cash | 100,000 |
| 8 June 2004 | 1,900,000 | RM1,900,000 / Cash | 2,000,000 |
| 1 October 2004 | 2,000,000 | RM2,000,000 / Cash | 4,000,000 |
| 23 October 2018 | 4,000,000 | RM4,000,000 / Cash | 8,000,000 |
| 27 July 2022 | 992,000,000 | Nil / Bonus issue of Shares | 8,000,000 |

As at LPD, we do not have any outstanding warrants, options, convertible securities and uncalled capital. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

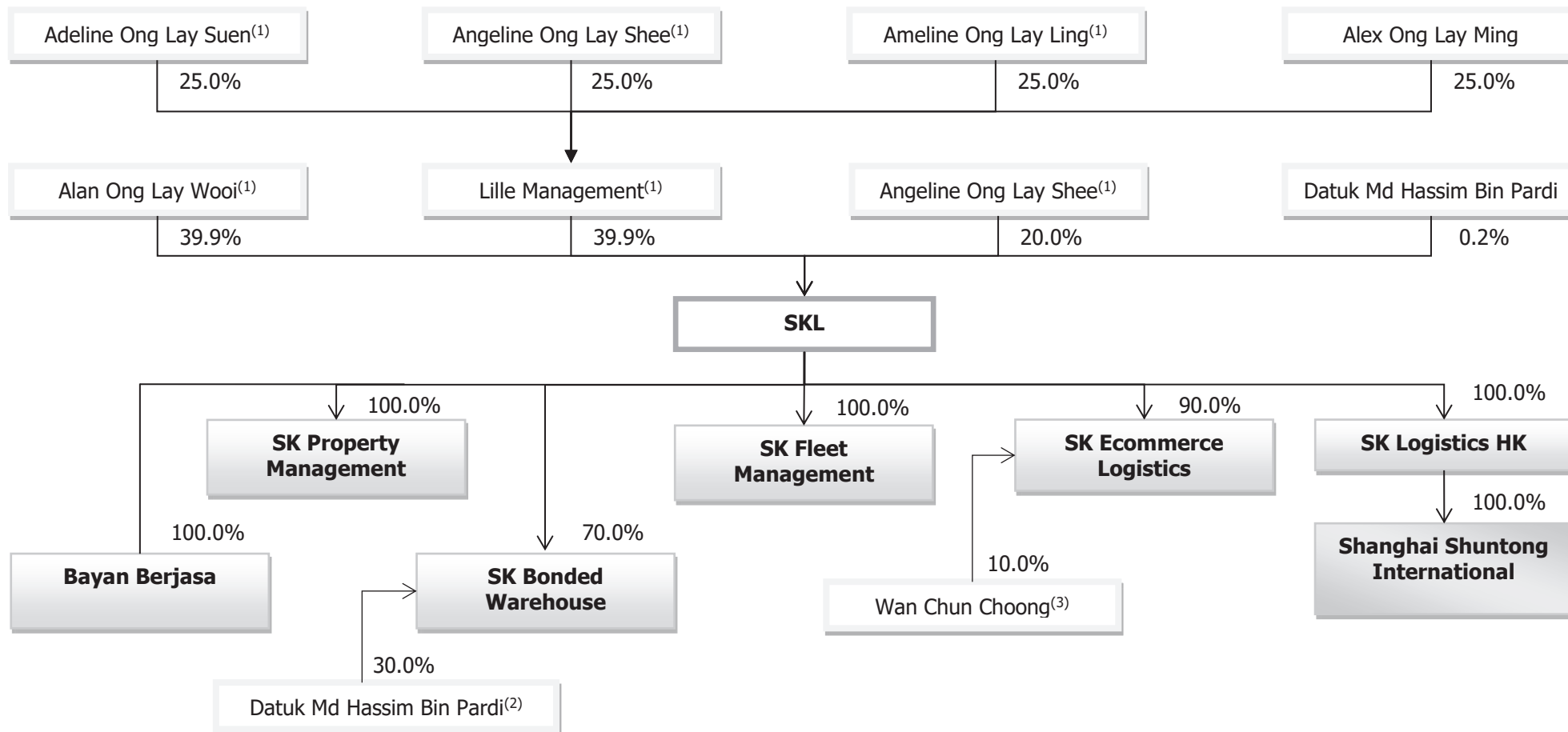
Upon completion of our IPO, our enlarged share capital will increase to RM34,000,000 comprising 1,200,000,000 Shares.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.2 GROUP STRUCTURE

Before IPO



6. INFORMATION ON OUR GROUP (Cont'd)

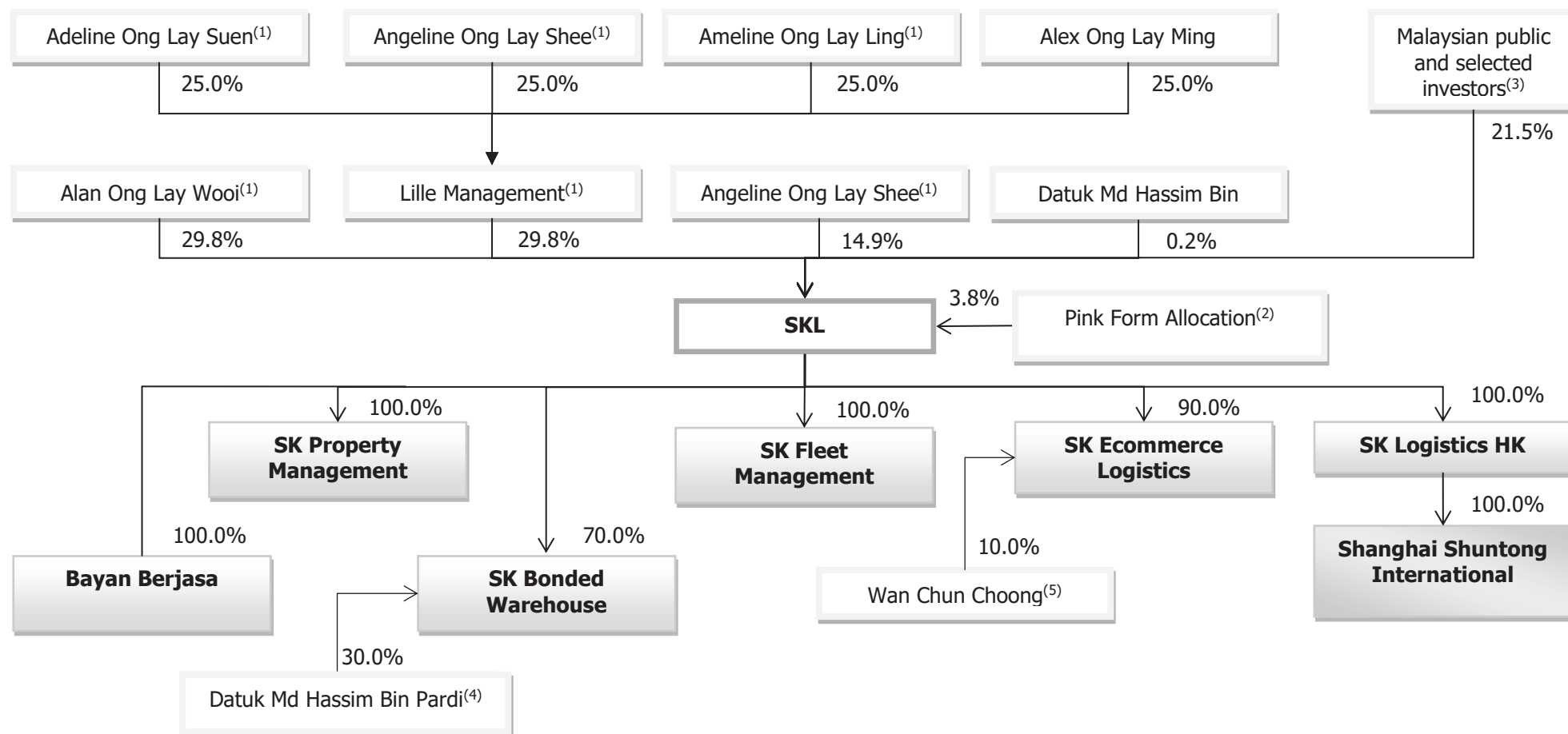
Notes:

- (1) Promoters of SKL Group.
- (2) He holds 30.0% equity interest in SK Bonded Warehouse for any potential application of new bonded warehouse licence(s), if required.
- (3) An existing director of SK Ecommerce Logistics who is responsible for the operations of SK Ecommerce Logistics including software development for the Group's e-commerce platform.

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6. INFORMATION ON OUR GROUP (Cont'd)

After IPO



6. INFORMATION ON OUR GROUP (Cont'd)

Notes:

- (1) Promoters of SKL Group.
- (2) Assuming that all our eligible Directors, employees and persons who have contributed to the success of our Group will subscribe for the Pink Form Allocations.
- (3) Including Bumiputera investors approved by MITI.
- (4) He holds 30.0% equity interest in SK Bonded Warehouse for any potential application of new bonded warehouse licence(s), if required.
- (5) An existing director of SK Ecommerce Logistics who is responsible for the operations of SK Ecommerce Logistics including software development for our Group's e-commerce platform.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.3 SUBSIDIARIES, JOINT VENTURES AND ASSOCIATED COMPANIES

Details of our subsidiaries as at LPD are summarised as follows:

| Company | Date / Place of incorporation | Principal place of business | Issued share capital | Effective equity interest % | Principal activities |
|--|--|--|--|--|--|
| Bayan Berjasa | 6 July 1994 / Malaysia | Malaysia | RM250,000 | 100.0 | Provision of trucking and land transportation services |
| SK Property Management | 29 August 2018 / Malaysia | Malaysia | RM100,000 | 100.0 | Property investment holding company |
| SK Fleet Management | 8 December 2021 / Malaysia | Malaysia | RM1 | 100.0 | Provision of drivers ⁽¹⁾ |
| SK Ecommerce Logistics | 3 June 2014 / Malaysia | Malaysia | RM2,500 | 90.0 | Courier services, line haul transportation, land transportation and transportation agent |
| SK Bonded Warehouse | 31 January 1983 / Malaysia | Malaysia | RM250,000 | 70.0 | Provision of trucking, land transportation and warehouse services ⁽²⁾ |
| SK Logistics HK | 13 October 2017 / Hong Kong | Hong Kong | HKD10,000 (equivalent to approximately RM6,000) | 100.0 | Dormant ⁽³⁾ |
| <i>Held through SK Logistics HK</i> Shanghai Shuntong International | 16 November 2017 / PRC | PRC | RMB3,000,000 (equivalent to approximately RM2.1 million) ⁽⁴⁾ | 100.0 | Dormant ⁽⁵⁾ |

6. INFORMATION ON OUR GROUP (Cont'd)

Notes:

- (1) SK Fleet Management provides drivers to operate SKL's commercial vehicles solely for SKL's business.
- (2) As at LPD, SK Bonded Warehouse is only involved in the provision of trucking and land transportation services. Moving forward, it intends to provide bonded warehouse services.
- (3) Moving forward, SK Logistics HK intends to carry out business as an international freight forwarder.
- (4) The registered capital of Shanghai Shuntong International is RMB3,000,000 (equivalent to approximately RM2.1 million) which shall be fully paid within 30 years since its incorporation. As at LPD, no registered capital has been paid. For avoidance of doubt, registered capital refers to the amount of capital that is committed to be invested in a company and whilst there is generally no minimum requirement in respect of the registered capital for a limited liability company under the PRC laws in force, and registered capital is a requirement when setting up a company in PRC. The amount of the registered capital is typically determined by the shareholders of the company.
- (5) Moving forward, Shanghai Shuntong International intends to carry out business as an international freight forwarder.

Details of the share capital of our subsidiaries are set out in Section 15.2.

As at LPD, we do not have any joint venture or associated company.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.4 MATERIAL CONTRACTS

Save as disclosed below, there were no contracts which are or may be material (not being contracts entered into in the ordinary course of business) entered into by our Group for FYE 2020 to 2023 and up to LPD:

- (a) Sale and purchase agreement dated 20 August 2021 between SKL (as vendor) and Lille Property Sdn Bhd (as purchaser) in respect of a piece of freehold land held under No. Hakmilik GM 5855, Lot No. 1942, Mukim Klang, Daerah Klang, Negeri Selangor measuring approximately 187,851.8 sq ft for a cash consideration of RM4,800,000, which was completed on 5 October 2021;
- (b) Sale and purchase agreement dated 20 August 2021 between SKL (as vendor) and Lille Property Sdn Bhd (as purchaser) in respect of a piece of leasehold land held under No. Hakmilik PM 3203, Lot No. 5991, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Negeri Selangor measuring approximately 130,684.6 sq ft for a cash consideration of RM520,000, which was completed on 7 September 2021;
- (c) Sale and purchase agreement dated 20 August 2021 between SKL (as vendor) and Lille Property Sdn Bhd (as purchaser) in respect of:
 - (i) all that portion of 17/32 undivided shares owned by SKL of the freehold land held under No. Hakmilik GM 22372, Lot No. 15846, Mukim Klang, Daerah Klang, Negeri Selangor measuring approximately 67,683.5 sq ft; and
 - (ii) all that portion of 17/32 undivided shares owned by SKL of the freehold land held under No. Hakmilik GM 22371, Lot No. 15841, Mukim Klang, Daerah Klang, Negeri Selangor measuring approximately 100,158.2 sq ft

for an aggregate cash consideration of RM3,400,000, which was completed on 19 October 2021;
- (d) Sale and purchase agreement dated 6 January 2023 between SKL (as purchaser) and U.C. Blasting & Painting Sdn Bhd (as vendor) in respect of the acquisition of Port Klang Office and Warehouse measuring approximately 72,236.6 sq ft for a cash consideration of RM17,600,000, which was completed on 22 June 2023;
- (e) Sale and purchase agreement dated 27 June 2023 between SKL and Merbau Sejati Sdn Bhd (as developer), a non-related party, in respect of the acquisition of the Valdor Office and Warehouse for a cash consideration of RM67,600,000, arrived at a "willing-buyer willing-seller" basis, which is expected to be completed in June 2026; and
- (f) Underwriting agreement dated 1 April 2024 between our Company and M&A Securities for the underwriting of 105,000,000 Issue Shares for an underwriting commission of 2.5% of the IPO Price multiplied by the number of Issue Shares underwritten.

Additionally, our Group is not materially dependent on any commercial or financial contracts for our business and profitability as at LPD.

6.5 PUBLIC TAKE-OVERS

During the last financial year and the current financial year up to LPD, there were:

- (a) No public take-over offers by third parties in respect of our Shares; and
- (b) No public take-over offers by our Company in respect of other companies' shares.

6. INFORMATION ON OUR GROUP (Cont'd)

6.6 MAJOR APPROVALS AND LICENCES

As at LPD, there are no other major approvals, licences and permits issued to our Group in order for us to carry out our operations other than those disclosed below:

| <u>No.</u> | <u>Licencee</u> | <u>Issuing authority</u> | <u>Date of issue / Date of expiry</u> | <u>Permit / Licence / Registration no.</u> | <u>Nature of approval / Licences</u> | <u>Equity and/or major conditions imposed</u> | <u>Compliance status</u> |
|------------|-----------------|--------------------------|---------------------------------------|--|---------------------------------------|---|--------------------------|
| (a) | SKL | RMCD | 26 December 2022 / 31 December 2024 | JF0321 & JS0135 | Forwarding and shipping agent licence | <p><u>Conditions stipulated in Appendix F (Forwarding agent licence):</u></p> <ol style="list-style-type: none"> The company must comply with the Bumiputera participation requirement at all times in accordance with the current policy that has been set. ⁽¹⁾ The company shall submit a list of customers it represents and a letter of authority from the customer to the Director of State Customs. Complied The company can only act as an agent on behalf of the customer who has appointed it and must be authorised in writing by such customer. Complied The company must always have at least one Director or Manager and one staff who deal with the RMCD and who are required to attend courses, pass examinations and obtained a KEK certificate. Complied | |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue / Date of expiry | Permit / Licence / Registration no. | Nature of approval / Licences | Equity and/or major conditions imposed | Compliance status |
|------------|-----------------|--------------------------|---------------------------------------|--|--------------------------------------|---|--------------------------|
| | | | | | | 5. Renewal application must be submitted no later than ninety (90) days before the expiry date of the approval. | Noted |
| | | | | | | 6. The company shall not change its name, status, address, be sold, be transferred or be handed over to any party without the permission of the RMCD. | Complied |
| | | | | | | 7. The company shall not lease or allow other parties to use the approval it has obtained to make customs clearance arrangements. | Complied |
| | | | | | | <u>Conditions stipulated in Appendix F (Shipping agent licence):</u> | |
| | | | | | | 1. The company shall submit a list of customers it represents and a letter of authorisation from the customer to the Director of State Customs. | Complied |
| | | | | | | 2. The company must be appointed by the importer / exporter, where such importer / exporter is only allowed to appoint three representatives (Agent) for trade clearance. In the event more agents are required, an application shall be submitted to the Director of State Customs for consideration and approval. | Complied |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue / Date of expiry | Permit / Licence / Registration no. | Nature of approval / Licences | Equity and/or major conditions imposed | Compliance status |
|------------|-----------------|--------------------------|---------------------------------------|--|--------------------------------------|--|--------------------------|
| | | | | | | 3. The company can only act as an agent on behalf of the customer who has appointed it and must be authorised in writing by such customer. | Complied |
| | | | | | | 4. The company must always have at least one Director or Manager and one staff who deal with the RMCD and who are required to attend courses, pass examinations and obtained a KEK certificate / KEP. Director / Manager and staff who attended the KEK are exempted from attending the KEP. | Complied |
| | | | | | | 5. Renewal application must be submitted no later than 90 days before the expiry date of the approval. | Noted |
| | | | | | | 6. The company shall not change its name, status, address, be sold, be transferred or be handed over to any party without the permission of the RMCD. | Complied |
| | | | | | | 7. The company shall not lease or allow other parties to use the approval it has obtained to make customs clearance arrangements. | Complied |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue / Date of expiry | Permit / Licence / Registration no. | Nature of approval / Licences | Equity and/or major conditions imposed | Compliance status |
|------------|-----------------|--------------------------|--|--|---|---|---|
| (b) | SKL | RMCD | 7 September 2022 / 30 August 2024 ⁽⁶⁾ | Reference No.: KE.WB(39)418/02-640 kIt.11/S.K.2(2) | Licensed carrier under Section 35H of the CA 1967 | <ol style="list-style-type: none"> 1. To provide a guarantee in the form of a General Bond worth not less than RM10,000 to ensure the conduct of drivers for each approved vehicle. 2. In order to guarantee the duty / tax on dutiable goods to be transferred, the owner of the goods / public warehouse licence operator / transporter must provide a bank guarantee for critical goods or a General Bond for non-critical goods, with a value equivalent to the amount of duty / tax involved for the transfer of the dutiable goods. 3. Carrier companies that are granted approval as licensed carrier must register as forwarding agents with the relevant customs office if they handle all matters with the RMCD regarding the movement of dutiable goods on behalf of the goods' owners. | <p>Complied</p> <p>Complied</p> <p>Complied</p> |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue / Date of expiry | Permit / Licence / Registration no. | Nature of approval / Licences | Equity and/or major conditions imposed | Compliance status |
|-----|----------|-------------------|--|--|---|--|-------------------|
| | | | | | | 4. In the event of a change in vehicle ownership, the approval of the vehicle as a licensed carrier shall automatically be revoked. The company is required to formally notify the respective Customs Office regarding such changes. | Noted |
| | | | | | | 5. Applications for renewal of approval must be submitted 3 months prior to the expiration date of the current approval. | Noted |
| (c) | SKL | RMCD | 14 October 2022 / 14 October 2024 ⁽⁷⁾ | P86-G1- 00000001/04 (P45) | GBA licence in respect of the GBA located at Bukit Mertajam Warehouse | <u>Conditions stipulated in Appendix Q of the licence:</u> | |
| | | | 7 October 2022 / 30 September 2024 ⁽⁷⁾ | B3Y-G1- 00000001/08 | GBA licence in respect of the GBA located at Shah Alam Warehouse | 1. Licences and approved GBA plans must be displayed in a conspicuous place. | Complied |
| | | | 15 February 2023 / 14 February 2025 | P44-G1- 00000001/04 | GBA licence in respect of the GBA located at Bukit Minyak Warehouse | 2. Goods are allowed to be stored in the GBA for a maximum period of 24 months from the date of first entry into the first bonded warehouse. | Noted |
| | | | | | | 3. If the licensee required an extension, the application must be submitted to the controlling customs station no later than 1 month before the expiry date of the original storage period. The maximum allowable extension period is 12 months. | Noted |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue / Date of expiry | Permit / Licence / Registration no. | Nature of approval / Licences | Equity and/or major conditions imposed | Compliance status |
|------------|-----------------|--------------------------|---------------------------------------|--|--------------------------------------|---|--------------------------------|
| | | | | | | 4. If the company fails to submit an application for an extension of the storage period within the stipulated period, the company is deemed to have violated the licensing conditions, and appropriate legal actions will be taken. | Noted |
| | | | | | | 5. Movement of dutiable goods to / from the GBA must be carried out by a licensed carrier approved by the Director General of Customs. | Complied |
| | | | | | | 6. The licensee shall submit a bank guarantee that covers the duration of the licence to secure the payment of duties / taxes on the stored goods. The amount of the bank guarantee shall be calculated according to the prescribed method determined by the Director General of Customs. | Complied |
| | | | | | | 7. The licensee shall notify the Director of Customs Operations & Technical Services / Director of State Customs in writing within 30 days of any changes in the company's name, changes in the board of directors, or changes in equity holdings. | To be complied ⁽¹⁰⁾ |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue / Date of expiry | Permit / Licence / Registration no. | Nature of approval / Licences | Equity and/or major conditions imposed | Compliance status |
|------------|-----------------|--------------------------|---------------------------------------|--|--|---|---|
| | | | | | | <p>8. The application for the renewal of the warehouse licence must be made at least 3 months prior to the expiry date of the warehouse licence.</p> <p>9. The licencee is deemed uninterested, and his licence will be revoked if the licencee fails to submit a licence renewal application after the expiry date. Payment of duties / taxes on the remaining stock of goods in the GBA must be settled.</p> <p><u>Conditions stipulated in GBA Licence Application published by RMCD:</u></p> <p>1. Licence holder must own at least 30% Bumiputera equity.</p> | <p>Noted</p> <p>Noted</p> <p>Not applicable⁽²⁾</p> |
| (d) | SKL | MCMC | 1 September 2022 / 31 August 2025 | LPP-1/2022/A/9(2) | Non-universal service licence (Courier Service (Class A)) pursuant to Section 10 of the Postal Services Act 2012 | <p><u>General conditions stipulated in the licence:</u></p> <p>1. Licencee shall inform MCMC should there be any changes in the board of directors, chief executive officer or any substantial changes in the equity holdings.</p> | To be complied ⁽¹¹⁾ |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue / Date of expiry | Permit / Licence / Registration no. | Nature of approval / Licences | Equity and/or major conditions imposed | Compliance status |
|------------|-----------------|--------------------------|---------------------------------------|--|--------------------------------------|--|--------------------------|
| | | | | | | <p>2. Licencee must have the share capital as required by MCMC to provide courier service.</p> <p>Pursuant to Second Schedule of Postal Services (Licensing) Regulations 2015, the minimum paid-up capital for non-universal licence class A is RM1,000,000.</p> | Complied |
| | | | | | | 3. Licencee shall provide courier services according to the scope of its non-universal service class licence. | Complied |
| | | | | | | 4. Licencee shall display the terms and conditions of service, including the method in handling complaints, in its provision of courier service to customer. | Complied |
| | | | | | | 5. Licencee shall provide track and trace service in providing the courier service. | Complied |
| | | | | | | 6. Licencee shall set and display the standard quality of service to the customers. | Complied |
| | | | | | | 7. Licencee shall inform MCMC of any changes in the company address, branches or agency. | Noted |

6. INFORMATION ON OUR GROUP (Cont'd)

| <u>No.</u> | <u>Licencee</u> | <u>Issuing authority</u> | <u>Date of issue / Date of expiry</u> | <u>Permit / Licence / Registration no.</u> | <u>Nature of approval / Licences</u> | <u>Equity and/or major conditions imposed</u> | <u>Compliance status</u> |
|------------|-----------------|--------------------------|---------------------------------------|--|---------------------------------------|---|--------------------------|
| | | | | | | 8. Licencee shall ensure the personal data of customers are not released to third party and are kept according to the law under PDPA 2010. | Complied |
| | | | | | | <u>Special and additional conditions stipulated in the licence:</u> | |
| | | | | | | 1. Licencee shall, within the time frame set by MCMC, provide at least 5 business premises to facilitate the customers' access to the courier services. | Complied |
| (e) | SKL | RMCD | 5 October 2023 / 31 August 2025 | Reference No.: KE.IA (08)001/05-26(32) | Approval to use Express Handling Unit | <u>Conditions stipulated in the approval:</u> | |
| | | | | | | 1. The renewal application for use of Express Handling Unit must be made not later than 2 months before the date of expiry. | Noted |
| | | | | | | 2. SKL must comply with Item 93 of Part I of the Schedule under the Custom Duties (Exemption) Order 2017 and the Sales and Service Tax Act 2018. | Complied |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue / Date of expiry | Permit / Licence / Registration no. | Nature of approval / Licences | Equity and/or major conditions imposed | Compliance status |
|------------|---------------------|--------------------------|--|--|--|---|--|
| (f) | SKL | APAD | 2 March 2023 / 28 May 2026 | 199401035432 (LA) | Operator Licence pursuant to the LPTA 2010 | <p><u>Conditions stipulated in the licence:</u></p> <p>1. The operation can only be carried out in Peninsular Malaysia.</p> <p>2. The renewal application must be made at least 90 days before the date of expiry.</p> | <p>Complied</p> <p>Complied</p> |
| | SK Bonded Warehouse | | 28 May 2021 / 23 October 2024 ⁽⁸⁾ | 198301001754 (LA) | | | |
| | Bayan Berjasa | | 15 March 2022 / 13 May 2025 | 199401020776 (LA) | | <p><u>Conditions stipulated in the LPTA 2010:</u></p> <p>1. Section 66(1) of LPTA 2010 provides that subject to subsection (3), an operator's licence issued under this Chapter shall be personal to the licensed operator thereof, and shall not be transferred or assigned.</p> <p>2. Section 70(1) of LPTA 2010 provides that if a licensed operator operating or providing a public service vehicle service or goods vehicle service is a company, partnership or firm that intends to participate in any business or agreement that would cause:-</p> <p>(a) any change in the equity structure; or</p> | <p>Noted</p> <p>To be complied⁽³⁾</p> |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue / Date of expiry | Permit / Licence / Registration no. | Nature of approval / Licences | Equity and/or major conditions imposed | Compliance status |
|------------|-----------------|------------------------------------|---|--|--|--|---------------------------|
| | | | | | | <p>(b) any change in the members of the board of directors of the company, or the partners of the partnership or firm, as the case may be,</p> <p>the licensed operator shall obtain the approval of the Director General of APAD before participating in the business or agreement.</p> | |
| (g) | SKL | Malaysia Airports (Sepang) Sdn Bhd | Expiring on 14 July 2024 ⁽⁹⁾ | FCZ/PASB/OFF/011 6(M) | Free Commercial Zone KLIA operating licence certifying that SKL has fulfilled the requirements of the FCZ operating license to operate the office and warehouse at Lot CTB-B-Off-1, Pos Aviation Cargo Complex, Free Commercial Zone, KLIA Cargo Village, 64000 Sepang, Selangor | <p><u>Conditions stipulated in the FCZ operating license agreement:</u></p> <p>1. The maximum period of FCZ operating licence validity is 1 year. The holder shall renew the licence within 2 months before the expiry date. If there is any changes or amendments in the company profile kindly notify free zone authority immediately and furnish all the relevant documents.</p> <p>2. Prior to change of address or cease operation at FCZ KLIA Cargo Village, the FCZ operating licence holder shall give 14 days' notice in writing to Malaysia Airports (Sepang) Sdn. Bhd.</p> | <p>Noted</p> <p>Noted</p> |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue / Date of expiry | Permit / Licence / Registration no. | Nature of approval / Licences | Equity and/or major conditions imposed | Compliance status |
|------------|-----------------|--------------------------|---------------------------------------|--|--------------------------------------|--|--------------------------|
| | | | | | | 3. Licence holder is fully responsible for the safety and security of their premises and warehouse in FCZ KLIA Cargo Village (as per FZR 1991, No. 17). This includes good housekeeping and to comply with all environmental requirements. | Noted |
| | | | | | | 4. Licence holder is required to display their company signage board indicating the full name of their company at their premise and warehouse, the specification of the signage must be approved by free zone authority. | Complied |
| | | | | | | 5. The issued FCZ operating licence cannot be transferred in ownership or be used by other parties. | Noted |
| | | | | | | 6. Approval granted may be revoked if the applicant, including or company that authorized by the free zone authority, violate any of the regulations and terms & conditions stipulated therein. | Noted |
| | | | | | | 7. Free zone authority reserved its right, in addition to the stated terms & conditions, amend or add or impose additional terms & conditions as deemed necessary. | Noted |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue / Date of expiry | Permit / Licence / Registration no. | Nature of approval / Licences | Equity and/or major conditions imposed | Compliance status |
|------------|-----------------|---------------------------|---------------------------------------|--|--|--|---|
| | | | | | | 8. Licence holder shall maintain liability insurance of minimum RM100,000 per incident in the operating warehouse. | Complied |
| (h) | SKL | Malaysia Airports Sdn Bhd | Expiring on 31 December 2025 | FCZ/OLT(2)/046/2024 | Free Commercial Zone Penang Operating Licence certifying that SKL has fulfilled the requirements of the FCZ operating license to operate the warehouse at Dis3plex Free Commercial Zone, No. 121-1, Jalan Batu Maung, 11960 Batu Maung, Penang | <p>1. Prior to change of address or cease of operation at FCZ Penang, the licence holder shall give 30 days' notice in writing to Malaysia Airports Sdn Bhd.</p> <p>2. Licence holder is fully responsible for the safety and security of their premise and warehouse in FCZ Penang. This includes good housekeeping and to comply with all environmental requirements.</p> <p>3. Licence holder shall ensure the premise is in order, taking all safety precaution and shall not obstruct any cargo movement.</p> | <p>Noted</p> <p>Noted</p> <p>Complied</p> |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue / Date of expiry | Permit / Licence / Registration no. | Nature of approval / Licences | Equity and/or major conditions imposed | Compliance status |
|------------|-----------------|--------------------------|---------------------------------------|--|---|--|--|
| (i) | SKL | MBSA | 8 February 2024 / 21 February 2025 | Reference No.: MBSA/BGN/KB/600/SEK:32/058-2023 | TBP in respect of Shah Alam Office and Warehouse ⁽⁴⁾ | <p>1. This approval is only valid for a limited period (3 years) only from the date of the first issuance of this permit, 22 February 2023 to 21 February 2026. This permit must be renewed every year. The company is reminded to relocate to an industrial zone prior to the said expiry period.⁽⁵⁾</p> <p>2. This permit is valid for a period of 1 year commencing from 22 February 2024 to 21 February 2025. Company is required to renew or construct / demolish the temporary building prior to its expiration.</p> <p>3. Any application for an extension of the temporary building permit must be submitted no later than 3 months prior to the expiry date.</p> <p>4. Company shall ensure that proposed construction does not cause any problems involving the well-being of the local area and does not cause pollution.</p> <p>5. Company shall comply with the directions issued by MBSA from time to time.</p> | <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue / Date of expiry | Permit / Licence / Registration no. | Nature of approval / Licences | Equity and/or major conditions imposed | Compliance status |
|------------|-----------------|--|---------------------------------------|--|--|--|---|
| (j) | SKL | MBSA | 2 February 2024 / 21 March 2025 | Reference No.: MBSA/BGN/KB/600/SEK:32/079-2023 | TBP in respect of Shah Alam Workshop ⁽⁴⁾ | <ol style="list-style-type: none"> 1. This permit is valid for a period commencing from 22 March 2024 to 21 March 2025. Company is required to renew or demolish the temporary building prior to its expiration. 2. All structures outside the border area (if any) must be demolished according to the period that has been set. 3. Company shall comply with the directions issued by MBSA from time to time. | <p>Noted</p> <p>Noted</p> <p>Noted</p> |
| (k) | SKL | Department of Labour Peninsular Malaysia | 25 August 2022 / 25 August 2025 | AC/11002/2022/4017 | CFA in respect of our workers' accommodation at 2-2-5, Kemuning Aman Apartment, Bukit Rimau, 40460 Shah Alam, Selangor | <ol style="list-style-type: none"> 1. Company shall not accommodate more than 5 individuals in this accommodation. 2. Company shall comply with the Employees' Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralised Accommodation) Regulations 2020. 3. Company shall provide accommodation to its employees free of any rental or charges. | <p>Complied</p> <p>Complied</p> <p>Complied</p> |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Licencee | Issuing authority | Date of issue / Date of expiry | Permit / Licence / Registration no. | Nature of approval / Licences | Equity and/or major conditions imposed | Compliance status |
|------------|-----------------|--------------------------|---------------------------------------|--|--------------------------------------|--|--------------------------|
| | | | | | | 4. Company shall, within 30 days from the date such accommodation is occupied by his employee, inform the Director General of Labour of such occupation. | Complied |
| | | | | | | 5. In the event the company ceases to operate such accommodation, the company shall inform the Director General of Labour at least 30 days before the date of cessation. | Noted |
| | | | | | | 6. The CFA should be displayed at a prominent place. | Complied |

Notes:

⁽¹⁾ According to Paragraph 3.4 of Customs Agent Guide issued by the RMCD pursuant to Section 90 of CA 1967, forwarding agent company with IILS status is required to comply with the 51% Bumiputera participation requirement in respect of each of the following criteria ("**Bumiputera Requirement**").

- (i) total share capital held by Bumiputera individual / company;
- (ii) number of members of the board of directors / owners of the company;
- (iii) number of management personnel; and
- (iv) number of support staff.

Companies are granted up to 31 December 2021 to comply with such requirement, failing which the forwarding agent licence will be revoked. The MOF had subsequently via its letter to freight forwarders dated 22 September 2021, 25 October 2022 and 22 December 2023 extended the exemption period until 31 December 2022, 31 December 2023 and 31 December 2024 respectively for freight forwarders to meet such requirement. As at LPD, SKL has yet to comply with the Bumiputera Requirement.

6. INFORMATION ON OUR GROUP (Cont'd)

Notwithstanding the above, as at LPD, SKL had successfully renewed its forwarding and shipping agent licence with a validity period of 2 years commencing from 1 January 2023 and expiring on 31 December 2024. Further, pursuant to the Customs Agent Guide, companies that are listed on Bursa Securities are exempted from such Bumiputera Requirement. As such, upon Listing, our Group will be exempted from the Bumiputera Requirement.

- (2) SKL had on 5 April 2022 obtained a letter from RMCD confirming that the 30% Bumiputera equity requirement does not apply to licencees which have obtained the licence prior to 2021 and any subsequent renewal will not be subject to the condition as well. It was clarified that such Bumiputera requirement only applies to new applications made after issuance of the new Customs Order on 2 February 2021. We have obtained our first GBA licence from RMCD on the following dates:
 - (i) In respect of the GBA located at Bukit Mertajam Warehouse: 14 October 2020
 - (ii) In respect of the GBA located at Shah Alam Warehouse: 3 October 2006
 - (iii) In respect of the GBA located at Bukit Minyak Warehouse: 18 February 2022. This licence was issued as a result of the change in our warehouse activity from our first warehouse located at No. 6 & 8, Lintang Beringin 3, Jalan Permatang Damar Laut, 11960 Batu Maung, Pulau Pinang ("**Penang Island Warehouse**") to our Bukit Minyak Warehouse. We have obtained our first GBA licence in respect of the Penang Island Warehouse on 21 February 1995. Notwithstanding the GBA licence in respect of our Bukit Minyak Warehouse being issued after 2021, it was not regarded as a new application and therefore, we are not subject to the 30% Bumiputera equity requirement.
- (3) Pursuant to a written confirmation provided by APAD officer on 29 May 2023, SKL is required to notify the Director General of APAD on the change of the equity structure upon our successful Listing.
- (4) Please refer Section 6.8.1 for further details on the status of our application of the CCC in respect of our Shah Alam Office and Warehouse as well as Shah Alam Workshop.
- (5) Upon expiry of the 3-year term and in the event approval for a further extension is not granted by the relevant authorities, our Group will be required to vacate and demolish the buildings constructed at our Shah Alam Office and Warehouse. The relocation will not cause any material disruptions or material adverse impact to our business operations as it is our intention to be operating at full capacity and in priority from our Port Klang Office and Warehouse prior to the expiry of the 3-year term.
- (6) Our Group will submit the renewal application 3 months prior to the expiry date as per the requirement of the licence.
- (7) Our Group will submit the renewal application at least 3 months prior to the expiry date as per the requirement of the licence.
- (8) Our Group will submit the renewal application at least 90 days prior to the expiry date as per the requirement of the licence.

6. INFORMATION ON OUR GROUP (Cont'd)

- (9) Our Group will submit the renewal application at least 2 months prior to the expiry date as per the requirement of the licence.
- (10) Our Group had vide letter dated 1 September 2022 notified RMCD of the changes in the board of directors of SKL. Notwithstanding the above, the compliance status is disclosed as "To be complied" as we are required to further notify RMCD of the changes in our Group's equity holdings upon our successful listing.
- (11) Our Group had vide letter dated 12 September 2022 notified MCMC of the changes in the board of directors of SKL. Notwithstanding the above, the compliance status is disclosed as "To be complied" as we are required to further notify MCMC of the changes in our Group's equity holdings upon our successful listing.






Aside from the permits, licences and certificates listed above, our Group is also required to maintain business premise and signboard licences for its premises in locations where it conducts its business activities as well as fire certificates on some premises, where applicable. These business premise and signboard licences as well as fire certificates are renewed on an annual basis. This application and renewal process is an ongoing process and at one point in time, there will be premises which are in the midst of applying for or renewing business premise and signboard licences and/or fire certificates. As at LPD, our Group has obtained all the requisite business premise and signboard licences as well as fire certificates for the relevant business premises as set out in Section 6.8.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.7 INTELLECTUAL PROPERTIES

As at LPD, our Group does not own and has not applied for the registration of any other intellectual properties other than those disclosed below:



| No. | Trademark | Applicant(s) or Registered owner(s) | Trademark application no. | Class or registration | Approving authority / Place of application or registration | Status / Registration validity |
|-----|--|---|------------------------------|--------------------------|---|---|
| (a) |  | SKL | TM2022002090 | (1)39 | MyIPO / Malaysia | Registered / 25 January 2022 to 25 January 2032 |
| (b) |   | SKL | TM2023016672 | (2)39 | MyIPO / Malaysia | Registered / 13 June 2023 to 13 June 2033 |
| (c) |  | SKL | TM2023016674 | (2)39 | MyIPO / Malaysia | Registered / 13 June 2023 to 13 June 2033 |
| (d) |  | SKL | TM2023016675 | (2)39 | MyIPO / Malaysia | Registered / 13 June 2023 to 13 June 2033 |

6. INFORMATION ON OUR GROUP (Cont'd)

Notes:

- (1) Logistics services consisting of the storage and transportation of goods; collection, storage, distribution and delivery of letters, correspondence, magazines, packets, parcels, newspapers, freight and goods, all by messenger, road, rail, air or water.
- (2) Transportation logistics; freight shipping of goods; freight brokerage; freight forwarding; arranging of passenger transportation services for others via an online application; arranging of transportation for travel tours; collection of recyclable goods transport; courier services messages or merchandise; delivery of goods; delivery of newspapers; flower delivery; message delivery; newspaper delivery; packaging of goods; parcel delivery; passenger transport; providing transportation information; rental of warehouses; transport; transportation.

The trademarks below are currently registered by Shanghai Shuntong International with the relevant intellectual property office in PRC ("China Trademarks"):

| No. | Trademark | Registered owner(s) | Trademark application no. | Class | Place of registration | Status / Registration validity |
|-----|--|---------------------------------|---------------------------|-------------------|-----------------------|---|
| (a) |  | Shanghai Shuntong International | 47883228 | ⁽¹⁾ 35 | PRC | Registered / 28 May 2021 to 27 May 2031 |
| (b) |  | Shanghai Shuntong International | 47856391 | ⁽²⁾ 39 | PRC | Registered / 4 April 2021 to 6 April 2031 |

Notes:

- (1) Advertising; licensed business management; advertising agencies services; import and export agency, provision of an online marketplace for buyers and sellers of goods and services; personnel management consulting; management services for business enterprise migration; compilation of information index for commercial or advertising purposes; accounting; sponsorship search.
- (2) Transport; commodity packaging; commodity wrapping; gift packaging; storage of goods; express service (letters or goods); parcel delivery; travel company; provision of route guidance for travel; parking space for rent.

6. INFORMATION ON OUR GROUP (Cont'd)

6.8 PROPERTY, PLANT AND EQUIPMENT

6.8.1 Properties owned by our Group

A summary of the material properties owned by our Group as at LPD are set out below:

| No. | Registered owner / Postal address / Title details | Description of property / Existing use / Expiry of lease (if any) / Category of land use (if any) | Land area / Built-up area sq ft | Date of purchase / Date of CCC | Encumbrance | Audited NBV as at 31 December 2023 RM'000 |
|------------|--|---|--|---|--|--|
| (a) | SKL / Shah Alam Workshop | Single storey workshop and 2-storey office with 1 unit of guard house / Office and workshop for purposes of our Group's internal repair and maintenance services / Freehold / Industrial | 41,182.7 / 16,468.2 | 28 May 2004 / ⁽¹⁾⁽³⁾ Not applicable | Charged to AmBank Islamic Berhad on 8 May 2019 | 2,959 |
| (b) | SKL / Shah Alam Office and Warehouse | 5-storey office and single storey warehouse / Headquarter office and warehouse / Freehold / Industrial | 128,628.7 / 86,136.7 | 16 October 2003 / ⁽¹⁾⁽²⁾ Not applicable | Nil | 16,221 |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Registered owner / Postal address / Title details | Description of property / Existing use / Expiry of lease (if any) / Category of land use (if any) | Land area / Built-up area sq ft | Date of purchase / Date of CCC | Encumbrance | Audited NBV as at 31 December 2023 RM'000 |
|------------|--|---|--|---|---|--|
| (c) | SKL / Bukit Mertajam Office and Warehouse | 2-storey office and single storey warehouse / Bukit Mertajam branch office and warehouse / Freehold / Industrial | 122,202.7 / 60,667.2 | 19 December 2019 / 25 July 2022 | <ol style="list-style-type: none"> 1. Partial land lease (measuring approximately 392.9 sq ft) to Tenaga Nasional Berhad for a period of 30 years commencing from 20 August 1996 to 19 August 2026, registered on 28 December 1996 for the maintenance of a substation for purposes of supplying electricity 2. Private caveat lodged by Alliance Bank Malaysia Berhad on 2 March 2020 3. Charged to Alliance Bank Malaysia Berhad on 30 June 2020 | 14,671 |

Registration No.: 199401035432 (321115-P)

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Registered owner / Postal address / Title details | Description of property / Existing use / Expiry of lease (if any) / Category of land use (if any) | Land area / Built-up area sq ft | Date of purchase / Date of CCC | Encumbrance | Audited NBV as at 31 December 2023 RM'000 |
|------------|--|---|--|---|---|--|
| (d) | SKL / Port Klang Office and Warehouse | A single storey warehouse and 2-storey office with 1 unit of guard house / Port Klang branch office and warehouse / Leasehold (expiring on 30 October 2116) / Industrial | 72,237.1 / 43,066.4 | 6 January 2023 / 22 November 2022 | 1. Charged to Affin Bank Berhad on 31 July 2023 2. Private caveat lodged by Affin Bank Berhad on 16 May 2023 | 18,403 |

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6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Registered owner / Postal address / Title details | Description of property / Existing use / Expiry of lease (if any) / Category of land use (if any) | Land area / Built-up area sq ft | Date of purchase / Date of CCC | Encumbrance | Audited NBV as at 31 December 2023 RM'000 |
|------------|--|--|--|---|---|--|
| (e) | SK Property Management / H.S.(D) 40167, Lot No. 5948, Mukim 11, Daerah Seberang Perai Tengah, Negeri Pulau Pinang / No. 1498, Jalan Bukit Tengah, Kawasan Perusahaan Bukit Tengah, 14000 Bukit Mertajam, Pulau Pinang | Vacant land Vacant ⁽⁴⁾ / Freehold / Industrial | 177,163.2 / Not applicable | 19 December 2019 / Not applicable | 1. Partial land lease to Tenaga Nasional Berhad for a period of 30 years commencing from 20 August 1996 to 19 August 2026 for the future erection and maintenance of a substation for purposes of supplying electricity 2. Private caveat lodged by Alliance Bank Malaysia Berhad on 2 March 2020 3. Charged to Alliance Bank Malaysia Berhad on 30 June 2020 | 9,364 |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Registered owner / Postal address / Title details | Description of property / Existing use / Expiry of lease (if any) / Category of land use (if any) | Land area / Built-up area sq ft | Date of purchase / Date of CCC | Encumbrance | Audited NBV as at 31 December 2023 RM'000 |
|------------|--|--|--|---|--|--|
| (f) | SK Property Management / No. Hakmilik GRN 342233, Lot 41897, Mukim Labu, Daerah Sepang, Negeri Selangor (previously held under H.S.(D) 35787, PT 5351, Mukim Labu, Daerah Sepang, Negeri Selangor) | Oil palm plantation / Cultivation of oil palm / Freehold / Nil | 315,490.0 / Not applicable | 28 December 2018 / Not applicable | Charged twice to AmBank Islamic Berhad on 17 June 2019 and 5 August 2019 | 7,503 |
| (g) | SK Property Management / No. Hakmilik GRN 342234, Lot 41898, Mukim Labu, Daerah Sepang, Negeri Selangor (previously held under H.S.(D) 35788, PT 5352, Mukim Labu, Daerah Sepang, Negeri Selangor) | Oil palm plantation / Cultivation of oil palm / Freehold / Nil | 209,896.0 / Not applicable | 16 July 2019 / Not applicable | Charged to AmBank Islamic Berhad on 25 September 2019 | 5,122 |

Notes:

- (1) We commenced the construction of our Shah Alam Workshop as well as Shah Alam Office and Warehouse in 2004 and 2005 respectively prior to obtaining the planning permission and building plan approval. Subsequently in July 2020, our Group submitted the applications for the planning permission in respect of both Shah Alam Office and Warehouse as well as Shah Alam Workshop under the Legalisation of Illegal Factories Programme. As at LPD, we have not been imposed with any penalty arising from such non-compliance. Our Board is of the view that the likelihood of penalty being imposed by the relevant authorities is remote as the planning permissions in respect of the Shah Alam Workshop as well as Shah Alam Office and Warehouse have been obtained in July 2022 and August 2022 respectively. In this regard, our Group does not foresee such non-compliance to have any impact to the operations or financial performance of our Group.

6. INFORMATION ON OUR GROUP (Cont'd)

- (2) Due to the inconsistency in the land use (Industrial) and the zoning of the land (Commercial) pursuant to MBSA's current local plan, a temporary planning permission was issued to SKL on 15 August 2022. The temporary planning permission is valid for a period of 3 years until 15 August 2025.

As the application for building plan approval and CCC can only be made upon the successful change of the zoning from "Commercial" to "Industrial", SKL had made an application to the Planning Department of MBSA on 7 September 2022 to change the zoning of the land. As advised by SKL's consultant, the consideration for the application itself will be based on MBSA's discretion and the approval for such application may take up to 2 to 3 years. As at LPD, MBSA has yet to approve our application for the change of zoning of the land.

In the meantime, in order to comply with the provisions under the SDBA 1974, SKL had applied and obtained a TBP on 3 March 2023. The TBP was subsequently renewed on 8 February 2024 and is valid for a period of 1 year commencing from 22 February 2024 and expires on 21 February 2025. Such TBP is renewable annually and the application for renewal must be submitted at least 3 months prior to the date of expiry.

For avoidance of doubt, upon expiry of the 3-year term and in the event approval for a further extension is not granted by the relevant authorities, our Group will be required to vacate and demolish the buildings constructed at our Shah Alam Office and Warehouse. The relocation will not cause any material disruptions or material adverse impact to our business operations as it is our intention to be operating at full capacity and in priority from our Port Klang Office and Warehouse prior to the expiry of the 3-year term.

- (3) SKL had obtained a planning permission on 21 July 2022. The planning permission is valid for a period of 1 year until 21 July 2023. Pursuant to MBSA's letter dated 10 May 2023, such planning permission need not be renewed as the requirement to renew is applicable only if, within the validity period, the development had not commenced in the manner specified in the planning permission. For avoidance of doubt, as our Group had commenced development in accordance with the planning permission within the validity period, no renewal is required for the said planning permission.

As part of the condition subsequent for the issuance of the planning permission, part of the land measuring approximately 40 feet from the main entrance of the Shah Alam Workshop will be surrendered to the local authority for purposes of constructing an internal road and road widening ("**40 feet land**"). The submission of the building plan approval is subject to the completion of surrendering the 40 feet land and issuance of a new land title. As at the LPD, SKL's consultant is liaising with the local authority in relation to the surrendering the 40 feet land. Upon issuance of a new land title pursuant to the land surrender, SKL will apply for the building plan approval and thereafter, apply for the CCC.

In the meantime, in order to comply with the provisions under the SDBA 1974, SKL had applied and obtained a TBP on 22 March 2023. The TBP was subsequently renewed on 2 February 2024 and is valid for a period of 1 year commencing from 22 March 2024 and expires on 21 March 2025. Such TBP is renewable annually and the application for renewal must be submitted at least 3 months prior to the date of expiry.

6. INFORMATION ON OUR GROUP (Cont'd)

- ⁽⁴⁾ As at LPD, our Group is still in the midst of identifying the use of the land as we do not have an immediate need for it. Nonetheless, the vacant land is intended to support our business operations for the provision of trucking services, container haulage services, warehousing and distribution services and other logistics-related services.

Save as disclosed above, the properties owned by our Group are not in breach of any other land use conditions and/or non-compliance with current requirements, land rules or building regulations / by-laws, which will have material adverse impact on our operations as at LPD.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.8.2 Properties rented by our Group

The summary of the material properties rented by our Group as at LPD are set out below:

| No. | Postal address | Landlord / Tenant | Description / Existing use | Date of CF / CCC | Land area / Built-up area sq ft | Period of tenancy / Rental per annum |
|-----|---|---------------------------------------|---|------------------|---------------------------------|---|
| (a) | Lot CTB-B-Off-1, Pos Aviation Cargo Complex, Free Commercial Zone, KLIA Cargo Village, 64000 Sepang, Selangor | Pos Aviation Sdn Bhd / SKL | Office space within Pos Aviation Cargo Terminal Building / KLIA Sepang cargo office | 29 January 2009 | 1,471,965.0 / 645.6 | 1 January 2023 to 31 December 2024 / RM46,483 |
| (b) | 53A, 1 st Floor, Jalan Undan 15, Taman Perling, 81200 Johor Bahru, Johor | Kok Mee Liong / SKL | Shop lot office / Johor branch office | 30 August 2006 | 1,560.0 / 1,560.0 | 1 April 2023 to 31 March 2025 / RM16,800 |
| (c) | No. 121-1, Jalan Batu Maung, 11960 Bayan Lepas, Penang | Dynaview Sdn Bhd / SKL | 2-storey office / Penang International Airport office | 4 April 2003 | 3,810.4 / 2,002.0 | 1 November 2023 to 31 October 2025 / RM45,406 |
| (d) | HSC Complex 1, Jalan Permatang Pauh, 13400 Butterworth, Penang | Hesechan Cargo Handling Sdn Bhd / SKL | Single storey warehouse / Butterworth warehouse | 10 October 1992 | 509,219.1 / 6,000.0 | 1 November 2023 to 31 October 2025 / RM158,400 |
| (e) | 2-2-5 Kemuning Aman Apartment, Jalan Rimau, 40460 Shah Alam, Selangor | Rahiman bin Hashim / SKL | One unit of apartment / Workers' accommodation | 5 September 2014 | 425,605.0 / 732.0 | 15 January 2023 to 14 January 2025 / RM10,800 |
| (f) | Lot 7720, Mukim 14, Lorong IKS Bukit Minyak 2, Taman IKS Bukit Minyak, 14000 Bukit Mertajam, Penang | Eastgate Technology Sdn Bhd / SKL | 2-storey office and 2-storey warehouse / Bukit Minyak branch office and warehouse | 25 August 2016 | 45,764.8 / 27,486.0 | 1 October 2022 to 30 September 2025 / RM696,000 |

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6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Postal address | Landlord / Tenant | Description / Existing use | Date of CF / CCC | Land area / Built-up area | Period of tenancy / Rental per annum |
|------------|---|--|---|-----------------------------|--|--|
| (g) | Room 368, Unit 302, No. 211 Fute North Road, China (Shanghai) free trade zone | Shanghai Waigaoqiao Free Trade Zone United Development Co., Ltd. / Shanghai Shuntong International | Office space within China (Shanghai) Pilot Free Trade Zone / Registration purposes | Not applicable | N/A ⁽¹⁾ / 216.0 | 2 November 2023 to 1 November 2026 / Free ⁽²⁾ |

Notes:

- (1) The land area in respect of this property is unascertainable. Pursuant to the Shanghai Certificate of Real Estate Ownership dated 19 December 2008 issued to the landlord, only the total land area of all the properties owned by the landlord namely No. 205, 211 (where the office leased to our Group is located), 217 to 223, 227, 229, 233 and 235 is stipulated, which is approximately 750,513.7 sq ft.
- (2) The lease for the office is free of charge pursuant to the lease contract entered into between the landlord and Shanghai Shuntong International as it was leased for registration purposes only, which is common in PRC.

The properties rented by our Group are not in breach of any other land use conditions and/or non-compliance with current statutory requirements, land rules or building regulations / by-laws, which will have material adverse impact on our operations as at LPD.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.8.3 Acquisition of properties

Save as disclosed below, we have not acquired nor entered into any agreements to acquire any properties during FYE 2020 to 2023 and up to LPD:

| No. | Vendor / Date of purchase⁽¹⁾ | Title details | Description of property / Existing use / Expiry of lease (if any) / Category of land use (if any) | Land area / Built-up area sq ft | Date of CCC | Audited NBV as at 31 December 2023 RM'000 | Purchase value RM'000 |
|------------|--|--|--|--|--------------------|--|--------------------------------------|
| (a) | United Fortune Properties Sdn Bhd / 19 December 2019 | H.S.(D) 40166, Lot No. 5947, Mukim 11, Daerah Seberang Perai Tengah, Negeri Pulau Pinang | 2-storey office and single storey warehouse / Bukit Mertajam branch office and warehouse / Freehold / Industrial | 122,202.7 / 60,667.2 | 25 July 2022 | 14,671 | (2) |
| (b) | SKL / 19 December 2019 | H.S.(D) 40167, Lot No. 5948, Mukim 11, Daerah Seberang Perai Tengah, Negeri Pulau Pinang | Vacant land / Vacant / Freehold / Industrial | 177,163.2 / Not applicable | Not applicable | 9,364 | (2) |
| (c) | U.C. Blasting & Painting Sdn Bhd / 6 January 2023 | H.S.(D) 158974, PT 152270, Mukim Klang, Daerah Klang, Negeri Selangor | A single storey warehouse and 2-storey office with 1 unit of guard house / Port Klang branch office and warehouse / Leasehold (expiring on 30 October 2116) / Industrial | 72,236.6 / 43,066.4 | 22 November 2022 | 18,403 | 17,600 |

6. INFORMATION ON OUR GROUP (Cont'd)

| No. | Vendor / Date of purchase⁽¹⁾ | Title details | Description of property / Existing use / Expiry of lease (if any) / Category of land use (if any) | Land area / Built-up area sq ft | Date of CCC | Audited NBV as at 31 December 2023 RM'000 | Purchase value RM'000 |
|------------|--|---------------------------|--|--|--------------------|--|--------------------------------------|
| (d) | Merbau Sejati Sdn Bhd / 27 June 2023 | Plot No. 6 ⁽³⁾ | Vacant land / Valdor branch office and warehouse / Freehold / Nil | 246,342.9 / 164,000.0 | N/A | ⁽⁴⁾ 10,751 | 67,600 |

Notes:

- (1) Refers to the date of the sale and purchase agreement.
- (2) Properties (a) and (b) were acquired together under the sale and purchase agreement dated 19 December 2019. The total purchase price of both properties is RM20,000,000.
- (3) Merbau Sejati Sdn Bhd (the vendor), a non-related party has obtained planning permission and building plan approval for the proposed development of 13 units of single storey warehouse with double storey office building on the 4 pieces of freehold lands held under No. Hakmilik GRN 134497 (Lot 629), GRN 40431 (Lot 398), GM 384 (Lot 414) and GM 375 (Lot 418), Mukim 12, Daerah Seberang Perai Selatan, Negeri Pulau Pinang in December 2022 and June 2023 respectively. As at the date of the sale and purchase agreement (i.e. 27 June 2023), the individual issue document of title in respect of the Valdor Office and Warehouse has yet to be issued by the appropriate authority. The individual issue document of title will be issued after completion of the construction works, which is expected to be completed by second quarter of 2026.
- (4) This amount was recognised as capital work-in-progress.

6. INFORMATION ON OUR GROUP (Cont'd)**6.8.4 Material capital expenditures and divestitures****(a) Material capital expenditures**

Save for the expenditures disclosed below, there were no other capital expenditures made by us for FYE 2020 to 2023 and up to LPD:

| Capital expenditures | At cost | | | | 1 January |
|--|-----------------|-----------------|-----------------|-----------------|-------------------|
| | FYE 2020 | FYE 2021 | FYE 2022 | FYE 2023 | 2024 up to |
| | RM'000 | RM'000 | RM'000 | RM'000 | LPD |
| Freehold land | 12 | - | - | - | - |
| Freehold building | 12,009 | 1,905 | 1,027 | 941 | 148 |
| Leasehold land and building | - | - | - | 18,518 | - |
| Plant and machinery | 52 | 2,014 | 2,297 | 2,683 | - |
| Furniture, fittings, office equipment and renovation | 228 | 816 | 280 | 780 | 13 |
| Motor / Commercial vehicles | 1,298 | 4,484 | 8,532 | 2,995 | 433 |
| Capital work-in progress | - | - | - | 10,751 | 5 |
| | 13,599 | 9,219 | 12,136 | 36,668 | 599 |

FYE 2020

For FYE 2020, our capital expenditures mainly related to the purchase of:

- (i) Freehold building amounting to RM12.0 million comprising the purchase of Bukit Mertajam Office and Warehouse; and
- (ii) Motor and commercial vehicles amounting to RM1.3 million comprising the purchase of 7 commercial vehicles (mainly comprise prime mover (trucking)).

FYE 2021

For FYE 2021, our capital expenditures mainly related to the purchase of:

- (i) Freehold building amounting to RM1.9 million comprising the renovation of Bukit Mertajam Office and Warehouse;
- (ii) Plant and machinery amounting to RM2.0 million comprising mainly racking system, refrigeration system, 2 units of forklift, 3 units of scrubber and 2 units of sweeper; and
- (iii) Motor and commercial vehicles amounting to RM4.5 million comprising the purchase of 18 commercial vehicles (mainly comprise prime mover (trucking)) amounting to RM3.9 million and 5 motor vehicles (passenger cars acquired for Director and company use) amounting to RM0.6 million.

6. INFORMATION ON OUR GROUP (Cont'd)**FYE 2022**

For FYE 2022, our capital expenditures mainly related to the purchase of:

- (i) Freehold building amounting to RM1.0 million comprising the renovation of Bukit Mertajam Office and Warehouse;
- (ii) Plant and machinery amounting to RM2.3 million comprising mainly of 3 units of forklift, 5 units of reach trucks, 3 units of powered pallet trucks and 1 unit of racking system; and
- (iii) Motor and commercial vehicles amounting to RM8.5 million comprising the purchases of 51 commercial vehicles (mainly comprises prime mover (trucking), prime mover (container haulage), 20-ft container trailer, curtain sider box trailer and 45-ft box trailer) and 1 motor vehicle (passenger car for Director use).

FYE 2023

For FYE 2023, our capital expenditures mainly related to the purchase of:

- (i) Leasehold land and building amounting to RM18.5 million comprising the purchase of Port Klang Office and Warehouse;
- (ii) Plant and machinery amounting to RM2.7 million comprising mainly of 1 unit of racking system and 4 units of forklifts;
- (iii) Motor and commercial vehicles amounting to RM3.0 million comprising the purchases of 10 commercial vehicles (mainly comprises prime mover (trucking), curtain sider box trailer and 45-ft box trailer) and 1 motor vehicle (passenger car for Director use); and
- (iv) Capital work-in-progress amounting to RM10.8 million comprising purchase of Valdor Office and Warehouse.

The above capital expenditures were primarily financed by a combination of bank borrowings and internally generated funds. Our capital expenditures are mainly driven by our business growth as well as for replacement purposes.

(b) Material capital divestitures

Save for the divestitures disclosed below, there were no other capital divestitures made by us for FYE 2020 to 2023 and up to LPD:

| Capital divestitures | At cost | | | | 1 January |
|--|-----------------|-----------------------|----------------------|--------------------|-------------------|
| | FYE 2020 | FYE 2021 | FYE 2022 | FYE 2023 | 2024 up to |
| | RM'000 | RM'000 | RM'000 | RM'000 | LPD |
| | | | | | RM'000 |
| Freehold land | - | ⁽¹⁾ 5,756 | - | - | - |
| Leasehold land | - | ⁽²⁾ 433 | - | - | - |
| Plant and machinery | - | - | 70 | - | - |
| Furniture, fittings, office equipment and renovation | - | 285 | - | 53 | - |
| Motor / Commercial vehicles | - | ⁽³⁾ 11,522 | ⁽⁴⁾ 7,127 | ⁽⁵⁾ 911 | - |
| | - | 17,996 | 7,197 | 964 | - |

6. INFORMATION ON OUR GROUP (Cont'd)

Notes:

- (1) Mainly being the disposal of 2 freehold lands located at Klang, Selangor to Lille Property Sdn Bhd. Both lands were intended for the construction of new warehouses, our plan changed when decided to purchase a ready-built warehouse. Consequently, we decided to dispose of the lands as they were no longer required.
- (2) Mainly being the disposal of 1 leasehold land located at Kuala Langat, Selangor to Lille Property Sdn Bhd. The land was for agricultural use and was divested since we did not have use for it.
- (3) Mainly being the disposal and write-off of 84 commercial vehicles to be replaced by new ones as they are either beyond repair, not roadworthy or considered as total loss due to accidents as well as units being divested as part of our disposal of subsidiaries.
- (4) Mainly being the disposal of 60 commercial vehicles to be replaced by new ones as they are either beyond repair, not roadworthy or considered as total loss due to accidents as well as units being divested as part of our disposal of subsidiary.
- (5) Being the disposal of 2 motor vehicles as they are no longer in use and write off of 1 commercial vehicle as it is total loss due to an accident.

All our capital divestitures were carried out in the ordinary course of business as part of the periodic review of our fixed asset register to identify and eliminate those assets which have been fully depreciated or no longer in use or obsolete or surpassed their useful lives.

Moving forward, other than the proposed utilisation of proceeds from our Public Issue for our capital expenditure as disclosed in Section 4.9.1, we do not have any material capital expenditures and divestitures currently in progress, within or outside Malaysia.

6.8.5 Material plans to construct, expand or improve our facilities

Save for the proposed utilisation of proceeds from our IPO to finance the capital expenditure as set out in Sections 4.9.1 and 7.15 and the capital commitment as set out in Section 12.6, our Group does not have any other immediate plans to construct, expand and improve our facilities as at LPD.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.9 RELEVANT LAWS, REGULATIONS, RULES OR REQUIREMENTS

The following is an overview of the major laws, regulations, rules and requirements governing the conduct of our Group's business which may materially affect our business operations:

6.9.1 Malaysia**(a) CA 1967**

Section 35G(1) of the CA 1967 provides that no goods shall be moved in transit by road except by a licensed carrier. Any person who contravenes Section 35G(1) of the CA 1967 shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 5 years or to both.

Pursuant to Section 35H of the CA 1967, the Director General of Customs and Excise ("**Director General**") may grant a licence to any person to act as a licensed carrier subject to such terms and conditions as he may deem fit and he may suspend or withdraw such licence. Under the CA 1967, "licensed carrier" means a person approved by the Director General to operate vehicles by road for the carriage of any goods in transit or any dutiable goods under the CA 1967 or the Excise Act 1976.

Further, Section 90 of the CA 1967 provides that any person who intends to act as a customs agent must make an application in the form as determined by the Director General and the Director General may grant an approval to act as a customs agent subject to such terms and conditions as he deems fit. Under the CA 1967, "customs agent" means any person approved under Section 90 of the CA 1967 to undertake any customs transactions on behalf of another person.

Any person who acts as customs agent when approval has not been granted to him under the CA 1967 or while such approval is cancelled or suspended, or who makes or causes to be made a declaration of any goods without being duly authorized for that purpose by the proprietor or consignee of such goods shall be guilty of an offence and shall, on conviction, be liable to imprisonment for a term not exceeding 5 years or to a fine not exceeding RM100,000 or to both.

As at LPD, our Company has obtained the approvals from the RMCD to act as a licensed carrier as well as forwarding and shipping agent. These approvals remain valid and subsisting as at LPD.

(b) LPTA 2010

Pursuant to Section 51(1) of the LPTA 2010, no person shall operate or provide a goods vehicle service using a class of goods vehicles for the carriage of goods, for hire or reward, or for or in connection with any trade or business, unless he holds an operator's licence. Under the LPTA 2010, a person is deemed to be operating or providing goods vehicle service if he employs one or more persons to use or drive a goods vehicle to operate or provide a goods vehicle service, and he owns the said goods vehicle, or he is responsible, under any form of arrangement with the owner or lessor of the said goods vehicle to manage, maintain or operate such goods vehicle.

A company or corporation which contravenes Section 51(1) of the LPTA 2010 commits an offence, and shall, on conviction, be liable to a fine not exceeding RM200,000. The LPTA 2010 further provides that a person, other than a company or corporation, who contravenes Section 51(1) of the LPTA 2010 commits an offence and shall, on conviction, be liable to a fine not less than RM2,000 but not more than RM10,000 or to imprisonment for a term not exceeding 1 year or to both.

6. INFORMATION ON OUR GROUP (Cont'd)

As at LPD, our Company together with our subsidiaries, Bayan Berjasa and SK Bonded Warehouse hold and maintain valid Carrier 'A' operator's licences for carrying goods for hire or reward for or in connection with any trade or business carried on within Peninsular Malaysia. Please refer to Section 6.6 for further details of the certification.

(c) FZA 1990 and FZR 1991

The FZA 1990 provides for the establishment of free zones in Malaysia for promoting the economic life of the country and for related purposes. The FZR 1991 is a subsidiary legislation made by the Minister in exercise of its power conferred under the FZA 1990. Pursuant to Regulation 5 of the FZR 1991, any person who intends to carry out any activity within a free zone shall apply to the free zone authority ("**FZ Authority**") for approval. Further, no person shall hold any tenancy or lease of any movable or immovable property in a free zone for the purpose of carrying out any commercial or manufacturing activity and related operations in the zone, except with the permission of the FZ Authority.

Every omission or neglect to comply with, and every act done or attempted to be done contrary to the provisions of the FZA 1990 or any regulations made thereunder shall be an offence and in respect of any such offence for which no penalty is expressly provided, the offender shall be liable, on conviction, to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 3 years or to both.

As at LPD, our Company has obtained FCZ operating licences to carry out activity within the free zones at KLIA Cargo Village and Dis3plex Free Commercial Zone in Penang.

(d) OSHA 1994

The OSHA 1994 provides provisions for securing the safety, health and welfare of persons at work, protecting others against risk to safety or health in connection with the activities of persons at work. The OSHA 1994 applies throughout Malaysia to the industries specified in the OSHA 1994, which includes the transport, storage and communication industry.

Under the OSHA 1994, employers must, so far as is practicable, ensure the safety, health and welfare of all the employees at work, in particular:

- (i) the provision and maintenance of plant and systems of work that are safe and without risks to health;
- (ii) the making of arrangements for ensuring safety and absence of risks to health in connection with the use or operation, handling, storage and transport of plant and substances;
- (iii) the provision of such information, instruction training and supervision as is necessary to ensure the safety and health at work of his employees;
- (iv) the maintenance of a place of work that is in a safe condition and without risks to health; and
- (v) the provision and maintenance of a working environment for his employees that is safe, without risks to health, and adequate facilities for the welfare of employees at work.

6. INFORMATION ON OUR GROUP (Cont'd)

The OSHA 1994 also requires a company to notify the nearest occupational safety and health office of any accident, dangerous occurrence, occupational poisoning, or occupational disease which has occurred or is likely to occur at the place of work.

Failure to comply with the above will result in an offence and the employer is liable, on conviction, to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 2 years or to both.

As at LPD, our Group has implemented a general safety and health policy and a safety and health committee has been established to monitor the safety and health related matters.

(e) PDPA 2010

The PDPA 2010 regulates the processing of personal data in commercial transactions and provides for matters connected therewith and incidental thereto. The PDPA 2010 applies to (i) any person who processes and (ii) any person who has control over or authorises the processing of any personal data in respect of commercial transactions ("**Data User**").

The processing of personal data by a Data User shall comply with various personal data protection principles, namely (a) the General Principle; (b) the Notice and Choice Principle; (c) the Disclosure Principle; (d) the Security Principle; (e) the Retention Principle; (f) the Data Integrity Principle; and (g) the Access Principle (collectively, "**the Personal Data Protection Principles**").

A Data User who contravenes the Personal Data Protection Principles commits an offence and shall, on conviction, be liable to a fine not exceeding RM300,000 or to imprisonment for a term not exceeding 2 years or to both.

As at LPD, as our Group is a Data User within the PDPA 2010, we have obtained a valid certificate of registration under the PDPA 2010.

(f) LGA 1976

The LGA 1976 empowers every local authority to grant licences or permits for any trade, occupation or premise through by-laws. Every licence or permit granted shall be subject to such conditions and restrictions as the local authority may think fit and shall be revocable by the local authority at any time without assigning any reason therefor. As our Group's business activities are carried out in Shah Alam, Sepang, Penang and Johor, we are subject to the by-laws of the respective states.

- (i) The Licensing of Trades, Businesses, and Industries (Klang Municipal Council) By-Laws 2007 ("**Klang By-Laws**") provides that no person shall operate any activity of trade, business and industry or use any place or premise in the local area of the council for any activity of trade, business and industry without a licence issued by the licensing authority.

Any person who contravenes any provision of the Klang By-Laws commits an offence and shall, on conviction be liable to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding 1 year or to both, and in the case of a continuing offence to a fine not exceeding RM200 for each day during which such offence is continued after conviction.

6. INFORMATION ON OUR GROUP (Cont'd)

In addition, the Advertisement (Klang Municipal Council) By-Laws 2007 ("**Klang Advertisement By-Laws**") also provides that no person shall exhibit any advertisement without a licence issued by the licencing authority.

Any person who contravenes any of the provisions of the Klang Advertisement By-Laws shall be guilty of an offence and shall, on conviction be liable to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding 1 year or to both.

- (ii) The Licensing of Trades, Businesses and Industries (Shah Alam City Council) By-Laws 2007 ("**Shah Alam By-Laws**") provides that no person shall (i) operate any activity of trade, business and industry or use any place or premise in the local area of Shah Alam for any activity of trade, business and industry; or (ii) exhibit any advertisement, without a licence issued by the licensing authority.

Any person who contravenes any provisions of the Shah Alam By-Laws commits an offence and shall, on conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both such fine and imprisonment.

- (iii) The Licensing of Trades, Business and Industries (Sepang Municipal Council) By-Laws 2007 ("**Sepang By-Laws**") provides that no person shall (i) operate any activity of trade, business and industry or use any place or premise in the local area of Sepang for any activity of trade, business and industry; or (ii) exhibit any advertisement, without a licence issued by the licensing authority.

Any person who contravenes any provisions of the Sepang By-Laws commits an offence and shall, on conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both such fine and imprisonment.

- (iv) The Licensing Payment (Seberang Perai City Council) By-laws 1980 ("**Seberang Perai By-Laws**") provides that it is an offence for a person who operates business activity without valid licence issued by the MBSP. Further, no person shall exhibit or cause or permit to be exhibited any advertisement without a licence issued by the MBSP.

Any person who contravenes any provisions of the Seberang Perai By-Laws commits an offence and shall, on conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both such fine and imprisonment.

- (v) The By-laws (Business and Industrial Trade) of the Municipal of Penang Island 1991 ("**Penang Island By-Laws**") provides that no person shall (i) operate any activity of trade, business and industry or use any place or premise in the local area of Penang Island for any activity of trade, business and industry; or (ii) exhibit or erect or cause to be exhibited any advertisement, without a licence issued by the licensing authority.

Any person who contravenes any provisions of the Penang Island By-Laws commits an offence and shall, on conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both such fine and imprisonment.

6. INFORMATION ON OUR GROUP (Cont'd)

- (vi) The Licensing of Trade, Business and Industries (Iskandar Puteri City Council) By-Laws 2018 ("**Johor By-Laws**") provides that no person shall (i) use any place or premise within the area of Iskandar Puteri City Council for any trade, business or industry for which fees have been prescribed in the Schedule; or (ii) exhibit or cause to be exhibited any advertisement, without a licence issued by the licensing authority.

Any person who contravenes any provisions of the Johor By-Laws commits an offence and shall, on conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both such fine and imprisonment.

As at LPD, our Group holds and maintains valid business premise licences for all our operating business premises. Our Group also maintains valid advertising licences in respect of all premises with external signboards.

(g) National Land Code ("NLC")

The NLC is the principal legislation governing land matters in Malaysia. It specifically applies to land situated in Peninsular Malaysia and the Federal Territory of Labuan. Under the NLC, there are three categories of land use, namely "building", "industry", and "agriculture". The specific category of land use is indicated on the documents of title issued by the state authority. Additionally, all alienated lands in Peninsular Malaysia and the Federal Territory of Labuan are subject to both the implied conditions as outlined in the NLC and express conditions imposed by the state authority.

Upon any breach arising from any condition to which any alienated land is for the time being subjected to, (i) the land shall become liable to forfeiture to the state authority and (ii) except in a case where a fine is imposed or where action for the purpose of causing the breach to be remedied is first required to be taken, the land administrator shall proceed with the enforcement of the forfeiture in accordance to the provisions of the NLC.

As at LPD, there is no breach and/or non-compliance of property or land use conditions in relation to the premises owned or rented by our Group to carry out our business operations.

(h) SDBA 1974, TCPA 1976 and UBBL 1984

In the course of our business operations, it is necessary for us to ensure that the properties owned or rented by our Group comply with the SDBA 1974, TCPA 1976, UBBL 1984, and the relevant by-laws issued thereunder. These regulations govern various aspects, including the occupation of buildings and the standardization of local government matters related to streets, drainage, and buildings. The SDBA 1974 establishes laws and policies regarding local government matters pertaining to streets, drainage, and buildings in Peninsular Malaysia. It provides for the requirement of a CF/CCC to ensure that buildings are safe and suitable for occupation. The TCPA 1976 governs the proper control and regulation of town and country planning in Peninsular Malaysia and regulates among other modifications to planning permissions and building plan approvals issued by local authorities. The UBBL is a subsidiary regulation made under the SDBA 1974.

6. INFORMATION ON OUR GROUP (Cont'd)

Pursuant to Section 70(1) of the SDBA 1974, no person shall erect any building without the prior written permission of the local authority. Any person who fails to comply with such provision commits an offence and shall upon conviction, be liable to a fine not exceeding RM50,000 or imprisonment for a term not exceeding 3 years or both and a further fine of RM1,000 for every day during which the offence is continued after conviction. Further, Section 70(27) of the SDBA 1974 also stipulates that no person shall occupy or permit to be occupied any building or any part thereof without a CF/CCC. Any person who fails to comply with such provision commits an offence and shall upon conviction, be liable to a fine not exceeding RM250,000 or imprisonment for a term not exceeding 10 years or both.

Pursuant to the Selangor UBBL 1984, a TBP may be issued at the discretion of the local authority for the erection of a temporary building for a limited period to be specified upon the expiration of which the building shall be demolished.

As at LPD, save for the Shah Alam Office and Warehouse and Shah Alam Workshop where TBPs have been issued by MBSA (see Section 6.8.1 for further details), all properties owned and rented by our Group in Peninsular Malaysia have valid CF/CCC.

(i) FSA 1988 and FSO 1998

Pursuant to Sections 28 of the FSA 1988, every designated premises shall require a fire certificate which shall be renewable annually. Further, under the FSO 1998, the Director General of Fire Services has determined that premises of which the use, size and location are specified in the schedule of the FSO 1998, shall be designated premises for the purpose of issuance of a fire certificate under the FSA 1988. Such designated premises include offices, with the following description:

- (i) Offices – 30 metres and above in height or 10,000m² and over (total floor area)
- (ii) Factories –
 - (aa) Single storey – 2,000m² and over (total floor area) where the automatic sprinkler systems are installed
 - (bb) 2 storeys and above – 2,000m² and over (total floor area) where the automatic sprinkler systems are installed
 - (cc) Special structures – Hazardous processes
- (iii) Storage and general –
 - (aa) Underground car park of 2,000m² and over (total floor area) where the automatic sprinkler systems are installed
 - (bb) 1,000m² and over (total floor area) or 7,000 cubic metres and over, where the automatic sprinkler systems are installed

Under the FSA 1988, where there is no fire certificate in force in respect of any designated premises, the owner of the premises shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 5 years or both.

As at LPD, our Bukit Mertajam Office and Warehouse as well as Port Klang Office and Warehouse, which falls within the definition of designated premises under the FSA 1988, have a valid fire certificate issued by the Fire and Rescue Department of Malaysia.

6. INFORMATION ON OUR GROUP (Cont'd)

(j) EA 1955

The EA 1955 regulates all labour related matters and employment relationship between employers and employees. It serves as a framework for protecting the rights and welfare of employees.

Any person who commits any offence under, or contravenes any provision of the EA 1955, or any regulations, order or other subsidiary legislation whatsoever made thereunder, in respect of which no penalty is provided, shall be liable, on conviction, to a fine not exceeding RM50,000.

As at LPD, our Group complies with the relevant requirements under the EA 1955.

(k) EMSA 1990

The EMSA 1990, as amended by the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019, establishes the minimum housing, nurseries and accommodation criteria for employees (and their dependants, if applicable) as well as health, hospital, medical and social amenities to be provided by the employers to their employees. Pursuant to the EMSA 1990, no accommodation shall be provided to an employee unless certified with a CFA by the Department of Labour Peninsular Malaysia. Employers who fail to obtain such CFA commit an offence and shall, on conviction, be liable to a fine not exceeding RM50,000.

As at LPD, we have obtained the CFA for our workers' accommodation which are occupied by our foreign employee.

(l) EQA 1974

Due to the nature of our Group's business activities, we are required to comply with the EQA 1974 and its regulations, among others, the Environmental Quality (Scheduled Wastes) Regulation 2005 ("**Scheduled Waste Regulations**") with respect to the disposal of scheduled waste in Malaysia.

It is an offence under EQA 1974 to dispose scheduled wastes on land or into Malaysian water unless with the approval of the DOE. Failure to comply with the provisions under the EQA 1974 is an offence and a person may be held liable to a fine of not more than RM500,000 or imprisonment of not more than 5 years or both.

As at LPD, our Group's disposal of scheduled wastes is carried out by a licenced service provider. Our Group has observed and will continue to ensure compliance with the provisions of EQA 1974 and its regulations.

Details of the major approvals, licences and permits issued to our Group in order for us to carry out our operations are set out in Section 6.6. Save as disclosed therein, as at LPD, there are no other material laws, regulations, rules or requirements governing the conduct of our business and/or major environmental issue which may materially affect our operations.

6.9.2 Hong Kong

As at LPD, SK Logistics HK is not subject to any particular laws or regulations of Hong Kong other than those generally applicable to companies incorporated and/or operating in Hong Kong.

6. INFORMATION ON OUR GROUP (Cont'd)

6.9.3 PRC

As at LPD, Shanghai Shuntong International is not subject to any particular laws or regulations of the PRC other than those generally applicable to companies incorporated and/or operating in China.

6.10 ENVIRONMENTAL, SOCIAL AND GOVERNANCE PRACTICES

Our Group has implemented, and are in the midst of implementing, the following practices:

(a) Environment

Our Group is committed to upholding environmental preservation and care through the incorporation of sustainable practices in our business operations. The measures that we have taken or plan to take (as the case may be) include the following:

- we place importance on acquiring commercial vehicles that have low emissions and meet relevant regulations. These vehicles with Euro 5 engines are equipped with advanced technologies to minimise the release of pollutants. These vehicles demonstrate remarkable efficiency in their fuel ignition, exhaust, and emission control systems, which not only enhance their overall performance but also contribute to their sustainability. As of LPD, within our fleet of box trucks and prime movers, which have the capability to accommodate Euro 5 engines, there are a total of 59 units or 27.4% out of the 215 units in this category that have been equipped with Euro 5 engines.
- we prioritise sustainability by carefully managing used lubricant oil, after conducting scheduled maintenance for our commercial vehicles at specific intervals. This is demonstrated through our exclusive practice of storing and selling such used oil solely to licensed collectors. This ensures proper management, recycling, and environmentally friendly repurposing of the oil. Between 2022 and up to LPD, approximately 35,870 litres of used lubricant oil are sold for recycling.
- we incorporate the practice of tyre retreading as an alternative to purchasing new tyres for our operation. However, this practice is limited to our trailers only as our drivers' safety is our utmost concern. Furthermore, we are dedicated to accepting grade-A retreaded tyres to ensure the highest quality standards. Tyre retreading involves refurbishing and reconditioning old tyres, extending their lifespan and optimising their performance. This practice not only aligns with our sustainability goals by minimising the environmental impact of tyres disposal, but enables us to achieve cost savings while ensuring the safety and reliability of our drivers. The number of tyres being retreaded in 2022 and up to LPD are approximately 966.
- in 2006, our Group proactively addressed carbon footprint reduction by transitioning our forklifts and reach trucks used in warehousing activities from gas-powered to electric-powered. As at LPD, 25 units of our forklifts and reach trucks are electric-powered. This switch not only contributes to a safer work environment for our employees but also eliminates on-site emissions, demonstrating our commitment to sustainability.

6. INFORMATION ON OUR GROUP (Cont'd)

- we facilitate Electronic Proof of Delivery (ePOD) by equipping each driver with smartphones that have data connectivity through the installation of a designated app required by selected customers which enables prompt recipient confirmation. This not only enhances delivery efficiency and customer satisfaction but also enables an eco-friendly approach to acknowledgement.
- we have adopted a paperless approach by converting our office documents into digital formats, minimising the necessity for paper printing. Additionally, in our administrative function, we discourage unnecessary printing and encourage our employees to rely on digital versions of documents. By default, our outgoing documents e.g. invoices are in digital form unless specifically requested by stakeholders. On top of this, we have prominently displayed notices throughout our premises, encouraging everyone to turn off lights and water taps when not in use.
- our warehouse buildings in Shah Alam & Bukit Mertajam have been designed to prioritise the utilisation of natural light in mind, excluding areas with cold room facilities such as chilled, freezer, and/or air-conditioned rooms. By maximising the use of natural sunlight, we significantly reduce the need for electric lighting during daylight hours. Additionally, we have implemented energy-saving measures by utilising light bulbs and tubes that are designed to consume less electricity, i.e. Light Emitting Diode (LED) light.

(b) Social

Our Group is committed to act responsibly to all our stakeholders in our business operations as well as to the community in which we operate.

The safety, health and welfare of our employees in our workplace is one of our top priorities. Our Group has established a Safety and Health Committee to ensure compliance with our Guidelines on Occupational Safety and Health Policy by protecting the health and safety of our employees against the risk arising from our operational processes. In addition, we prioritise the safety and well-being of our staff by providing them with essential safety equipment. We ensure that relevant employee is equipped with helmets, vests, and shoes to promote a safe working environment.

Besides this, social protection for foreign workers' welfare is also set up by our Group. The Foreign worker employed under our Group is residing in our worker's dormitory that complied with the EMSA 1990. Please refer to Sections 6.6(k) and 6.9.1(k) for further details.

In terms of our employees' welfare, our Group hosted company festival events i.e. Chinese New Year and Hari Raya Aidilfitri that offer employees from diverse backgrounds an opportunity to learn about various rituals and customs. These events provide a platform for cultural exchange, enabling everyone to appreciate and celebrate the rich cultural heritage and traditions within our organisation. By encouraging cross-cultural understanding, we foster a sense of unity, respect, and appreciation among our employees. The total expenses for both events hosted in 2023 are approximately RM25,700.

6. INFORMATION ON OUR GROUP *(Cont'd)*

In addition, our Group has taken various corporate social responsibility initiatives to serve the needs of the community, including the following:

- in July & August 2022, our Group donated mattresses to a local old folk home, Pertubuhan Kebajikan Warga Emas Kenang Budi Kuala Lumpur. By providing these essential bedding items, we hope to enhance the comfort and sleep quality of the elderly residents, promoting their overall well-being. Additionally, we extended our support by donating meals to them, ensuring that the elderly receive proper nourishment.
- in October 2022, our Group made a contribution by donating monetary funds and diapers to Pertubuhan Kebajikan Anak-Anak Yatim dan OKU Mesra Petaling Jaya, Selangor. By providing financial support and essential supplies, such as diapers, we aim to improve the well-being and quality of life for the residents of these facilities.
- in December 2022, we spreading Christmas wishes and joy to Pusat Penjagaan Kanak-kanak Cacat Taman Megah. Through joyful songs, groceries, cash donations and quality time with the children, we filled their hearts with love.
- in January 2023, our Group shared New Year's hopes with seniors at Pusat Jagaan Rumah Sejahtera Permatang Tinggi. Recognising their lack of family, we visited with gifts, angpows, and mandarin oranges to foster a sense of togetherness. Our heartfelt gesture brought cheer during the Lunar New Year.
- in February 2023, our Group actively participated in a humanitarian aid operation organised by the Turkish Embassy in Malaysia, assisting earthquake-stricken areas in Turkey by providing transportation services for aid materials.
- in March 2023, our Group celebrated Ramadan and Hari Raya Aidilfitri by bringing joy to 165 underprivileged children at Pusat Jagaan Cahaya Kasih Bestari. We offered food, Raya essentials, and cash donations to enhance their festive celebrations.

From 2022 to 2023, we made contributions to the community approximately valued at RM26,300, consisting of both monetary donations and goods.

(c) Governance

Our Group is committed to conduct our business ethically and in compliance with all relevant laws and regulations as disclosed in Section 6.9 In maintaining high standards of corporate governance, our Board has adopted the recommendations under the MCCG.

In addition, our Group has embraced a zero-tolerance stance on bribery, and as such, we have implemented comprehensive policies and procedures to ensure strict adherence to the Malaysian Anti-Corruption Commission Act 2009 and its amendments. As part of our commitment to risk management, we have established a Risk Management Framework to diligently monitor risks associated with our company's objectives. Moreover, to foster transparency and fairness in our business practices, we have implemented a Whistleblowing Policy and Privacy Policy. These measures aim to encourage reporting of misconduct and safeguard the privacy of individuals involved.

6. INFORMATION ON OUR GROUP (Cont'd)**6.11 EMPLOYEES**

As at LPD, our Group has a total workforce of 248 employees of which 141 employees are full-time employees, all of whom are Malaysian and the balance 107 employees are on contract basis, including 1 foreign worker.

The breakdown of our employees as at 31 December 2023 and LPD are as follows:

| Department | No. of employees | | | | Total |
|------------------------------------|------------------|-----------|----------------------|-----------|------------|
| | Permanent | | Contract / Temporary | | |
| | Local | Foreigner | Local | Foreigner | |
| As at 31 December 2023 | | | | | |
| Executive Directors | 3 | - | - | - | 3 |
| Key management | 4 | - | - | - | 4 |
| Account and finance | 18 | - | - | - | 18 |
| Human resources and administration | 11 | - | - | - | 11 |
| Safety, security and compliance | 6 | - | - | - | 6 |
| IT | 1 | - | - | - | 1 |
| Vehicle maintenance | 17 | - | 1 | 1 | 19 |
| Sales and marketing | 1 | - | - | - | 1 |
| Warehouse | 39 | - | 1 | - | 40 |
| Express | 3 | - | 5 | - | 8 |
| Freight forwarding | 12 | - | - | - | 12 |
| Transport | 25 | - | 96 ⁽¹⁾ | - | 121 |
| Total | 140 | - | 103 | 1 | 244 |
| As at LPD | | | | | |
| Executive Directors | 3 | - | - | - | 3 |
| Key management | 4 | - | - | - | 4 |
| Account and finance | 19 | - | - | - | 19 |
| Human resources and administration | 9 | - | - | - | 9 |
| Safety, security and compliance | 6 | - | - | - | 6 |
| IT | 1 | - | - | - | 1 |
| Vehicle maintenance | 23 | - | 1 | 1 | 25 |
| Sales and marketing | - | - | 1 | - | 1 |
| Warehouse | 38 | - | 1 | - | 39 |
| Express | 2 | - | 6 ⁽¹⁾ | - | 8 |
| Freight forwarding | 12 | - | - | - | 12 |
| Transport | 24 | - | 97 ⁽¹⁾ | - | 121 |
| Total | 141 | - | 106 | 1 | 248 |

Note:

- (1) Our drivers are categorised in the Express and Transport departments, who are responsible for the shipment of trucking, container haulage, express delivery and cargo escort services.

6. INFORMATION ON OUR GROUP (Cont'd)

For avoidance of doubt, our drivers are hired on a contract basis instead of permanent employment as this allows our Group to better assess the performance, attitude and reliability of our drivers and enables us to make informed and competitive decisions during contract renewals, as compared to permanent positions. As such, this allows our Group to have greater flexibility in managing our drivers during contracts renewal depending on their performance, as compared to hiring drivers on a permanent basis. Notwithstanding the challenges in retaining and hiring skilled drivers faced by industry players including our Group, our Group regularly reviews the contracts with our drivers and monitors market rate to ensure that the contract terms offered to our drivers are competitive and attractive to retain skilled drivers. Our Group also assigns jobs to drivers based on their experience whereby the experienced and well-performed drivers will be assigned with longer haul routes with higher remunerations. Further, we also manage the allocation of jobs to drivers to enable them to earn consistent and stable income as well as provide job training to drivers.

To the best of our knowledge, hiring of drivers on contract basis is a norm in the logistic industry. Nevertheless, there may be logistic companies that hire their drivers on permanent basis.

In addition to the above, as at 31 December 2023 and as at LPD, we engaged 19 local freelance drivers as licensed drivers for our Group.

There were no significant changes in the number of employees of our Group for FYE 2023 and up to LPD.

None of our employees belong to any labour union, Transport Workers Union or any other union and over FYE 2020 to 2023 and up to LPD, there is no labour dispute between our management and our employees. Additionally, over FYE 2020 to 2023 and up to LPD, there has not been any incident of work stoppage that has materially affected our operations.

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