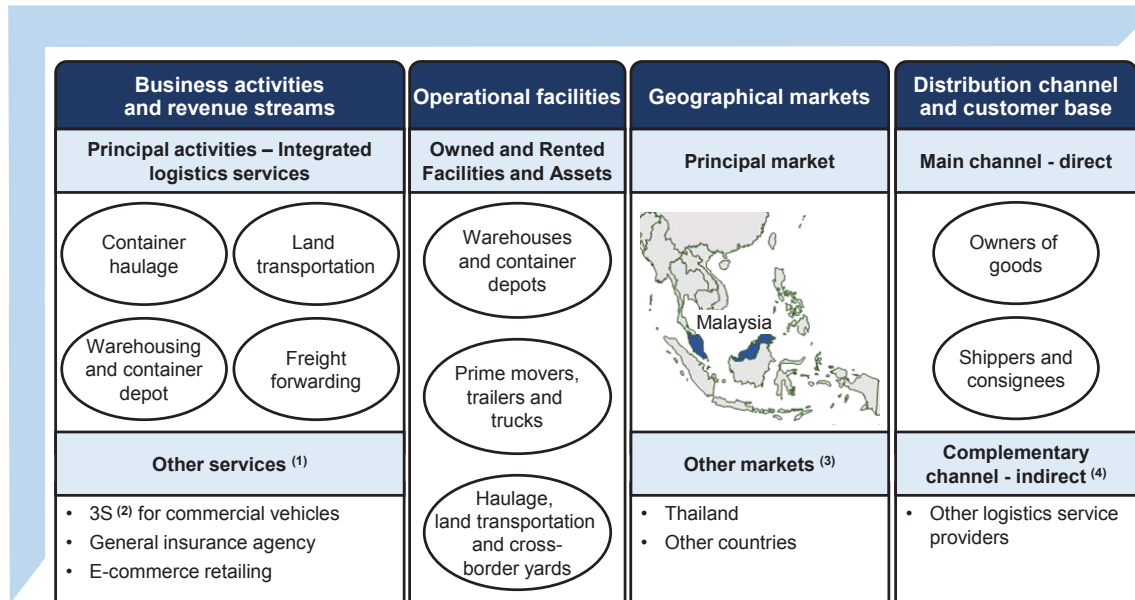


6. INFORMATION ON OUR GROUP (Cont'd)

6.4 BUSINESS OVERVIEW

6.4.1 Our Business Model

Our business model is depicted in the following diagram:



Notes:

- (1) Other services collectively accounted for 0.5%, 0.8%, 0.3% and 0.2% of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FPE 2021, respectively.
- (2) 3S = Sales, service and spare parts mainly based on dealership agreements.
- (3) Other markets collectively accounted for 3.5%, 3.8%, 3.2% and 6.2% of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FPE 2021, respectively.
- (4) Indirect channel accounted for 26.4%, 28.1%, 27.6% and 31.7% of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FPE 2021, respectively.

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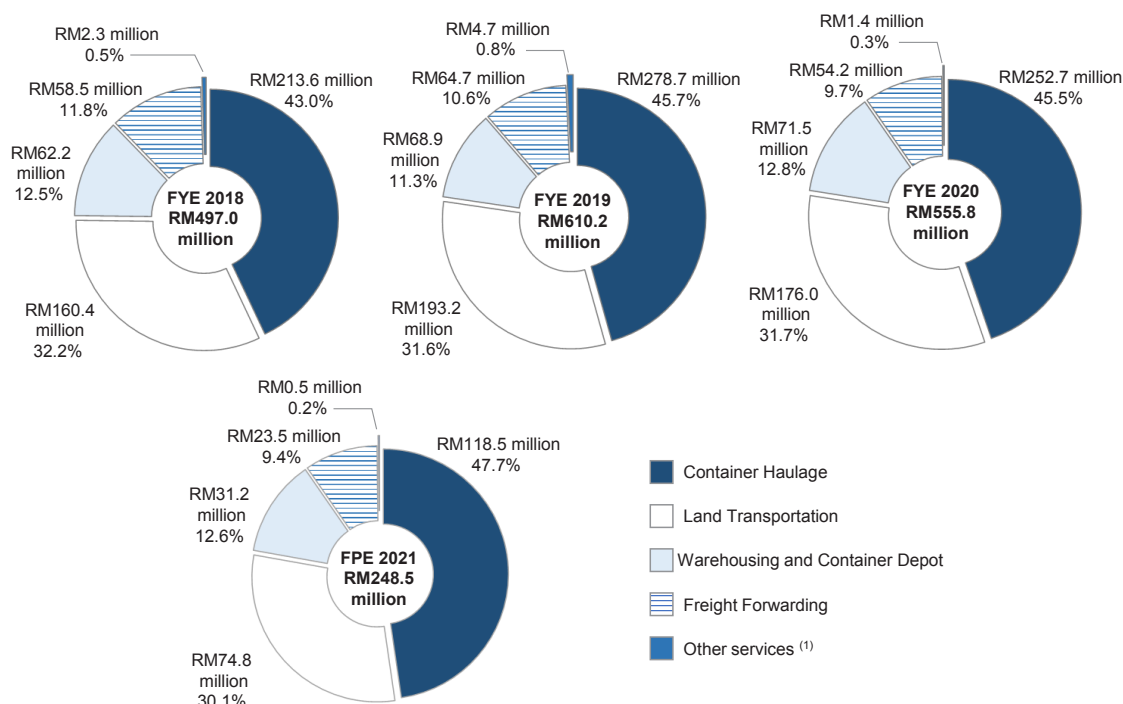
6. INFORMATION ON OUR GROUP (Cont'd)

6.4.2 Business activities and revenue streams

As an integrated logistics service provider, our services include container haulage, land transportation, warehousing, container depot and freight forwarding. Other services which complement and support our core logistics services consist of sales, service and spare parts dealership for commercial vehicles and general insurance agency services. We are also involved in e-commerce retailing.

Our revenue segmentation by business activities are as follows:

Revenue segmentation by business activities



Note:

(1) Other services include sales, service and spare parts for commercial vehicles, insurance agency services and e-commerce retailing.

Integrated logistics services are our core business as they collectively accounted for RM494.7 million (99.5%), RM605.5 million (99.2%), RM554.4 million (99.7%) and RM248.0 million (99.8%) of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FPE 2021 respectively. Other services accounted for RM2.3 million (0.5%), RM4.7 million (0.8%), RM1.4 million (0.3%) and RM0.5 million (0.2%) of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FPE 2021 respectively.

(a) Container haulage services

Container haulage services accounted for RM213.6 million (43.0%), RM278.7 million (45.7%), RM252.7 million (45.5%) and RM118.5 million (47.7%) of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FPE 2021 respectively.

Our container haulage services involve transporting mainly laden containers from one location to another. We provide inbound and outbound container movements, where inbound container haulage is mainly concerned with the delivery of laden containers from a seaport to another facility, while outbound container haulage is mainly concerned with the delivery of laden containers from a facility to a seaport.

6. INFORMATION ON OUR GROUP (Cont'd)

We provide container haulage services by transporting containers to and from the locations designated by the customers and the various ports including:

- (i) Central region: Northport and Westport in Port Klang, Selangor and Tanjung Bruas Port, Melaka;
- (ii) Northern region: Penang Port, Penang;
- (iii) Southern region: Johor Port and the Port of Tanjung Pelepas, Johor; and
- (iv) Eastern region: Kuantan Port, Pahang.

Within container haulage operations, we own and operate a fleet of 995 prime movers (comprising 966 active prime movers and 29 prime movers held for sale) and 5,402 container trailers for container haulage operations in Peninsular Malaysia as at the LPD. We also operate eight haulage yards within or close to these seaports to support our container haulage services.

For further information on our container haulage services, please refer to Section 6.5.1 of this Prospectus.

(b) Land transportation services

For the FYE 2018, FYE 2019, FYE 2020 and FPE 2021 our revenue from providing land transportation services amounted to RM160.4 million (32.2%), RM193.2 million (31.6%), RM176.0 million (31.7%) and RM74.8 million (30.1%) of our total revenue respectively.

Our land transportation services involve the movement of cargo by road. The types of land transportation services that we currently provide include the following:

- Inland transportation for point-to-point movement of cargo within a local area or between regions in Peninsular Malaysia;
- Inland distribution transportation for point-to-multipoint movement of cargo within a local area in Peninsular Malaysia;
- Inland specialised transportation for the movement of cargo that requires specialised delivery vehicles, such as CNG tankers; and
- Cross-border transportation involving the movement of cargo across international land borders. We currently provide cross-border transportation for destinations in Malaysia, Singapore, Thailand, Cambodia, Laos, Myanmar, Vietnam and the southern border of China.

Within land transportation operations, we own and operate a fleet that included 465 prime movers, 811 box or curtain-sider trailers, 53 trucks and 42 CNG tankers for our land transportation services in Malaysia, as well as six inland yards and one cross-border yard to support our land transportation services as at the LPD. In Thailand, we own and operate 86 prime movers, 118 container trailers and 2 trucks, and operate a cross-border yard as at the LPD.

For further information on our land transportation services, please refer to Section 6.5.2 of this Prospectus.

6. INFORMATION ON OUR GROUP (Cont'd)

(c) Warehousing and container depot services

Revenue from warehousing and container depot services amounted to RM62.2 million (12.5%), RM68.9 million (11.3%), RM71.5 million (12.8%) and RM31.2 million (12.6%) of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FPE 2021 respectively.

As at the LPD, we provide the following warehousing and container depot services:

- operate five warehouses to store, handle and manage our customers' goods with a collective storage capacity of 575,053 sq. ft.;
- leasing of property comprising a warehouse with a storage capacity of 274,318 sq. ft. and an open yard of 144,123 sq. ft. which is used as a vehicle distribution centre;
- providing e-fulfilment services to manage goods for e-commerce retailers at our SLC Warehouse;
- managing four warehouses on behalf of our customers; and
- operating four container depots with a collective storage capacity of 28,500 TEU.

For further information on our warehouses and container depots services, please refer to Section 6.5.3 of this Prospectus.

(d) Freight forwarding

For the FYE 2018, FYE 2019, FYE 2020 and FPE 2021, freight forwarding accounted for RM58.5 million (11.8%), RM64.7 million (10.6%), RM54.2 million (9.7%) and RM23.5 million (9.4%) of our total revenue respectively.

Freight forwarding mainly involves organising end-to-end transportation of cargo from one country to another country, or to and from Peninsular and East Malaysia including customs clearance. We currently carry out sea, air and land freight forwarding, and project logistics under this business activity. Sea, air and land freight forwarding involve general cargo that is predominantly transported by sea, air or land, respectively. Project logistics involves organising the transportation of cargo that requires specialised vehicles and handling, commonly for heavy and/or large-sized objects, by sea, air and/or land transportation. We also provide in-plant logistics and ship husbandry services.

For further information on our freight forwarding operations, please refer to Section 6.5.4 of this Prospectus.

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

Other services collectively accounted for RM2.3 million (0.5%), RM4.7 million (0.8%), RM1.4 million (0.3%) and RM0.5 million (0.2%) of our total revenue for the FYE 2018, FYE 2019, FYE 2020 and FPE 2021 respectively. The other services that we provide include the following:

- Sales, service and spare parts dealerships for commercial vehicles;
- General insurance agency services; and
- E-commerce retailing.

In addition to generating revenue from serving external customers, sales, service and spare parts dealerships for commercial vehicles and general insurance agency services also support our core integrated logistics services.

For further information on our other services, please refer to Section 6.5.5 of this Prospectus.

6.4.3 Complementary business activities

As an integrated logistics service provider most of our services are complementary but not necessarily interdependent. Generally, our customers have the option to choose from the range of services offered by our Group to suit their respective requirements. For the Financial Years Under Review and FPE 2021, the services that we provide are mainly on a standalone basis. The only exception is freight forwarding services where domestic container haulage services are commonly bundled with sea freight forwarding services. However, customers have the option to use other domestic third-party container haulage services.

Our container haulage can be provided on a standalone basis or as complementary services to freight forwarding in providing container haulage between ports in Malaysia and pick-up or destination points.

Our land transportation services can be provided on a standalone basis or as complementary services to warehousing services where we are able to transport goods between our warehouse and customers' pick-up or destination points. Our land transportation services are also complementary to our freight forwarding services for non-containerised goods.

Our warehousing services can be provided on a standalone basis or as complementary services to land transportation especially for distribution from our warehouse to multi-destinations.

Our depot services can be provided on a standalone basis or as complementary service to container haulage through handling and temporary storage of empty containers.

Our freight forwarding services are complementary to container haulage and land transportation services.

Our dealership for sales, spare parts and services of commercial vehicles complement our container haulage and land transportation services by supplying spare parts and maintaining our prime movers.

Similarly, our general insurance agency services complement our container haulage and land transportation services by providing general insurance coverage for these services, including motor vehicle insurance.

While our services are complementary, they are not interdependent as it is common to use third parties for the provision of any of the above services carried out by our Group.

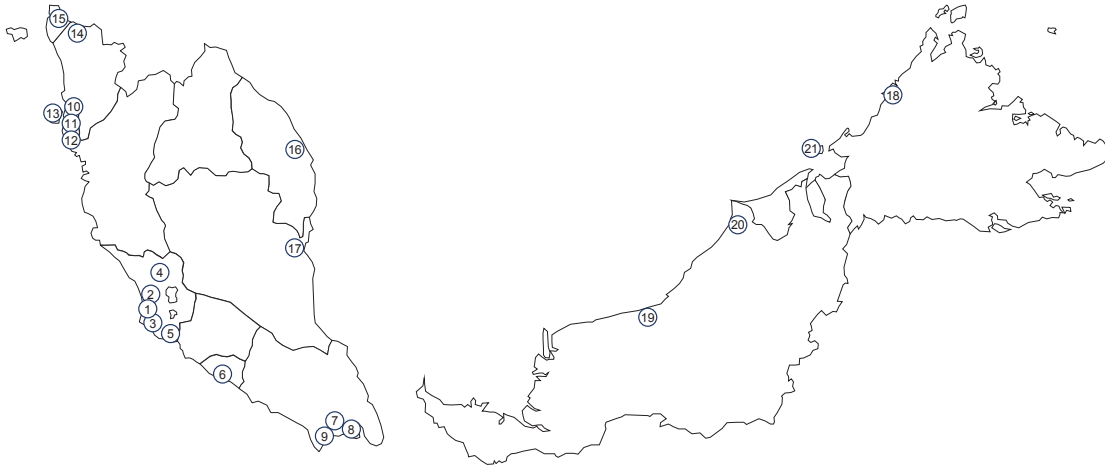
6. INFORMATION ON OUR GROUP (Cont'd)

6.4.4 Our operational facilities

Malaysia

Our integrated logistics services and other services in Malaysia are supported by a network of operational facilities comprising warehouses, container depots, haulage yards, inland transportation yards, cross-border yard and sales offices located across Peninsular Malaysia, and sales offices and warehouses in East Malaysia. This network provides us with comprehensive coverage to receive and deliver cargo to customers throughout Malaysia. The locations in Malaysia where we have operational facilities are summarised in the following map.

The locations of our operational facilities in Malaysia



Notes:

Selangor: 1) Port Klang 2) Klang 3) Sijangkang 4) Bukit Beruntung 5) Kuala Lumpur International Airport **Melaka:** 6) Ayer Keroh **Johor:** 7) Tebrau 8) Pasir Gudang 9) Port of Tanjung Pelepas **Penang:** 10) Butterworth 11) Seberang Perai 12) Bukit Minyak 13) Bayan Lepas **Kedah:** 14) Bukit Kayu Hitam **Perlis:** 15) Padang Besar **Terengganu:** 16) Kerteh **Pahang:** 17) Kuantan **Sabah:** 18) Kota Kinabalu **Sarawak:** 19) Bintulu 20) Miri **Labuan:** 21) Labuan

As at the LPD, our business activities in East Malaysia include the following:

- Sea freight forwarding services;
- Ship husbandry services; and
- Cold chain logistics services, following Swift Integrated Logistics' acquisition of 50.0% equity interest in Hypercold Logistics on 16 June 2021. Hypercold Logistics operates 12 refrigerated trucks, 6 of which are owned by Hypercold Logistics and the balance are rented from Platinum Coldchain.

Prior to the acquisitions of Hypercold Logistics and Platinum Coldchain, our Group's activities in East Malaysia mainly involve freight forwarding involving organising end-to-end transportation of cargo from one country to another country, or to and from Peninsular and East Malaysia including customs clearance and we do not own or operate any commercial vehicles in East Malaysia.

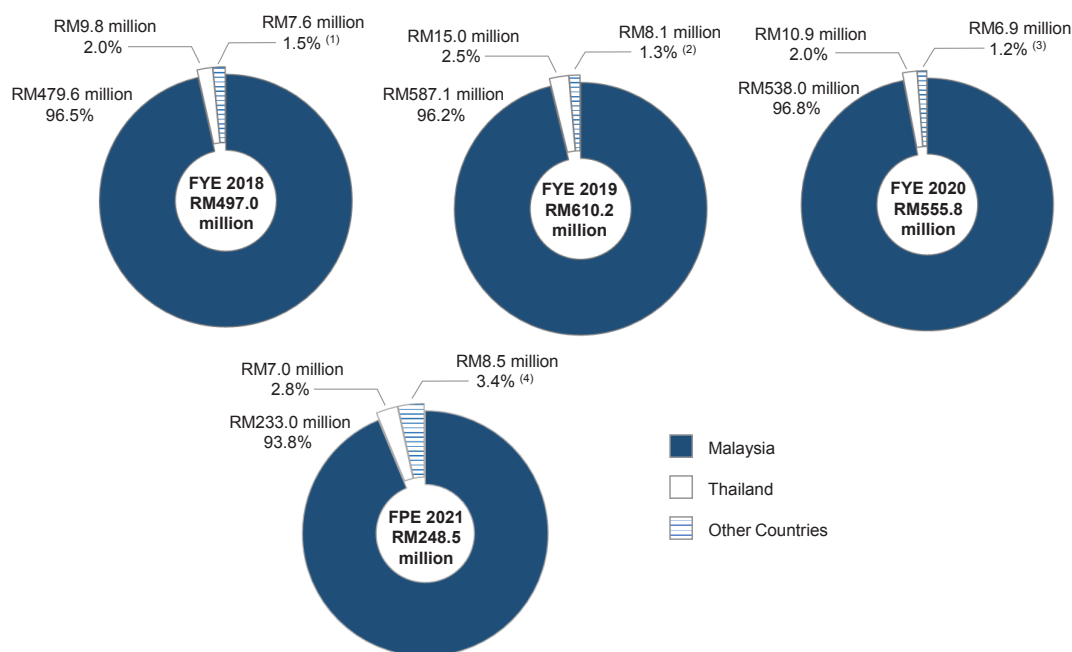
Thailand

We also have operational facilities in Thailand comprising an office and a cross-border yard in Bangkok and an office in Sadao, Songkhla.

6. INFORMATION ON OUR GROUP (Cont'd)

6.4.5 Our geographical markets

Our revenue segmentation by geographical markets during the Financial Years Under Review and FPE 2021 is as follows:



Notes:

- (1) Other countries for FYE 2018 included Australia, Cambodia, China, Hong Kong, India, Ireland, Japan, Myanmar, Pakistan, Singapore, South Korea, Taiwan, United Kingdom, United States and Vietnam.
- (2) Other countries for FYE 2019 included Australia, Brazil, China, Hong Kong, India, Ireland, Japan, Myanmar, Pakistan, Russia, Singapore, South Africa, Sri Lanka, United Kingdom and Vietnam.
- (3) Other countries for FYE 2020 included Australia, Brazil, Cambodia, China, Hong Kong, India, Ireland, Japan, Pakistan, Russia, Singapore, South Africa, South Korea, Sri Lanka, Taiwan, United Kingdom and Vietnam.
- (4) Other countries for FPE 2021 included Australia, Brazil, Cambodia, China, Germany, Hong Kong, India, Indonesia, Ireland, Japan, Mauritius, Myanmar, Nepal, New Zealand, Pakistan, Saudi Arabia, Seychelles, Singapore, South Africa, Spain, Taiwan, The Netherlands, United Arab Emirates, United Kingdom, United States and Vietnam.

Malaysia was our largest market as it accounted for RM479.6 million (96.5%), RM587.1 million (96.2%), RM538.0 million (96.8%) and RM233.0 million (93.8%) of our total revenue for FYE 2018, FYE 2019, FYE 2020 and FPE 2021 respectively. Foreign markets accounted for the remaining RM17.4 million (3.5%), RM23.1 million (3.8%), RM17.8 million (3.2%) and RM15.5 million (6.2%) of our total revenue for FYE 2018, FYE 2019, FYE 2020 and FPE 2021 respectively.

Our largest foreign market, Thailand accounted for RM9.8 million (2.0%), RM15.0 million (2.5%), RM10.9 million (2.0%) and RM7.0 million (2.8%) of our total revenue for FYE 2018, FYE 2019, FYE 2020 and FPE 2021 respectively.

Other foreign countries, which comprised Australia, Brazil, Cambodia, China, Germany, Hong Kong, India, Indonesia, Ireland, Japan, Mauritius, Myanmar, Nepal, New Zealand, Pakistan, Russia, Saudi Arabia, Seychelles, Singapore, South Africa, South Korea, Spain, Sri Lanka, Taiwan, the Netherlands, United Arab Emirates, United Kingdom, United States and Vietnam during the Financial Years Under Review and FPE 2021, collectively accounted for RM7.6 million (1.5%), RM8.1 million (1.3%), RM6.9 million (1.2%) and RM8.5 million (3.4%) of our revenue for FYE 2018, FYE 2019, FYE 2020 and FPE 2021 respectively.

6. INFORMATION ON OUR GROUP (Cont'd)

6.4.6 Our distribution channels and customer base

We adopt both direct and indirect distribution channel strategies for our marketing and sales activities.

With the direct distribution channel strategy, we deal directly with one of the following parties:

- The owner of the goods who engage us to transport, distribute and/or store their goods for them. Examples of such customers include operators in the oil, gas and petrochemical, other manufacturing, food and beverage, and distributive trade industries.
- With freight forwarding, our direct customers comprise the shipper or consignee of the cargo. The shipper is the party who sends the goods, while the consignee refers to the party who receives the goods.

With the indirect distribution channel strategy, our customers mainly comprise other logistics services providers who represent the owners, shippers or consignees to transport goods on their behalf. The indirect distribution channel usually arises when other logistics services providers engage us to carry out some portion of the transportation process on their behalf, typically because they do not have a physical presence in Malaysia, and/or to utilise our resources. The services that we provide include some combination of preparing and processing documentation, customs brokerage, container haulage, land transportation, warehousing and container depot, and other services.

The revenue contribution from our direct and indirect distribution channels for the Financial Years Under Review and FPE 2021 is summarised in the following table:

Distribution Channel	FYE 2018		FYE 2019		FYE 2020		FPE 2021	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Direct	365,844	73.6	438,757	71.9	402,548	72.4	169,767	68.3
Oil, gas and petrochemicals	142,913	28.8	133,955	22.0	115,795	20.8	41,068	16.5
Other manufacturing ⁽¹⁾	116,332	23.4	125,031	20.5	103,263	18.6	62,963	25.3
Food and beverages	46,324	9.3	72,070	11.8	79,976	14.4	31,326	12.6
Distributive trades ⁽²⁾	38,008	7.6	74,493	12.2	72,298	13.0	31,673	12.8
Others ⁽³⁾	22,267	4.5	33,208	5.4	31,216	5.6	2,737	1.1
Indirect	131,135	26.4	171,444	28.1	153,290	27.6	78,766	31.7
Logistics services providers	131,135	26.4	171,444	28.1	153,290	27.6	78,766	31.7
TOTAL	496,979	100.0	610,201	100.0	555,838	100.0	248,533	100.0

Notes:

- (1) Other manufacturing mainly includes manufacturers of solar photovoltaic panels, electrical and electronic products, steel products and industrial gases.
- (2) Distributive trades include retailers, wholesalers and distributors.
- (3) Others mainly include engineering, construction, power generation and railway system companies, government bodies and government-linked corporations.

6. INFORMATION ON OUR GROUP (Cont'd)

6.5 OUR BUSINESS ACTIVITIES

6.5.1 Container Haulage Services

6.5.1.1 Overview

The container haulage services that we provide involve transporting laden containers to and from seaports and other locations within Peninsular Malaysia. Our container haulage services comprise inbound and outbound container movements.

Most of the container haulage services that we provide are carried out using our in-house resources, comprising our fleet of prime movers and trailers and operated by our drivers. We outsource container haulage services to external logistics service providers mainly in situations where we do not have customers for the return trip or when we do not have sufficient capacity at a particular point in time.

One of our prime movers hauling a 40-foot container on a container trailer



6.5.1.2 Inbound container movement

An inbound container movement is where we deliver a laden container from a seaport to a destination stipulated by the customer. The destination may be a warehouse, distribution centre, factory or some other facility. After the container has been unloaded, we will collect the empty container and return it to a container depot.

Some of our prime movers parked at one of our haulage areas



6.5.1.3 Outbound container movement

An outbound container movement is where we deliver a laden container from the customer's location to a seaport for onward movement by sea to another seaport, usually in a foreign country. We first deliver an empty container from a container depot to the customer's location. After the container has been loaded and sealed, we will transport the laden container to the designated seaport.

6. INFORMATION ON OUR GROUP (Cont'd)

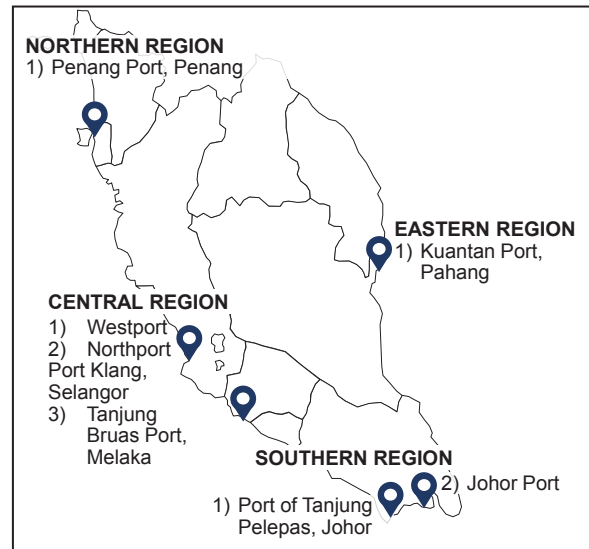
6.5.1.4 Seaports covered

We currently provide our container haulage services for the movement of containers between customers' locations and the following seaports in Peninsular Malaysia:

- Central region: Northport and Westport at Port Klang, Selangor and Tanjung Bruas Port in Melaka;
- Northern region: Penang Port, Penang;
- Southern region: Johor Port and the Port of Tanjung Pelepas in Johor; and
- Eastern region: Kuantan Port in Pahang.

As at LPD, we do not provide container haulage services in East Malaysia.

Sea ports covered by our container haulage services



6.5.1.5 Our container haulage yards

As at the LPD, we have eight container haulage yards to support our container haulage services. Container haulage yards are paved open areas that are mainly used as a parking area for prime movers and trailers that are not in use, and as a temporary staging area for containers. Our container haulage yards at Butterworth and Seberang Perai, Penang have attached workshops to maintain our commercial vehicles.

6.5.1.6 Our assets

We have our own fleet of prime movers and trailers with owned and rented haulage areas to support our container haulage business operations. As at the LPD, the prime movers, trailers and container stackers assigned to container haulage and haulage areas by region are summarised in the following table:

Our container haulage yards



6. INFORMATION ON OUR GROUP (Cont'd)

Region	Prime Movers ⁽¹⁾ (units)	Container Trailers ⁽¹⁾ (units)	Container Stackers ⁽¹⁾ (units)	Container Haulage Yards ⁽²⁾ (sq. ft.)
Northern	246	1,633	-	<u>Penang:</u> - Butterworth ⁽³⁾ ⁽⁵⁾ = 174,240; - Seberang Perai ⁽³⁾ ⁽⁵⁾ = 131,333
Central	502	2,539	5	<u>Selangor:</u> - Northport ⁽³⁾ = 174,240; - Westport ⁽³⁾ = 174,240; <u>Melaka:</u> - Ayer Keroh ⁽³⁾ = 241,326
Eastern	87	369	4	<u>Pahang:</u> - Kuantan ⁽⁴⁾ = 435,600; <u>Terengganu:</u> - Kerteh ⁽⁴⁾ = 702,266
Southern	131	861	-	<u>Johor:</u> - Pasir Gudang ⁽⁴⁾ = 348,480
TOTAL	966	5,402	9	2,381,725

Notes:

All of the prime movers, container trailers and container stackers assigned to container haulage are owned by us.

- (1) Assigned to container haulage.
- (2) Approximate size of land allocated as container haulage area.
- (3) Owned by our Group.
- (4) Rented premises.
- (5) Includes a workshop to maintain our commercial vehicles.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.5.2 Land Transportation Services

6.5.2.1 Overview

The land transportation services that we provide involve the shipment of cargo by road. It comprises inland distribution and cross border transportation services. We use our in-house resources to carry out most of the land transportation services that we provide, where we utilise our fleet of commercial vehicles operated by our drivers. We outsource our land transportation services to external logistics service providers, mainly when our prime mover and trailers, or trucks will not be carrying cargo on the return trip, or when we do not have sufficient capacity at particular point in time.

Our land transportation services are different from our land freight forwarding services in the following respects:

- with our land transportation services, we are responsible for the physical shipment of cargo, usually using our in-house resources and we sometimes outsource to external logistics service providers; whereas
- with our land freight forwarding services, our function is to organise the shipment of cargo by land, including arranging pick up at the point of origin, insurance coverage (if required), land shipment, customs clearance (if required) and delivery to the final destination.

6.5.2.2 Inland transportation

The inland transportation services that we provide involve road transportation of non-containerised cargo in Peninsular Malaysia. We provide ambient temperature inland transportation and distribution services, where the cargo is not temperature controlled or refrigerated, and inland specialised transportation for cargo that requires specialised delivery vehicles.

Inland transportation and distribution

The types of inland transportation services that we currently provide include the following:

- Inter-region transportation, where cargo is picked up from a location and transported to another location in a different region or state; and
- Local distribution, where the cargo is picked up from a facility such as a warehouse, and distributed to several locations (such as retail outlets) in the same city, town or area.

Our inland transportation and distribution services also involve consolidation services where we offer less-than-container load (LCL) and less-than-truck load (LTL) services.

We currently utilise prime movers and trailers, or trucks for inter-region transportation and local distribution. We have conventional box trailers and trucks where the goods are stored in an enclosed cargo area with walls commonly made of steel. We also have curtain-sider trailers and trucks where the sides of the enclosed cargo area are made of strong fabric curtains that can be drawn upwards or sideways to expose the sides for ease of loading and unloading.

6. INFORMATION ON OUR GROUP (Cont'd)

Specialised transportation

Our specialised transportation services involve transporting cargo that requires specialised delivery vehicles.

We currently provide specialised transportation services for compressed natural gas (CNG), which is natural gas that has been compressed to liquid form to facilitate economical storage and transportation. In Malaysia, CNG is used as fuel instead of petrol in some cars and other vehicles, commonly referred to as natural gas vehicles (NGV). CNG used as NGV fuel is distributed through selected petrol stations. CNG requires specialised transportation as it is potentially flammable and explosive, and must be kept under pressure to prevent it from returning to its gaseous state. As a result, CNG is transported in specialised CNG tankers. We carry out all specialised transportation for CNG using our own personnel, prime movers and CNG tankers.

6.5.2.3 Cross-border transportation

Cross border transportation service involves road transportation of containerised and non-containerised cargo from a point of origin in one country to a destination in another country.

We currently provide door-to-door cross-border transportation services for ambient temperate cargo using the following types of vehicles:

- Prime mover and container trailer for containerised cargo;
- Prime mover and box or curtain-sider trailers for non-containerised cargo; and
- Trucks for non-containerised cargo.

We provide consolidation services for ambient temperature general cargo, where we offer less-than-container load (LCL) services to our customers.

We also provide temperature controlled cross-border transportation services utilising prime movers and refrigerated containers for some routes.

Apart from some exceptions*, commercial vehicles are only allowed to transport cargo on a commercial basis in their country of registration. Cargo that is carried on one of our Malaysia-registered commercial vehicles must be transferred onto one of our Thailand-registered commercial vehicles at the Malaysia-Thailand border area in order to continue on its journey to destinations in Thailand. Similarly, cargo carried on one of our Thailand-registered commercial vehicles must be transferred onto one of our Malaysia-registered commercial vehicles before the cargo can continue on its journey to destinations in Malaysia or Singapore.

Note:

- * Malaysia-registered commercial vehicles are allowed to transport cargo on a commercial basis in Singapore, and vice-versa. In addition, Thailand-registered commercial vehicles are allowed to transport cargo on a commercial basis in Laos, and vice-versa.

Our cross-border transportation services



6. INFORMATION ON OUR GROUP (Cont'd)

The cargo transfer for containerised cargo involves lifting the laden container from one trailer to another, while non-containerised cargo is unloaded from one vehicle and loaded onto the next. As at the LPD, we operate two cross-border yards in the Malaysia-Thailand border area where we carry out this cargo transfer.

As the cargo is transported across international borders, we carry out designated customs clearance at border crossings as part of our service. Customs clearance tasks that we carry out on behalf of our customers include completing documentation, making customs declarations, and paying import or export duties. We perform designated customs clearance at the following customs checkpoints:

Border	Customs checkpoint
Malaysia-Singapore	Johor Bahru-Woodlands customs checkpoint; Tanjung Pelepas-Tuas customs checkpoint
Malaysia-Thailand	Padang Besar-Sadao customs checkpoint; Bukit Kayu Hitam-Sadao customs checkpoint

Customs clearance at other customs checkpoints are carried out by our agents.

We currently offer cross-border transportation service for the shipment of cargo between locations in Malaysia, Singapore, Thailand, Cambodia, Laos, Myanmar, Vietnam and the southern border of China.

We mainly use our Malaysian-registered commercial vehicles and personnel to carry out cross-border transportation services in Malaysia and Singapore, and Thailand-registered commercial vehicles and personnel in Thailand and Laos. We engage third-party logistics services providers to carry out cross-border transportation services in the countries where our commercial vehicles are not allowed to operate, namely Cambodia, Myanmar, Vietnam and beyond the southern border of China.

6.5.2.4 Inland and cross-border yards

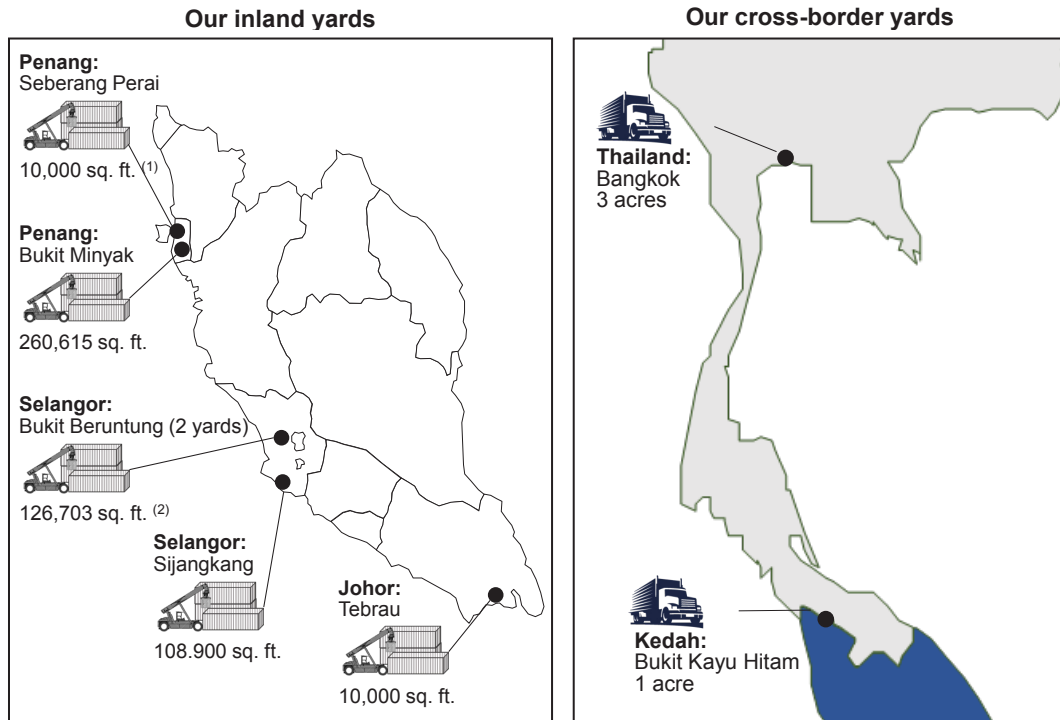
Our land transportation services are supported by our inland and cross-border yards. Our inland yards are paved open yards used for the temporary storage of customers' cargo and where commercial vehicles are parked when they are not in use. We currently own and operate a total of six inland yards:

- one yard is located at Butterworth in Seberang Perai, Penang;
- one yard in Bukit Minyak, Penang;
- two yards in Bukit Beruntung, Selangor;
- one yard in Sijangkang, Selangor; and
- one yard in Tebrau, Johor.

In addition, our inland yards at Seberang Perai, Bukit Beruntung and Sijangkang have workshops to maintain our commercial vehicles.

Similarly, cross-border yards are paved open yards to facilitate the transfer of cargo from one commercial vehicle to another. They are also used to park our commercial vehicles while they are not in use. The yards are equipped with container stackers to transfer containers, and forklifts to transfer palletised cargo from one vehicle to another. We currently operate a total of two cross-border yards i.e. one in Bukit Kayu Hitam, Kedah and the other in Bangkok, Thailand. All of the cross-border yards that we currently operate are on rented premises.

6. INFORMATION ON OUR GROUP (Cont'd)



Notes: 1) Shared workshop with container haulage. 2) Total size of the two inland yards.

6.5.3 Warehousing and Depot Services

6.5.3.1 Overview

Our warehousing services comprise operating and leasing of warehouses for the storage of goods, operations and management of customers' warehouses, and e-fulfilment services. Our depot services involve operating container depots for the temporary storage of unladen containers.

6.5.3.2 Warehousing services

A warehouse is an enclosed building designed for storing goods. As at the LPD, we operate six warehouses with total storage space of 849,371 sq. ft. that are used to provide warehousing services. The warehousing services that we currently provide to external customers comprise the following:

- storage of goods;
- leasing of property comprising a warehouse and an open yard;
- operations and management; and
- e-fulfilment.

6. INFORMATION ON OUR GROUP (Cont'd)

We also carry out the following value-added functions in support of our other logistics services at our warehouses:

- Cargo transshipment; and
- Repacking, labelling and palletising.

(a) Warehouse storage of goods

We provide warehouse storage services to store, handle and manage our customers' goods. As at the LPD, all our warehouses are ambient temperature facilities for storing general cargo. Our warehouses have bonded and non-bonded areas, which are as follows:

- A **bonded area** is a secured area that is licenced by the customs authority. Dutiable goods may be stored and handled within the bonded area without having to pay customs duty and sales tax. The floor space within the SLC Warehouse can be allocated as bonded areas depending on customer requirements.
- A **non-bonded area** is any general storage area that has not been licenced as a bonded area.

The Westport Warehouse is located in the Port Klang Free Zone. Dutiable goods may be stored and handled within the Port Klang Free Zone without having to pay customs duty and sales tax.

The storage space that we provide comprises of floor space and palletised racking. With floor space storage, the customer is allocated a specified floor area within the warehouse to store the goods. The customer may stack their goods up to a reasonably safe height. With palletised racking space, the customer is allocated a specified number of pallet bays in a floor-to-ceiling rack to store their goods. We provide the racking system as part of our warehousing service.

We are responsible for cargo handling, including placing and removing goods into and out of storage. We also provide value-added services such as repacking, labelling and palletising.

Storing and handling goods at one of our warehouses



6. INFORMATION ON OUR GROUP (Cont'd)

As at the LPD, we provide warehouse storage services and the approximate sizes of the storage areas at the following locations:

Location of warehouse	Non-bonded (sq. ft.)	Bonded (sq. ft.)	Port Klang Free Zone (sq. ft.)	Total storage area (sq. ft.)
SLC Warehouse at Port Klang, Selangor ^{(1), (3)}	187,500	12,500	-	200,000
Port Klang Warehouse at Port Klang, Selangor ⁽¹⁾	100,000	-	-	100,000
Westport Warehouse at Port Klang, Selangor ⁽²⁾	-	-	54,300	54,300
Perai Warehouse, Penang ⁽¹⁾⁽⁴⁾	-	113,000	-	113,000
Tebrau Warehouse, Johor ⁽¹⁾⁽⁵⁾	34,990	72,763	-	107,753
TOTAL	322,490	198,263	54,300	575,053

Notes:

- (1) Warehouse owned and operated by our Group.
- (2) Warehouse leased and operated by our Group.
- (3) Allocation between bonded and non-bonded storage areas at our SLC Warehouse depends on customer requirements.
- (4) Extension works are currently being undertaken at our Perai Warehouse, which are expected to be completed in the second quarter of 2022. Upon completion of the extension, the capacity of our Perai Warehouse will increase by approximately 109,000 sq. ft. (non-bonded).
- (5) Extension works are currently being undertaken at our Tebrau Warehouse, which are expected to be completed in the fourth quarter of 2021. Upon completion of the extension, the capacity of our Tebrau Warehouse will increase by approximately 200,000 sq. ft. (non-bonded).

(b) Leasing of property comprising warehouse and open yard

We leased a warehouse and open yard to a customer who is an associate company namely BLG Swift for the warehouse building, open yard and general facilities. We do not provide any other interior fittings such as racking systems and we do not provide any personnel, machinery or equipment. As at the LPD, we leased out the following owned warehouse and open yard facilities:

Location	Usage	Storage area
Vehicle distribution centre at SLC Warehouse in Port Klang, Selangor ⁽¹⁾	Storage of passenger cars	274,318 sq. ft. warehouse ⁽²⁾ 144,123 sq. ft. open yard ⁽³⁾

Notes:

- (1) Warehouse owned and operated by our Group.
- (2) The size of the warehouse is fixed.
- (3) The size of the open yard rented by the customer may change from time to time, depending on our and/or the customer's requirements.

6. INFORMATION ON OUR GROUP (Cont'd)

(c) Warehouse operations and management

We provide operations and management services of our customers' warehouses. The service involves carrying out normal day-to-day warehousing functions including receiving goods, inventory management, store keeping, retrieving goods for delivery and general upkeep of the warehouse.

We are responsible for providing the personnel required including management, administrative and general workers to operate the warehouse including operating and maintaining the material handling equipment that are used at the warehouse such as forklifts and hand trolleys. We would be utilising our customers' information and communications technology platform for inventory management.

We provided warehouse operations and management services for the following customers' warehouses:

- A non-bonded general ambient temperature warehouse for a manufacturer of plastic film with a built-up area of approximately 120,000 sq. ft. in Penang during the Financial Years Under Review and FPE 2021;
- Two non-bonded general ambient temperature warehouses for manufacturers of plastic resin with a combined built-up area of approximately 480,000 sq. ft. in Terengganu during the Financial Years Under Review and FPE 2021; and
- A non-bonded general ambient temperature warehouse for a manufacturer of plastic resin that is equipped with an automated storage and retrieval system with a storage capacity of approximately 88,000 pallets in Johor during FYE 2019, FYE 2020 and FPE 2021.

(d) E-fulfilment

We are involved in fulfilling e-commerce purchases on behalf of our customers, which comprises e-commerce platform operators (who serve their own customers comprising online retailers) and independent online retailers. The functions that we perform include, among others, the following:

- Receiving, storing and managing online retailers' goods;
- Retrieving goods from storage, packing them into parcels and labelling the parcels for delivery upon confirmed orders from online buyers; and
- Managing the last-mile delivery of parcels to online buyers' designated addresses.

Our e-fulfilment operations



6. INFORMATION ON OUR GROUP (Cont'd)

We utilise our warehouse management system software (WMS) to facilitate our e-fulfilment service functions including inventory management, optimising retrieval of goods from storage, label printing. The WMS is integrated with the e-commerce platform or online retailer's sales system, and automatically receives instructions to pick and pack parcels whenever sales are completed.

Parcels to be delivered to addresses in the same region are grouped into consignments for pick-up by third-party courier service providers, who are responsible for last-mile delivery to the buyer. These third-party courier service providers are engaged by the e-commerce platform operators or online retailers.

We currently operate our e-fulfilment service at our SLC Warehouse in Port Klang, Selangor.

6.5.3.3 Container depot services

A container depot is a paved open area where containers can be stored. Container depot services involve storage and management of containers and providing container related services. Our depots are for the temporary storage of unladen containers before they are sent out to be loaded and transshipment of empty containers. The types of containers handled by our depots include standard containers, high cube containers, open containers, platform containers and refrigerated containers.

Containers are stored in rows for easy access by container stackers. We stack containers to a maximum height of eight containers. Container stackers and container forklifts are used to handle containers at our container depots, and as at the LPD, we operate a total of 15 container stackers and 6 container forklifts.

Our customers for depot services are shipping lines and container leasing companies, who store their unladen containers at our depot before they are sent to their respective customers for loading.

Our container depot operations



The container related services that we provide include the following:

- container handling including lift-on/lift-off;
- container cleaning, where an empty container's interior storage space is cleaned before it is dispatched for loading. The types of cleaning services include general cleaning and chemical washing; and
- container repair.

6. INFORMATION ON OUR GROUP (Cont'd)

As at the LPD, we operate the following container depots:

Location of depot	Owned/ Rented	Land area * (acres)	Capacity ^ (TEU)	Equipment
Northport Container Depot, Port Klang, Selangor	Rented	12.0	8,000	4 stackers; 2 forklifts ⁽¹⁾
Westport On-dock Container Depot, Port Klang, Selangor	Rented	5.0	4,000	3 stackers; 1 forklift ⁽²⁾
Westport Container Depot, Port Klang, Selangor	Owned	7.6	5,000	2 stackers; 1 forklift ⁽³⁾
NGD Container Depot, Port Klang, Selangor	Owned and Rented ⁽⁴⁾	16.6	11,500	6 stackers, 2 forklifts ⁽⁵⁾
TOTAL		41.2	28,500	15 stackers, 6 forklifts ⁽⁶⁾

Notes:

- * Approximate land area allocated for container depot operations.
- ^ Capacity in terms of TEU that can be stored at the container depot at the same time.
- (1) The 4 container stackers are rented, and 2 container forklifts are owned by us.
- (2) The 3 container stackers are rented, and 1 container forklift is owned by us.
- (3) The 2 container stackers are rented, and 1 container forklift is owned by us.
- (4) The NGD Container Depot is on land that is owned by us and land rented from a third-party.
- (5) 4 of the container stackers are rented, and 2 container stackers and 2 container forklifts are owned by us.
- (6) 13 of the container stackers are rented, and 2 container stackers and 6 container forklifts are owned by us.

6.5.4 Freight Forwarding

Our freight forwarding operations include sea, air and land freight forwarding, project logistics, in-plant logistics and ship husbandry.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.5.4.1 Our sea, air and land freight forwarding, and project logistics services

Sea, air and land freight forwarding, and project logistics are similar services where they involve organising the end-to-end shipment of cargo on behalf of our customers from one country to another or between Peninsular and East Malaysia. We provide a single point of contact for our customers and serve as their representative in dealing with all other parties involved with the shipment, including customs and port authorities, and third-party logistics service providers. The main differences between these three services are as follows:

- Sea freight forwarding involves the shipment of general containerised cargo by sea;
- Air freight forwarding involves shipment of general cargo by air;
- Land freight forwarding involves shipment of general cargo by land transportation; and
- Freight forwarding for cargo that requires special handling or arrangements are categorised under project logistics.

We are responsible for all aspects of the cargo shipment, starting from the point of origin and ending when the cargo is delivered to its final destination, and we organise the following tasks:

- Picking up the cargo from the point of origin;
- Arranging insurance coverage for the cargo, if required;
- Arranging shipment by sea, air or land, which is usually through scheduled container ship or aircraft, or land transportation services;
- Arranging for customs clearance at the exporting and destination countries, including obtaining necessary permits and licences, making customs declarations, applications for export and/or import duty exemption (if applicable), and paying export, import and other charges; and
- Picking up the cargo from the destination seaport or airport, and delivering it to the final destination

As a freight forwarder, our main function is to arrange for all the above tasks using a combination of our in-house resources and third-party logistics service providers. When we are arranging sea or air freight forwarding for the export of goods from Malaysia, we will use our in-house resources for the Malaysian portion, such as container haulage or land transportation from the pick-up point to the seaport or airport as well as conducting customs clearance and arranging for insurance. At the destination country, we will engage third-party logistics service providers to clear customs and provide container haulage or delivery to the final destination.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.5.4.2 Sea freight forwarding

Sea freight forwarding refers to freight forwarding services for general cargo where the sea freight component is the largest in terms of distance travelled and/or cost incurred, although other modes of transportation are also utilised as part of the end-to-end service.

We provide sea freight forwarding for containerised cargo, which refers to cargo that is packed into a container for shipment as a single unit.

The types of containerised cargo that we handle include the following:

- Full container load (FCL), where the cargo in the container belongs to a single customer; and
- Less than container load (LCL), where cargo from several customers are packed in a single container and shipped together to the same destination seaport.

We mainly use scheduled shipping lines calling at seaports for our sea freight forwarding.

6.5.4.3 Air freight forwarding

For air freight forwarding of general cargo, the largest component of the shipment in terms of distance travelled and/or cost incurred is by aircraft.

We provide air freight forwarding for cargo that is packed in unit load devices (ULD), which are sealed and transported as a single unit. There are two main types of ULD, which are as follows:

- ULD pallets, which are designed for cargo packed in boxes, cartons and parcels, which are stacked on the ULD pallet and secured in place with plastic film or netting.
- ULD containers, which are either made entirely of plastic or aluminium, or aluminium frame with plastic walls. The cargo is packed into the ULD, which is sealed for transportation on aircraft.

We mainly use scheduled passenger and cargo aircraft for our air freight forwarding.

6.5.4.4 Land freight forwarding

Land freight forwarding involves general cargo where the land transportation component is the largest in terms of distance travelled and/or cost incurred. We provide land freight forwarding services for general cargo, involving either containerised FCL or LCL.

The differences between our land transportation and land freight forwarding services are described in Section 6.5.2.1 of this Prospectus.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.5.4.5 Project logistics

We provide project logistics services to organise the shipment of cargo that requires specialised handling or consideration, such as specialised vehicles, equipment or personnel. As a result, the cargo cannot be shipped on regularly scheduled sea or air freight, or use regular land transportation vehicles.

Our project logistics fall into two categories:

- heavy and/or oversized items, usually comprising large machine, equipment and structures; and
- special arrangements, such as timely coordination of multiple pick-up points, special packing requirements, enhanced security or urgent delivery.

Our project logistics operations



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6. INFORMATION ON OUR GROUP (Cont'd)

Transportation of heavy and/or oversized items requires special handling involving some combination of the following:

- heavy lifting equipment to load and unload the cargo;
- heavy transportation vehicles, such as self-propelled modular transporters, to transport the cargo by road;
- specialised personnel for cargo rigging;
- conducting route and site surveys to map the route from the seaport or airport to the final destination, and managing road transportation including arranging for approvals, police and security escort, and traffic management;
- booking cargo space on regularly scheduled ships or aircraft, if required; and
- chartering ships or aircraft to transport the cargo, if required.

If required, we assist our customers in dealing with authorities such as obtaining the relevant regulatory approvals, import duty and tax determination, obtaining import duty and tax exemption (for qualifying goods), and submitting licence applications.

We provide project logistics services mainly to the oil, gas and petrochemical, power generation, defence and government sectors. We are registered as a multimodal transport operator (MTO) with the MOF for the shipment of cargo on behalf of government agencies and departments. As a MTO, we manage the shipment of the cargo using more than one mode of transportation, depending on the project's requirements. This may include all or a combination of scheduled or chartered sea freight, scheduled or chartered air freight, and land transportation including the use of heavy transportation vehicles. As many of our project logistics projects are related to the oil, gas and petrochemical industry in Malaysia, we are licenced with Petronas under the Petroleum Act 1974.

We carry out the project management functions including liaising with the customer, dealing with government, customs, regulatory, port and other authorities, booking cargo space on regularly scheduled ships and aircraft (where required), and chartering ships and aircraft (where required). We mainly use our in-house personnel and resources to handle project logistics that involves containerised cargo. We engaged specialised logistics service providers to carry out the lifting and transporting of heavy and/or oversized cargo as we do not have the specialised lifting equipment and vehicles to perform these tasks.

6.5.4.6 In-plant logistics services

As part of our freight forwarding operations, we also provide in-plant logistics which refers to the provision of personnel to manage the logistics functions for our customers. Our logistics staff will be stationed at the customer's facilities where they will manage the entire logistics functions including managing inbound materials and inputs, and outgoing finished goods.

6.5.4.7 Ship husbandry

Ship husbandry involves acting as the agent for ship owners or charterers to clear their ships that call at ports in Malaysia, including Johor Port and the Port of Tanjung Pelepas in Johor, Northport and Westport at Port Klang, Selangor, Kuantan Port in Pahang, Bintulu Port in Sarawak and the Port of Labuan, Labuan.

6. INFORMATION ON OUR GROUP (Cont'd)

6.5.5 Other Services

6.5.5.1 Overview

Our other services include the following:

- Sales, spare parts and services dealerships for commercial vehicles;
- General insurance agency services; and
- E-commerce retailing.

In addition to serving external customers, other services also support our integrated logistics business by supplying new commercial vehicles used by our fleet, maintaining and repairing our commercial vehicle fleet, and providing insurance coverage for our commercial vehicles.

6.5.5.2 Dealerships for sales, spare parts and services of commercial vehicles

Our dealership involves sales of commercial vehicles and spare parts, and provision of maintenance services as follows:

Our supplier	Brand and products	Territory	Dealership	Validity Period
Hap Seng Trucks Distribution Sdn Bhd ^{(1), (2)}	Mercedes-Benz commercial vehicles	Peninsular Malaysia	Sales, spare parts and services (3S)	12 months from 1 February 2011, with subsequent automatic renewals of additional 12 months ⁽³⁾
	Fuso commercial vehicles	Peninsular Malaysia	Sales, spare parts and services (3S)	12 months from 15 April 2021, with subsequent automatic renewals of additional 12 months ⁽³⁾

Notes:

- (1) Hap Seng Trucks Distribution Sdn Bhd is the General Distributor to Daimler AG for Mercedes-Benz and Fuso commercial vehicles in Malaysia.
- (2) Novated from Mercedes-Benz Malaysia Sdn Bhd to Hap Seng Trucks Distribution Sdn Bhd on 2 July 2018.
- (3) Until non-renewal or termination by us or Hap Seng Trucks Distribution Sdn Bhd.

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6. INFORMATION ON OUR GROUP (Cont'd)

We sell complete prime movers, trucks and vans to customers. In addition, we have our in-house commercial vehicle workshops for the provision of maintenance services for the following:

- drivetrain, including engine and transmission system;
- electronic and electrical systems, including engine management computer, ignition, lighting and alarm systems, and batteries and alternators;
- body works on the cabin and superstructures including collision repairs and replacements, and painting;
- wheel, axle and frame alignment; and
- replacement and sales of spare parts and fittings.

We are also an authorised provider of maintenance services and sales of spare parts for Mercedes-Benz and Fuso brands of commercial vehicles. We also provide maintenance services for other brand of commercial vehicles. Part of our services include tyre retreading services which involves replacing the thread on used tyres. Our retreading workshop, retreading process and materials that we use are MS 224:2005 compliant.

As at the LPD, we have seven workshops with facilities for commercial vehicle repair and maintenance:

- Our main workshop located in Port Klang has facilities including bodyworks, spray-painting, sand blasting and tyre retreading;
- A workshop located in Pasir Gudang;
- A workshop within the container haulage areas in Butterworth and a workshop within the container within the container haulage area in Seberang Perai;
- One workshop in Bukit Beruntung, one in Sijangkang and one in Bukit Minyak inland yards.

6.5.5.3 General insurance agency services

Our general insurance agency business involves representing and selling insurance policies on behalf of our principal, The Pacific Insurance Berhad. As at the LPD, we are an insurance agent for general insurance policies, which includes motor vehicles, medical and other general insurance. The purchasers for our general insurance agency services mainly comprise our Group of companies, as well as our staff who purchase general insurance in their personal capacities. We do not market our general insurance agency services to the general public.

We have been appointed as an insurance agent by The Pacific Insurance Berhad since 5 January 2011, and the appointment is valid until it is terminated by us or The Pacific Insurance Berhad. Through Q-Team Risk Management, we are registered as a member with the General Insurance Association of Malaysia (PIAM).

6.5.5.4 E-commerce retailing

Our e-commerce retailing business involves selling goods to customers through our e-commerce website, which is only accessible to our staff. We commenced this business in FYE 2020 and as at the LPD, we are still evaluating the results from this business. This business is based on purchase orders from customers via our website. We will fulfil the purchase order and arrange for delivery after we have received full payment from the customer. The types of goods that we sell include fast-moving consumer goods (such as packaged food, beverages and household items) and electrical and electronic appliances. We purchase these goods from distributors and wholesalers, which we will store at our warehouse until they are sold. We maintain minimum stock for our e-commerce retailing business, whereby we only order goods upon confirmation of the orders from our customers. We carry out the e-fulfilment function in-house, while delivery is based on customers picking the goods up themselves or by using third parties for deliveries. As at the LPD, the customer base for our e-commerce retailing business mainly comprises our staff.

6. INFORMATION ON OUR GROUP (Cont'd)

6.5.6 Our supporting facilities and activities

6.5.6.1 Group central command centre

We have a group central command centre located in Port Klang, Selangor to monitor our commercial vehicle fleet in Malaysia. This command centre is manned every day on a 24-hour basis with staff working in three 8-hour shifts.

All of the prime movers, trucks and vans that we own are equipped with a monitoring and wireless transmission device to measure and monitor the following information:

- speed
- idle time;
- harsh acceleration and harsh braking;
- location and route travelled; and
- fuel level.

This information is gathered in real-time and periodically transmitted to the command centre.

For safety purposes, the device includes a panic button in the vehicle cabin for the driver to alert the command centre in the event of an emergency.

Members of the public can call to report incidents involving our commercial vehicles by calling the hotline number displayed on each vehicle. These calls are routed to our group central command centre, where our staff can collect information and take the appropriate follow-up action.

The information we gather at our command centre will be displayed and analysed to provide us with the following benefits:

- contact the driver to take corrective action;
- monitor the driving patterns of individual drivers, particularly inefficient or dangerous actions such as harsh braking and acceleration, for driver training and improvement;
- monitor driving speed to improve driving safety and compliance to road and highway speed limits;
- knowing the location of vehicles at all times;
- deviation from assigned routes to travel along non-designated routes;
- provide estimated time of arrival;
- immediate knowledge emergencies or other incidents along the route; and
- monitor the operating conditions of prime movers to facilitate planned maintenance and repair, where necessary.

Our central command centre

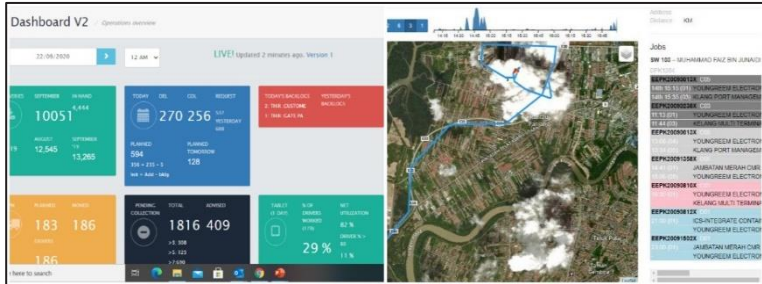


6. INFORMATION ON OUR GROUP (Cont'd)

Our group central command centre also directs the operation of our emergency response teams (“ERT”). We currently have four ERT, with one team assigned to each of our four regions in Peninsular Malaysia. Each ERT comprises two personnel (one of whom is trained to provide first aid), one pick-up truck, and tools to carry out tyre change and basic vehicle repairs. All of our ERT are on stand-by and are operational every day on a 24-hour basis. The ERT teams are directed by the group central command centre to render on-location assistance in the events such as breakdowns and accidents.

Our command centre also incorporates our Swift Haulage Portal which tracks customers’ requests of transportation (“ROT”), from receipt of ROT to delivery of the containers to their final destinations. At any point in time, our customers will know the whereabouts of their containers. Our portal is designed for our authorised customers to access remotely via internet access using fixed or mobile devices on the status of their ROT.

Our Swift Haulage Portal for tracking customers’ purchase orders



6.5.6.2 Fabrication, repair and maintenance of trailers and superstructures of commercial vehicle

We carry out fabrication, repair and maintenance of trailers, such as container trailers for transporting containers, enclosed box trailers and curtain-sider trailers. We also customize commercial vehicle superstructures. We carry out these activities to support our commercial vehicle fleet.

Our fabrication factory located in Bukit Minyak, Penang has an attached sand blasting and painting workshop.

Our fabrication of trailers



6. INFORMATION ON OUR GROUP (Cont'd)

6.5.7 Modes of Operation

For the FYE 2020 and FPE 2021, majority of our revenue was derived from services provided on an ad hoc basis, while services provided on contractual basis accounted for the remainder of our revenue.

Our modes of operation for our business activities are summarised below:

6.5.7.1 Container haulage

Service engagement and rates

Our services are engaged based on the following:

(a) **Service contract**

We enter into service contracts with certain customers. The service contract duration is usually 12 months. The service contract states the general terms and conditions for our services as well as other obligations between our customers and us. As and when they want us to provide the service, they will issue us a request for transportation (ROT). However, our service contract customers are under no obligation to utilise our services during the duration of the contract.

The service contract will stipulate, among others, the unit rates that we charge for providing the service. The unit rates are based on one of the following forms:

- base rate plus fuel adjustment factor based on the prevailing price of diesel;
- variable rates based on the prevailing price of diesel; or
- fixed rate for the duration of the service contract.

Charges for other services may also be included, depending on the customer.

We manage our margins by basing the unit rates for most of our service contracts either on a base rate plus fuel adjustment factor or variable rates based on the prevailing price of diesel. Only a small number of our service contracts are based on fixed rates.

(b) **Request for transportation (ROT)**

ROTs are issued by our service contract customers or are on ad hoc requests for specific services and are not tied to any other contracts or arrangements.

When we receive a ROT, we will provide a quotation for the service for consideration and confirmation by the potential customer. The confirmed ROT will specify, among others, pickup location and time, delivery destination, terms of service and agreed charges for the service.

Issuance of invoice

We will invoice the customer upon completion of the tasks.

Warranties and liabilities

We do not provide any warranties for our services. We bear liabilities for damage to the goods while in our care, where we have insurance coverage.

Any liability for loss or damage that may be borne by us in relation to providing container haulage services are limited by the condition of carriage, which our customers must accept before we transport their cargo. In general, the conditions of carriage for container haulage services limit the liability for any one claim at not exceeding RM5 per kg of the gross weight of the cargo and container, or not exceeding RM100,000 per claim, whichever is lower.

We have bailee's liability insurance for our container haulage to provide coverage against loss or damage of goods in transit or storage at our warehouses. Our insurance coverage is up to RM300,000 for any one occurrence and RM1.2 million in aggregate for all our logistic services, including container haulage, land transportation, warehousing and container depot, and freight forwarding within a 12-month period.

6. INFORMATION ON OUR GROUP (Cont'd)

6.5.7.2 Land transportation

Service engagement and rates

Our service engagement and rates are similar to those for container haulage.

Issuance of invoice

We will invoice the customer upon completion of the tasks.

Warranties and liabilities

We do not provide any warranties for our services. We have bailee's liability insurance for our land transportation to provide coverage against loss or damage of goods in transit. Our insurance coverage is up to RM300,000 for any one occurrence and RM1.2 million in aggregate for all our logistic services, including container haulage, land transportation, warehousing and container depot, and freight forwarding within a 12-month period.

6.5.7.3 Warehousing and container depot services

Service engagement and rates

Our services are engaged based on the following:

(a) Service contract

We enter into service contracts for our warehouse operations and management, container depot services, and e-fulfillment services. Service contracts will stipulate, among others, the unit rates charged for services provided (such as repacking, labelling and palletising for warehouse operations and management; container handling for depot services; and fulfilling an order for e-fulfillment services). Our service contracts are mainly for a duration of 12 months.

(b) Fixed term contract

We operate based on fixed-term contracts for the following services:

- leasing of warehouse and open yard space;
- leasing of designated storage space in a specified warehouse;
- warehouse operations and management services; and
- container depot services.

The duration of our fixed term contracts for warehousing and container depot services is between one year and three years.

Our fixed term contracts for the leasing of warehouse and open yard space, and leasing of designated storage space will stipulate, among others, the leasing charges, the defined area being leased out and any inclusions of fittings such as racking systems (if provided), and duration of the contract.

Our fixed term contracts for warehouse operations and management services will stipulate, among others, the fixed monthly operations and management fees, unit rates for other services that may be provided, and duration of the contract.

(c) Purchase orders (PO)

Customers for container depot services will issue PO to us when they require empty containers. The purchase order will specify, among others, the type and number of containers required, and the delivery destination and timing.

6. INFORMATION ON OUR GROUP (Cont'd)

Invoicing, deposits and charges

For service contracts concerning warehouse operations and management they are mainly based on fixed monthly rate, plus charges for additional services that may be provided.

For service contracts concerning e-fulfillment services, they are mainly based on a fixed monthly rate plus the number of items fulfilled.

For PO concerning container depot services, we will invoice the customer for container handling.

Warranties and liabilities

We do not provide any warranties for our services. We have bailee's liability insurance for our leasing of warehouse space to provide coverage against loss or damage of goods in storage at our warehouses. Our insurance coverage is up to RM300,000 for any one occurrence and RM1.2 million in aggregate for all our logistic services, including container haulage, land transportation, warehousing and container depot, and freight forwarding within a 12-month period.

6.5.7.4 Freight forwarding

Service engagement and rates

Our services are engaged based on the following:

(a) **Service contract**

We enter into service contracts with certain customers. The service contract duration is usually 12 months. The service contract states the general terms and conditions for our services, other obligations between our customers and us, and unit rates for services such as customs clearance and document submissions. As and when they want us to provide the service they provide us with a booking. However, our service contract customers are under no obligation to utilise our services during the duration of the contract and our Group is not obliged to accept the booking from our contract customers if the terms offered are not acceptable to the Group during the duration of the contract.

(b) **Bookings**

Bookings are from service contract customers or placed on ad hoc requests not tied to any contracts or arrangements. When we receive a booking, we will provide a quotation for the service for consideration by the potential customer. Once our quotation is accepted, it will serve as our sales order for the provision of service.

The bookings will specify, among others, the type and quantity of cargo, special handling or other considerations (if any), the modes of transportation involved, pick-up locations and timing, delivery destination, customs brokerage, terms of service and agreed charges for the service.

Issuance of invoice

We will invoice the customer upon completion of our scope as per the bookings.

6. INFORMATION ON OUR GROUP (Cont'd)

Warranties and liabilities

We do not provide any warranties for our services.

Any liability for loss or damage that may be borne by us in relation to providing freight forwarding services are limited by the condition of carriage, which our customers must accept before we transport their cargo. The condition of carriage is pre-agreed with customers and is based on the Federation of Malaysia Freight Forwarders' General Standard Trading Conditions. For freight forwarding services, our conditions of carriage limit our liability at RM2,800 per shipping unit or RM5 per kg of gross weight on the cargo lost or damaged, whichever is lower, up to a maximum of RM100,000 at the point of acceptance until delivery of the cargo.

We have bailee's liability insurance for our freight forwarding services to provide coverage against loss or damage of goods in transit or storage at our warehouses. Our insurance coverage is up to RM300,000 for any one occurrence and RM1.2 million in aggregate for all our logistics services, including container haulage, land transportation, warehousing and container depot, and freight forwarding within a 12-month period.

6.5.7.5 Other services

Our other services include 3S for commercial vehicles, general insurance agency and e-commerce retail.

(i) 3S for commercial vehicles**Service engagement and sales of products and rates**

We have an agency contract with our principal for the sales of commercial vehicles and spare parts, and the provision of maintenance and repair services for their brand of commercial vehicles. The principal for our agency contract is also classified as our supplier.

We provide customers with the following types of services and products based on purchase or sales orders:

- sales of commercial vehicles;
- sales of spare parts for commercial vehicles; and
- provision of maintenance and repair of commercial vehicles and trailers.

The purchase or sales order will specify, among others, the type, nature and quantity of products and services provided, agreed price, payment terms, and delivery terms. Pricing of our products from our principal is based on the principals' cost plus a mark-up. Pricing for maintenance and repair services are stipulated by us.

Issuance of invoice

For sales of commercial vehicles, we invoice the customer after receiving the corresponding invoice from our principal.

For maintenance and repair services, we will invoice the customer upon completion of the work which commonly include spare parts and other consumables.

For sales of spare parts only, we will invoice the customers upon delivery of products or upon pick-up by the customers.

Warranties and liabilities

Warranties for the sales of commercial vehicles, sales of spare parts and provision of maintenance and repair services are provided by the principal namely Hap Seng Trucks Distribution Sdn Bhd. Any warranty claims that we receive in this respect are passed onto the principal.

6. INFORMATION ON OUR GROUP (Cont'd)**(ii) General insurance agency****Service engagement and rates**

We have an agency contract with our principal for the provision of general insurance. In the agency contract, we represent the principal and we deal with the end-customers on behalf of our principal. The principal for our agency contracts is also classified as our supplier.

Insurance premiums are stipulated by our principal. We are paid a commission after our customers have paid their premiums.

(iii) E-commerce retail**Sales of products and rates**

E-commerce retail is based on the products and their respective prices as listed on our e-commerce website. As the products listed on our e-commerce retail website are purchased by us from third party suppliers, their respective selling price is based on costs plus a mark-up.

Payments

Buyers pay upon their confirmation of purchase through our payment gateway provided on our website. We obtain payment from our payment gateway service provider.

Warranties and liabilities

Product warranties and liabilities, where applicable, are provided by the brand owner of the product or their representatives in Malaysia.

6.5.7.6 Claims for losses and damages and insurance claims

During the Financial Years Under Review and FPE 2021, the customers' claims in relation to losses or damages that we received are summarised in the following table:

	FYE 2018	FYE 2019	FYE 2020	FPE 2021
	RM	RM	RM	RM
Customers' claims in relation to losses or damages:				
Customers' claims that are claimed against insurance	116,200	33,154	172,533	178,816
Customers' claims not claimable against insurance	1,280	10,334	20,513	17,027
Total customers' claims	117,480	43,488	193,046	195,843

During the Financial Years Under Review and FPE 2021, we received customers' claims for losses or damages for our container haulage, land transportation, warehousing and container depot and freight forwarding businesses due to loss or damage of customer's goods in transit or storage, and for delivery of goods to the wrong destination. For the FYE 2018, FYE 2019, FYE 2020 and FPE 2021, 98.9%, 76.2%, 89.4% and 91.3% respectively of customers' claims were claimable against insurance and our insurance coverage was sufficient to cover these claims. The remaining 1.1%, 23.8%, 10.6% and 8.7% were not claimable against insurance as these claims were due to mishandling of goods or the individual value was less than the insurance excess amount.

6. INFORMATION ON OUR GROUP (Cont'd)

6.6 COMMERCIAL VEHICLES AND TRANSPORTATION EQUIPMENT

As at the LPD, we own and operate a fleet of commercial vehicles as well as related equipment to provide our container haulage, land transportation and container depot services as follows:

Our commercial vehicles in Malaysia	Number of units as at the LPD	Our transportation equipment in Malaysia	Number of units as at the LPD
Prime movers ⁽¹⁾	1,460 ⁽²⁾	Containers ⁽³⁾	503
Container trailers ⁽³⁾	5,400	ISO tanks ⁽⁴⁾	75
Box or curtain-sider trailers ⁽³⁾	811	Side loaders ⁽¹⁾	66
CNG tankers ⁽³⁾	42	Container stackers ⁽¹⁾	10
Trucks ⁽¹⁾	51		
Our commercial vehicles in Thailand		Our transportation equipment in Thailand	
Prime movers ⁽¹⁾	86	Containers ⁽³⁾	101
Container trailers ⁽³⁾	118		
Trucks ⁽¹⁾	2		

Notes:

- (1) Useful life of 10 years.
- (2) Includes 29 prime movers that are inactive and classified as held for sale as at the LPD. We categorise prime movers as inactive when they are not economical to operate due to high maintenance costs. We review the operational performance of each of our prime movers regularly to assess the vehicle's ability to generate revenue against its operating and maintenance costs. If the review concludes that a prime mover's operating and maintenance costs exceed its ability to generate revenue, it will be categorised as inactive and disposed of as per our disposal policy.
- (3) Useful life is until the commercial vehicle or equipment are not economical to operate due to high maintenance costs.
- (4) Useful life of 20 years.

As at the LPD, we employ a total of 1,477 drivers in Malaysia and 144 drivers in Thailand who are mainly assigned to provide container haulage and land transportation services.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.7 SUMMARY OF BUSINESS ACTIVITIES OF THE SUBSIDIARY COMPANIES WITHIN OUR GROUP

The business activities of the subsidiary companies within our Group during the Financial Years Under Review and up to the LPD are summarised in the following table:

Subsidiary companies within our Group	Container Haulage	Land Transportation	Warehousing and Container Depot	Freight Forwarding	Other Services	Investment Holding	Dormant/ Inactive
Swift Haulage	Y	Y	Y	Y		Y	
Swift Integrated Logistics	Y	Y	Y	Y		Y	
Swift Consolidators				Y			
Agensi Tanjung Bruas				Y			
Sentiasa Hebat	Y						
Sentiasa Hebat (Penang)	Y						
Swift Commerce					Y ⁽¹⁾		
Earth Move International				Y			
Tanjong Express	Y	Y				Y	
Tanjong Express Logistic	Y						
Agenda Wira	Y			Y			
Delta Express				Y		Y	
Swift Logistics TA				Y			
Komunajaya					Y		
Q-Team					Y	Y	
Q-Team Risk Management					Y		
Fleet Engineering Services					Y		
Container Connections			Y			Y	
Northern Gateway Depot			Y				
Swift Crossland Logistics		Y		Y		Y	
Swift Haulage Services							Y ⁽²⁾
MILS Cold Hub							Y ⁽³⁾
Crossland Forwarders							Y
Top Tyres & Workshop							Y ⁽⁴⁾
Ann Joo Properties						Y	

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

- (1) Swift Commerce commenced e-commerce retailing during FYE 2020.
- (2) Swift Haulage Services has ceased operations. The company's intended future business activities are to provide container haulage and land transportation services.
- (3) MILS Cold Hub has ceased operations. The company's intended future business activity is to provide cold chain logistics services
- (4) Top Tyres & Workshop has ceased operations, and the intention is to strike-off the company.

Please refer to Section 6.14 of this Prospectus for details on the licenses required to carry out these business activities, some of which may not be renewed after listing if the Bumiputera participation in our Company falls below 51%.

6.8 TYPES AND SOURCES OF MATERIALS, CONSUMABLES AND SERVICES

The following are the major types of materials, consumables and services that we purchased for our business operations for the Financial Years Under Review and FPE 2021:

Purchases of materials, consumables and services for FYE 2018

	Value of Purchases	Proportion of Total Purchases	Value of Purchases for Operations in Malaysia ⁽¹⁾	Value of Purchases for Operations in Thailand ⁽²⁾
	(RM'000)	(%)	(RM'000)	(RM'000)
Materials and consumables	101,516	53.3	89,399	12,117
Diesel	69,305	36.4	59,305	10,000
Spare parts, tyres and tyre retreading materials	30,643	16.1	28,526	2,117
Prime movers ⁽³⁾	1,568	0.8	1,568	-
Services	89,048	46.7	85,822	3,226
Third-party container haulage and land transportation	40,387	21.2	37,653	2,734
Road toll and depot gate charges	19,409	10.2	19,010	399
Rental charges	16,923	8.9	16,830	93
Sub-contracted labour and services	9,147	4.8	9,147	-
Commercial vehicle repair and maintenance ⁽⁴⁾	2,990	1.5	2,990	-
Other services ⁽⁵⁾	192	0.1	192	-
Total	190,564	100.0	175,221	15,343

Notes:

- (1) Purchases of fuel, materials and services for our operations in Malaysia.
- (2) Purchases of fuel, materials and services purchased for our operations in Thailand.
- (3) Prime movers for sale to other customers.
- (4) Repair and maintenance of our commercial vehicles by third-party service providers.
- (5) Other services include upkeep of machinery, equipment and yards.

6. INFORMATION ON OUR GROUP (Cont'd)**Purchases of materials, consumables and services for FYE 2019**

	Value of Purchases	Proportion of Total Purchases	Value of Purchases for Operations in Malaysia ⁽¹⁾	Value of Purchases for Operations in Thailand ⁽²⁾
	(RM'000)	(%)	(RM'000)	(RM'000)
Materials and consumables	142,230	62.6	129,411	12,819
Diesel	96,234	42.3	84,989	11,245
Spare parts, tyres and tyre retreading materials	42,416	18.7	42,416	-
Prime movers ⁽³⁾	3,580	1.6	2,006	1,574
Services	84,963	37.4	81,233	3,730
Road toll and depot gate charges	29,075	12.8	28,535	540
Third-party container haulage and land transportation	28,656	12.6	25,936	2,720
Rental charges	14,046	6.2	13,576	470
Sub-contracted labour and services	9,353	4.1	9,353	-
Commercial vehicle repair and maintenance ⁽⁴⁾	3,590	1.6	3,590	-
Other services ⁽⁵⁾	243	0.1	243	-
Total	227,193	100.0	210,644	16,549

Notes:

- (1) Purchases of fuel, materials and services for our operations in Malaysia.
- (2) Purchases of fuel, materials and services for our operations in Thailand.
- (3) Prime movers for sale to other customers.
- (4) Repair and maintenance of our commercial vehicles by third-party service providers.
- (5) Other services include upkeep of machinery, equipment and yards.

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6. INFORMATION ON OUR GROUP (Cont'd)**Purchases of materials, consumables and services for FYE 2020**

	Value of Purchases	Proportion of Total Purchases	Value of Purchases for Operations in Malaysia ⁽¹⁾	Value of Purchases for Operations in Thailand ⁽²⁾
	(RM'000)	(%)	(RM'000)	(RM'000)
Materials and consumables	116,262	57.1	104,795	11,467
Diesel	77,057	37.9	67,833	9,224
Spare parts, tyres and tyre retreading materials	38,095	18.7	35,852	2,243
Prime movers ⁽³⁾	1,110	0.5	1,110	-
Services	87,270	42.9	81,818	5,452
Road toll and depot gate charges	29,500	14.5	28,828	672
Third-party container haulage and land transportation	24,457	12.0	19,773	4,684
Sub-contracted labour and services	19,331	9.5	19,331	-
Rental charges	9,780	4.8	9,684	96
Commercial vehicle repair and maintenance ⁽⁴⁾	3,315	1.6	3,315	-
Other services ⁽⁵⁾	887	0.5	887	-
Total	203,532	100.0	186,613	16,919

Notes:

- (1) Purchases of fuel, materials and services for our operations in Malaysia.
- (2) Purchases of fuel, materials and services for our operations in Thailand.
- (3) Prime movers for sale to other customers.
- (4) Repair and maintenance of other brands of commercial vehicles by external service providers.
- (5) Other services include upkeep of machinery, equipment and yards.

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6. INFORMATION ON OUR GROUP (Cont'd)**Purchases of materials, consumables and services for FPE 2021**

	Value of Purchases	Proportion of Total Purchases	Value of Purchases for Operations in Malaysia ⁽¹⁾	Value of Purchases for Operations in Thailand ⁽²⁾
	(RM'000)	(%)	(RM'000)	(RM'000)
Materials and consumables	60,050	63.8	53,844	6,206
Diesel	41,659	44.3	36,516	5,143
Spare parts, tyres and tyre retreading materials	18,391	19.5	17,328	1,063
Prime movers ⁽³⁾	-	-	-	-
Services	34,054	36.2	31,580	2,474
Road toll and depot gate charges	14,163	15.1	13,938	225
Third-party container haulage and land transportation	7,665	8.1	5,449	2,216
Sub-contracted labour and services	7,438	7.9	7,438	-
Rental charges	2,525	2.7	2,492	33
Commercial vehicle repair and maintenance ⁽⁴⁾	1,989	2.1	1,989	-
Other services ⁽⁵⁾	274	0.3	274	-
Total	94,104	100.0	85,424	8,680

Notes:

- (1) Purchases of fuel, materials and services for our operations in Malaysia.
- (2) Purchases of fuel, materials and services for our operations in Thailand.
- (3) Prime movers for sale to other customers.
- (4) Repair and maintenance of other brands of commercial vehicles by external service providers.
- (5) Other services include upkeep of machinery, equipment and yards.

Diesel was our largest category of purchases to operate our fleet of commercial vehicles in Malaysia and Thailand. Purchases of diesel accounted for 36.4%, 42.3%, 37.9% and 44.3% of our total purchases of materials, consumables and services for the FYE 2018, FYE 2019, FYE 2020 and FPE 2021 respectively. This is followed by purchases of other materials for our operations including spare parts, tyres and materials for tyre retreading which are used to support our container haulage and land transportation services. Purchases of these types of materials accounted for 16.1%, 18.7%, 18.7% and 19.5% of our total purchases of materials, consumables and services for the FYE 2018, FYE 2019, FYE 2020 and FPE 2021 respectively.

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6. INFORMATION ON OUR GROUP (Cont'd)

Our largest purchases of services comprised road toll and depot gate charges (for FYE 2019, FYE 2020 and FPE 2021) and third-party container haulage and land transportation services (for FYE 2018). Road toll charges are the fees paid to toll road operators for using their toll roads, while depot gate charges are the fees paid to third-party container depot operators for picking up or dropping off empty containers at their container depots. Road toll and container depot charges accounted for 10.2%, 12.8%, 14.5% and 15.1% of our total purchases of materials, consumables and services for the FYE 2018, FYE 2019, FYE 2020 and FPE 2021 respectively. We mainly engage third-party container haulage and land transportation services when our commercial vehicles do not have containers or cargo on their return journeys, or when we do not have sufficient capacity at a particular point in time. Third-party container haulage and land transportation services accounted for 21.2%, 12.6%, 12.0% and 8.1% of our total purchases of materials, consumables and services for the FYE 2018, FYE 2019, FYE 2020 and FPE 2021 respectively. Our purchases of third-party container haulage and land transportation services declined from FYE 2018 to FYE 2019 mainly because the number of our own prime movers and trailers available increased during this period following the acquisitions of Tanjong Express Logistic and Komunajaya, thereby reducing our engagement of third-party service providers. Other services that we purchased included sub-contracted labour and services; rental of machinery, equipment warehouse and container depot, and other services for upkeep of machinery, equipment and yards.

During the Financial Years Under Review and FPE 2021, we have not faced any shortages in the availability of materials, consumables and services purchased for our operations in Malaysia and Thailand. In addition, we have not experienced any undue volatility in the prices of these materials, consumables and services in Malaysia and Thailand during this period.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.9 CAPACITY AND UTILISATION****6.9.1 Container haulage services**

We provide container haulage services in Malaysia mainly by utilising our fleet of prime movers and trailers. In some cases, we engage third-party logistics services providers in Malaysia to support our container haulage services, mainly for trips where our prime mover and trailer will be empty on the return trip.

The methodology used to calculate capacity, actual usage and utilisation rates are for our own fleet of commercial vehicles only and are as follows:

- the average capacity is the average number of prime movers available during the year calculated on a monthly basis and averaged over the year;
- average usage is based on the average number of prime movers that were revenue generating during the year calculated on a monthly basis and averaged over the year. A prime mover is classified as revenue generating if it was actively engaged in serving customers or shunting trailers; and
- the utilisation rate is calculated by dividing the average usage by the average capacity.

Prime Movers for Container Haulage

	Average Capacity (units)	Average Usage (units)	Average Utilisation Rate (%)
FYE 2018	568	488	86
FYE 2019	905	774	86
FYE 2020	944	768	81
FPE 2021	939	788	84

6.9.2 Land transportation services

We provide land transportation services mainly by using our fleet of commercial vehicles, including prime movers, trailers and trucks that are operated by our own personnel. This includes using our prime movers in Malaysia to provide inland transportation and distribution services, and our prime movers that are registered in Malaysia and Thailand to provide cross-border transportation services. In some cases, we engage third-party logistics service providers to support our inland transportation and distribution services in Malaysia and our cross-border transportation services in Malaysia and Thailand, mainly for shipments where our commercial vehicle will not be carrying cargo on the return trip or if we do not have sufficient capacity at a particular time.

6. INFORMATION ON OUR GROUP (Cont'd)

The methodology used to calculate capacity, actual usage and utilisation rates for inland distribution and cross-border transportation services are for our own fleet of prime movers only and are as follows:

- the average capacity is the average number of prime movers available during the year calculated on a monthly basis and averaged over the year. This comprises prime movers registered in Malaysia and Thailand for inland distribution and cross-border transportation. Average capacity also subtracts the estimated number of off-road days required for vehicle repair and maintenance;
- average usage is based on the average number of prime movers that were revenue generating during the year calculated on a monthly basis and averaged over the year. A prime mover is classified as revenue generating if it was actively engaged in serving customers or shunting trailers; and
- the utilisation rate is calculated by dividing the average usage by the average capacity.

Prime Movers for Inland Transportation

	Average Capacity (units)	Average Usage (units)	Utilisation Rate (%)
FYE 2018			
Inland transportation and distribution	159	133	84
Cross-border transportation services (Malaysia)	19	18	93
Cross-border transportation services (Thailand)	67	64	96
FYE 2019			
Inland transportation and distribution	336	296	88
Cross-border transportation services (Malaysia)	28	25	90
Cross-border transportation services (Thailand)	68	60	89
FYE 2020			
Inland transportation and distribution	396	353	89
Cross-border transportation services (Malaysia)	30	26	88
Cross-border transportation services (Thailand)	77	66	86
FPE 2021			
Inland transportation and distribution	398	344	87
Cross-border transportation services (Malaysia)	41	37	90
Cross-border transportation services (Thailand)	82	77	94

6. INFORMATION ON OUR GROUP (Cont'd)**6.9.3 Warehousing services**

For the Financial Years Under Review and FPE 2021, we provided warehousing services to customers at the SLC Warehouse, Port Klang Warehouse, Westport Warehouse, Vehicle Warehouse in Port Klang, Perai Warehouse, Tebrau Warehouse and Kota Kinabalu Warehouse.

The methodology for calculating capacity, actual usage and utilisation rate for these warehouses are as follows:

- the capacity of a warehouse is based on the storage space available for customers during the year.
- average usage is based on actual storage space used by customers during the year, divided by the number of days in the year. Utilised storage space is defined as space that a customer has secured by way of a confirmed contract for a specified period and for a specific area within the warehouse; and
- the utilisation rate is calculated by dividing the average usage by the capacity.

SLC Warehouse in Port Klang, Selangor

	Capacity (sq. ft)	Average Usage (sq. ft)	Utilisation Rate (%)
FYE 2018	200,000	130,000	65
FYE 2019	200,000	134,000	67
FYE 2020	200,000	178,000	89
FPE 2021	200,000	180,000	90

Port Klang Warehouse in Port Klang, Selangor

	Capacity (sq. ft)	Average Usage (sq. ft)	Utilisation Rate (%)
FYE 2018	100,000	100,000	100
FYE 2019	100,000	100,000	100
FYE 2020	100,000	100,000	100
FPE 2021	100,000	91,000	91

Westport Warehouse in Port Klang, Selangor

	Capacity (sq. ft)	Average Usage (sq. ft)	Utilisation Rate (%)
FYE 2018 ⁽¹⁾	212,000	173,840	82
FYE 2019 ⁽²⁾	159,433	159,433	100
FYE 2020 ⁽³⁾	54,300	54,300	100
FPE 2021 ⁽³⁾	54,300	54,300	100

6. INFORMATION ON OUR GROUP (Cont'd)

Notes:

- (1) Westport Warehouse was operational throughout the whole of FYE 2018 with warehouse space capacity of 212,00 sq. ft throughout the year.
- (2) Westport Warehouse was operational throughout the whole of FYE 2019, with warehouse space capacity of 212,000 sq. ft. between January and August 2019, and reduced to 54,300 sq. ft. between September and December 2019 as we reduced the space that we leased from the facility owner.
- (3) Westport Warehouse was operational throughout the whole of FYE 2020 and FPE 2021 with warehouse space capacity of 54,300 sq. ft throughout the year/period.

Since the rental agreement for the Westport Warehouse has expired on 31 October 2021 and the construction of the new warehouse has yet to commence, we have temporarily rented a warehouse located in Port Klang Free Zone in order to avoid disrupting our warehousing services operations at the Westport Warehouse. We have relocated and commenced our operations at the temporary warehouse on 8 November 2021. Upon the completion of the new warehouse and issuance of the CCC, the operations at the temporary warehouse will be relocated to the new warehouse. For further information, please refer to business strategies and plans in Section 6.21.2.1 of this Prospectus.

Vehicle Distribution Centre in Port Klang, Selangor ⁽¹⁾

	Capacity ⁽²⁾ (sq. ft)	Average Usage (sq. ft)	Utilisation Rate (%)
FYE 2018 ⁽³⁾	274,318	274,318	100
FYE 2019 ⁽³⁾	274,318	274,318	100
FYE 2020 ⁽³⁾	274,318	274,318	100
FPE 2021 ⁽³⁾	274,318	274,318	100

Notes:

- (1) This facility is fully rented out to one customer for the storage of passenger cars, and comprises a warehouse and open yard area. The size of the warehouse is fixed with 274,318 sq. ft. storage capacity. The size of the open yard rented to the customer may change from time to time, depending on our and/or the customer's requirements. As at the LPD, the open yard area that was rented to the customer was 144,123 sq. ft.
- (2) The capacity of the warehouse.
- (3) The entire facility was rented out throughout FYE 2018, FYE 2019, FYE 2020 and FPE 2021.

Perai Warehouse in Penang

	Capacity (sq. ft)	Average Usage (sq. ft)	Utilisation Rate (%)
FYE 2018	113,000	113,000	100
FYE 2019	113,000	113,000	100
FYE 2020	113,000	106,000	94
FPE 2021	113,000	102,830	91

6. INFORMATION ON OUR GROUP (Cont'd)**Tebrau Warehouse in Johor**

	Capacity (sq. ft)	Average Usage (sq. ft)	Utilisation Rate (%)
FYE 2018	107,753	107,753	100
FYE 2019	107,753	107,753	100
FYE 2020	107,753	107,753	100
FPE 2021	107,753	107,753	100

Kota Kinabalu Warehouse in Sabah

	Capacity (sq. ft)	Average Usage (sq. ft)	Utilisation Rate (%)
FYE 2018	103,500	103,500	100
FYE 2019	103,500	103,500	100
FYE 2020	103,500	103,500	100
FPE 2021	103,500	103,500	100

Note:

- (1) Kota Kinabalu Warehouse has ceased operations on 30 June 2021 and has been demolished as at the LPD. We intend to construct a new warehouse on the land in future, depending on customer's demand.

Summary of all our Warehouses

	Capacity (sq. ft)	Average Usage (sq. ft)	Utilisation Rate (%)
FYE 2018	1,110,571	1,002,411	90
FYE 2019	1,058,004	992,004	94
FYE 2020	952,871	923,871	97
FPE 2021	952,871	913,711	96

Extension works are currently being undertaken at our Perai Warehouse and Tebrau Warehouse and are expected to be completed in the second quarter of 2022 and fourth quarter of 2021, respectively. Upon the completion of the extension, the capacity of our Perai Warehouse and Tebrau Warehouse will increase by approximately 109,000 sq. ft. (non-bonded) and 200,000 sq. ft. (non-bonded), respectively. Please refer to Section 11.4.5 of this Prospectus for further details.

For the Financial Years Under Review and FPE 2021, we were engaged to manage and operate four warehouses on behalf of the respective owners and/or tenants. As our revenue from managing and operating these warehouses are for services rendered and not the utilisation of warehousing space, these are not included in the discussion of warehouse capacity, usage and utilisation rate.

6. INFORMATION ON OUR GROUP (Cont'd)**6.9.4 Container depot services**

During the Financial Years Under Review and FPE 2021, we provided container depot services to customers at the Northport Container Depot, NGD Container Depot, Westport On-dock Container Depot, and Westport Container Depot.

The methodology for calculating capacity, actual usage and utilisation rate for these container depots are as follows:

- the capacity of a depot is based on the estimated number of containers (expressed in TEU) that can be stored at the depot at the same time, based on the land area available for storing containers and a maximum stacking height of seven containers.
- average usage is based on the actual number of containers (expressed in TEU) stored used during the year, divided by the number of days in the year; and
- the utilisation rate is calculated by dividing the average usage by the capacity.

Northport Container Depot at Port Klang, Selangor

	Capacity (TEU)	Average Usage (TEU)	Utilisation Rate (%)
FYE 2018	8,000	6,692	84
FYE 2019	8,000	6,224	78
FYE 2020	8,000	6,760	86
FPE 2021	8,000	6,464	81

NGD Container Depot at Port Klang, Selangor

	Capacity (TEU)	Average Usage (TEU)	Utilisation Rate (%)
FYE 2020 ⁽¹⁾	11,500	7,269	63
FPE 2021	11,500	5,086	44

Note:

- (1) NGD Container Depot was not owned and operated by us during FYE 2018 and FYE 2019. We acquired NGD Container Depot on 31 August 2020 (following the acquisition of Northern Gateway Depot on that date), and we continued the on-going container depot services from that date. Container storage capacity and average usage data are from September 2020 to December 2020, with container storage capacity of 11,500 TEU throughout this period.

Westport On-dock Container Depot at Port Klang, Selangor

	Capacity (TEU)	Average Usage (TEU)	Utilisation Rate (%)
FYE 2018	4,000	2,768	69
FYE 2019	4,000	3,246	81
FYE 2020	4,000	3,429	86
FPE 2021	4,000	2,666	67

6. INFORMATION ON OUR GROUP (Cont'd)**Westport Container Depot at Port Klang, Selangor**

	Capacity (TEU)	Average Usage (TEU)	Utilisation Rate (%)
FYE 2018 ⁽¹⁾	3,500	1,341	38
FYE 2019 ⁽¹⁾	3,500	1,619	46
FYE 2020 ⁽²⁾	3,875	2,611	67
FPE 2021 ⁽³⁾	5,000	2,906	58

Notes:

- (1) Westport Container Depot was operational throughout the whole of FYE 2018 and FYE 2019, with container storage capacity of 3,500 TEU throughout this period.
- (2) Westport Container Depot was operational throughout the whole of FYE 2020. Capacity was 3,500 TEU between January and September 2020, and 5,000 TEU between October and December 2020.
- (3) Westport Container Depot was operational throughout the whole of FPE 2021, with container storage capacity of 5,000 TEU throughout this period.

6.9.5 Freight forwarding, project logistics and inland specialised transportation services

In general, measurements of capacity and utilisation do not apply to our sea, air and land freight forwarding as the main portion of the activities are performed by commercial vehicles, ships or aircraft that are owned and operated by other service providers.

Similarly, measurements of capacity and utilisation do not apply to our project logistics services as most of the activities are performed using ships, aircraft, heavy transportation vehicles, machinery and equipment that are owned and operated by other service providers.

As for inland specialised transportation services for CNG, we only provide these services to one customer based on a fixed-term contract where we utilise our own CNG tankers to serve this customer. Our CNG tankers are regarded as fully utilised as we receive a fixed payment for providing this service, as well as variable payments based on the services provided (based on the number and nature of the deliveries made). Therefore, the measurements of capacity and utilisation for specialised land transportation service is not applicable.

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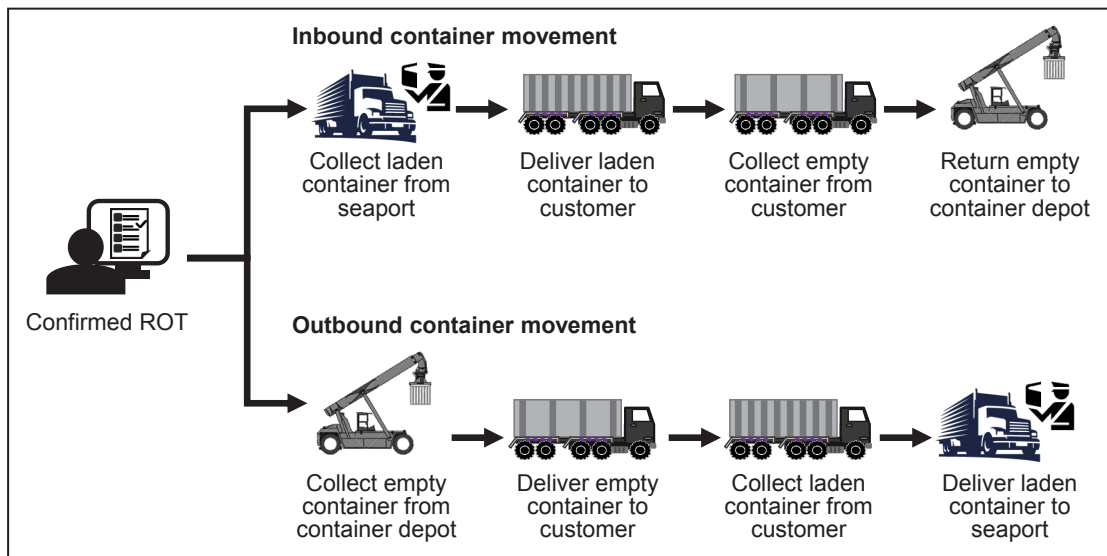
6. INFORMATION ON OUR GROUP (Cont'd)

6.10 PROCESS FLOW

6.10.1 Container haulage services

Our container haulage services comprise inbound and outbound container movement where the tasks performed are similar. The main difference is that inbound container movement involves the delivery of a laden container from a seaport to a customer’s premises and subsequently the return of an empty container to a container depot, whereas outbound container movement involves the delivery of an empty container from a container depot to the customer’s premises, followed by transportation of the laden container to a seaport. Our process flow for providing container haulage services is summarised in the following diagram:

Process flow for the provision of container haulage services



Confirmed ROT and pay custom and port charges

A ROT is placed by the customer via email or our web portal, Haulage Management System (“HMS”). Details required while placing the ROT include, among others, pickup location and delivery destination, nature of the cargo and delivery timeframe. For inbound container movement, the customer is required to provide us with the Gatepass which allow us to take possession of the container from the stipulated seaport, and stipulate the number of days required for unloading. For outbound container movement, the customer is required to provide us with the Container Movement Order (“CMO”) which consists of details including the size and type of the container as well as the date and location for the collection of the container, and the number of days required for loading.

Upon receiving all the necessary details, the ROT will be confirmed and the route planned for the container movement.

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6. INFORMATION ON OUR GROUP (Cont'd)

Inbound container movement

The steps for carrying out inbound container movement are as follows:

- **Collect laden container from seaport:** The assigned driver is briefed on the pickup and delivery locations, planned route and customer requirements, and the laden container is collected from the seaport stipulated by the customer. Customs and port procedures are carried out to enable the release of the containers. The details of the vehicle assigned for the shipment are provided to the customer.
- **Deliver laden container to customer:** The laden container collected from the seaport is driven along the planned route and delivered to the destination, where it is dropped off for the specified number of days for unloading.
- **Collect empty container from customer:** The customer will place a Ready for Collection ("RFC") request via our web portal, HMS or email once the container has been unloaded. Upon accepting the RFC, a driver will be assigned to collect the empty container.
- **Return empty container to container depot:** The empty container is returned to a designated container depot.

Outbound container movement

The steps for carrying out outbound container movement are as follows:

- **Collect empty container from container depot:** An empty container is collected from a container depot designated by our planning department.
- **Deliver empty container to customer:** The empty container is delivered to the customer's location and dropped off for the specified number of days for loading.
- **Collect laden container from customer:** When the laden container is ready for collection, the customer will place a RFC request via our web portal, HMS or email. Upon accepting the RFC, a driver will be assigned for the shipment and briefed on the pickup and delivery locations, planned route and customer requirements. The details of the vehicle assigned for the shipment are provided to the customer.
- **Collect laden container to seaport:** The driver will collect the sealed laden container and deliver it to the seaport along the planned route. The details of the vehicle assigned for the shipment are provided to the customer.

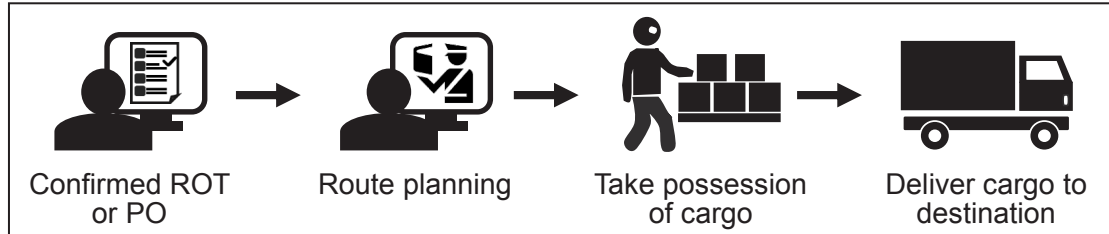
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6. INFORMATION ON OUR GROUP (Cont'd)

6.10.2 Inland transportation and distribution services

Our process flow for providing inland transportation and distribution services is summarised in the following diagram:

Process flow for provision of inland transportation and distribution services



Confirmed ROT or PO

The customer places a confirmed ROT or PO by email or through our web portal. Information provided by the customer as part of the ROT or PO includes, among others, the pickup location and delivery destination or destinations, nature of cargo and delivery timeframe.

Route planning

The customer will either specify the delivery route that we have to follow, or we will plan the route subject to confirmation by the customer.

Take possession of the cargo

We take possession of the cargo, commonly by pickup from a location specified by the customer, or sometimes by the customer dropping off the cargo to one of our inland yards or other facilities. The cargo is checked against the customer's documentation and loaded onto our commercial vehicle.

Deliver cargo to destinations

The cargo is transported along the planned route and delivered to the specified destination or destinations.

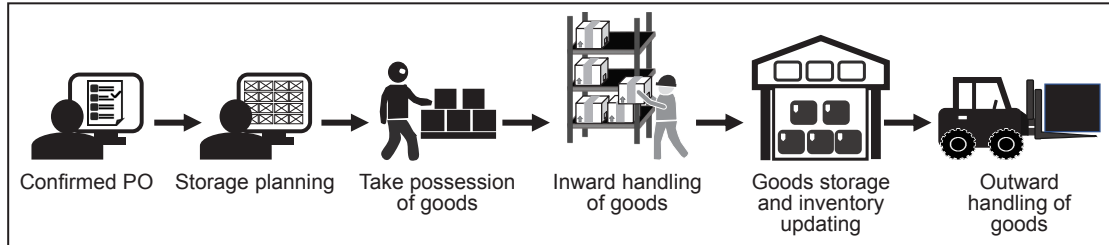
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6. INFORMATION ON OUR GROUP (Cont'd)

6.10.3 Warehouse storage services

Our process flow for warehouse storage services is summarised in the following table:

Process flow for the provision of warehousing storage services



Confirmed PO

The customer places a confirmed PO for the storage of goods via email, including information on the goods including type and quantity (goods manifest) to be stored, storage requirements and storage period.

Storage planning

We will allocate space to store the customer's goods at our warehouse, based on factors such as the type and quantity of goods stored, storage requirements (if any) and space availability at our warehouses.

Take possession of goods

We take possession of the goods either through delivery by the customer to the designated warehouse, or we collect from the customer's location. If the customer delivers the goods to our warehouse, they will provide us with a delivery order which includes the goods manifest, which we check against the physical goods delivered and the goods manifest provided in the PO. If we were to collect the goods from the customer's warehouse, we will check the goods loaded onto our vehicle against the goods manifest provided in the PO.

Inward handling of goods

Goods received at the warehouse are checked against the goods manifest provided in the PO.

Goods storage and inventory updating

The details of the goods are updated into our warehouse management system, which will allocate the required storage space and generate lot identification codes to track the goods. The goods are stored in the allocated storage space. It is monitored and tracked daily.

Outward handling of goods

The customer will issue a release order or collection order ("**RO/CO**") to us when they want to remove their goods from storage. We will collect the specified goods based on the RO/CO. If required, we will also carry out kitting, repacking, labelling and palletising. The customer may pick up the goods from the warehouse, or we will deliver them to another destination.

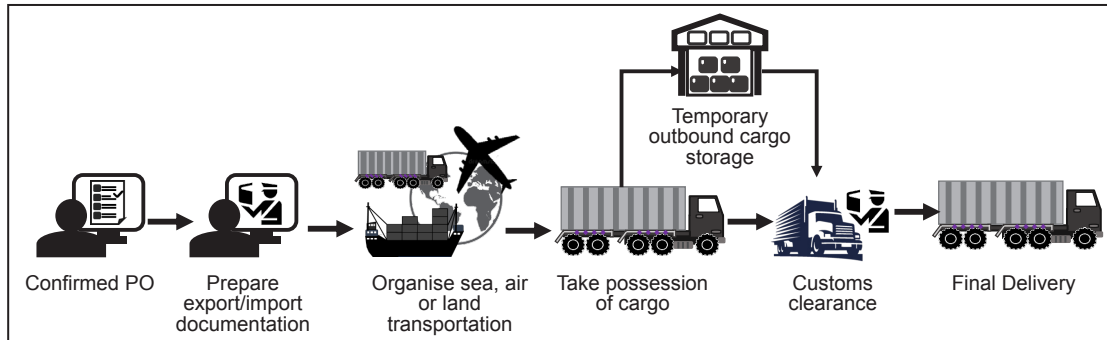
6. INFORMATION ON OUR GROUP (Cont'd)

6.10.4 Sea, air and land freight forwarding

In general, our process flow for providing sea, air and land freight logistics services are similar, as the tasks performed are similar. The main difference is that with sea freight forwarding, the sea transportation component predominates in terms of distance covered and/or cost incurred, whereas the air or land transportation component predominates in air or land freight forwarding respectively.

The following diagram summarises our process flow for providing sea, air and land freight forwarding:

Provision of sea, air and land freight forwarding



Confirmed PO

The customer will issue a confirmed PO to us via email, which will specify, among others, the pickup location, details of cargo, final destination and identities of the consignor and consignee.

Prepare export/import documentation

We will prepare the documentation required for the end-to-end transportation of the cargo to the final destination. This includes the cargo's invoice, bill of lading, customs documentation, and any other documentation that may be required by the carrier, and country of export and import. The accuracy of all of the information disclosed in these documents is the responsibility of the customer.

Organise sea, air or land transportation

We will secure space for the cargo on container ships for sea freight, scheduled cargo or passenger flights for air freight, or engage land transportation services providers for land freight. Securing space is carried out with their respective agents. Organising sea, air or land freight forwarding takes into consideration factors such as space availability on carrier, arrival and departure time of carrier, number of transit points, and total end-to-end time and cost.

Take possession of cargo

The cargo is either delivered to one of our facilities or collected from a location designated by our customers.

Temporary outbound cargo storage

In some cases, our sea, air or land freight forwarding includes temporary in-transit outbound cargo storage. We will either store the cargo at one of our warehouses or a third-party warehouse. To avoid congestion, seaports and airports provide very limited time for goods to be at their premises before they are placed on the carrier.

6. INFORMATION ON OUR GROUP (Cont'd)

Customs clearance

For international sea and air freight forwarding shipments, we will represent our customers in clearing their cargo through customs and port authorities of the originating and destination countries. We also compute and pay duties, taxes and other charges on behalf of our customers (we subsequently recover all such payments from customers).

Final delivery

We will organise the final delivery of the cargo to the destination specified by the customer, either through our owned in-house resources if the destination is in Peninsular Malaysia or by engaging a third-party service provider for foreign countries.

6.11 MARKETING ACTIVITIES

Our core business activities are in providing logistics services comprising container haulage, land transportation, warehousing and container depot services, and freight forwarding. As a result of the wide range of logistics services that we offer, we have a diverse customer base that consists of, among others, operators in the oil, gas and petrochemicals, manufacturing, food and beverages and distributive trades industries, as well as logistics service providers.

Our marketing strategy and activities to address business opportunities are focused on the following:

Market positioning

- Position ourselves as an integrated logistics service provider as well as a one-stop logistics service centre where we offer customers the convenience and efficiency of dealing with a single provider for a range of their logistics needs, including container haulage, land transportation, warehousing and container depot, and freight forwarding. We offer specialised services such as point-to-point land transportation, point-to-multipoint distribution, e-fulfilment, inland specialised transportation such as those for CNG, project logistics for heavy and/or oversized cargo, and cross-border land transportation to Malaysia, Singapore, Thailand, Vietnam, Cambodia, Myanmar, Laos and the southern border of China.
- Market our strengths in container haulage and land transportation through the sheer size of our commercial fleet operations which includes 1,460 prime movers, 5,400 container trailers, 811 box or curtain-sider trailers, 42 CNG tankers and 51 trucks registered in Malaysia, and 86 prime movers, 118 container trailers and 2 trucks registered in Thailand as at the LPD. Our commercial vehicles are operated by our in-house team of 1,477 drivers in Malaysia and 144 drivers in Thailand as at the LPD. Our large fleet and pool of drivers provide assurance to our customers that we will have the resources available to transport their cargo.
- Highlight our network of operational facilities supporting our integrated logistics business, which as at the LPD include six warehouses with combined storage capacity of 849,371 sq. ft. of floor space, four container depots with total capacity of 28,500 TEU, and other facilities including eight container haulage yards, six inland yards and two cross-border yards.
- Emphasise our proven capability to plan and execute complex and unconventional cargo movements demonstrated through our project logistics business. This involves organising the shipment of cargo that requires specialised vehicles and handling equipment for heavy and/or over-sized cargo, or cargo that requires special arrangements.

6. INFORMATION ON OUR GROUP (Cont'd)

Marketing activities

- Provide our customers with remote access to our Swift Haulage Portal to enable them to monitor their cargo in real time, and to highlight any issues if required.
- Carry out sales and marketing utilising our network of sales offices located in various states and territory to be close to our customers. As at the LPD, we have a total of 19 offices in Malaysia, comprising 3 offices in Port Klang and 1 office each in Klang, the Kuala Lumpur International Airport and Rawang in Selangor; Ayer Keroh in Melaka; Butterworth, Bayan Lepas, Seberang Perai and Bukit Minyak in Penang; Tebrau and Pasir Gudang in Johor; Kerteh in Terengganu; Kuantan in Pahang; Bintulu and Miri in Sarawak; Kota Kinabalu in Sabah; and Labuan; and 2 offices in Thailand, located in Bangkok and Sadao.
- Proactively contact and conduct sales visits to existing and potential customers with the aim of securing sales and cross selling our services to existing customers.
- Submit bids for tenders to handle the logistics requirements of prospective and existing customers.
- Follow-up on customer referrals received from existing contacts or customers by conducting sales visits.
- Maintain membership in WCA World which is a global association for freight forwarders with over 10,062 member offices in 193 countries as at October 2021. Through this membership, we are in the directory for foreign freight forwarders to locate us to assist in their logistics requirement especially for resources and services in Malaysia.

As at the LPD, we have a total of 26 dedicated sales personnel who are responsible for our Group's sales and marketing activities. In addition, each of our business units have their own sales teams to carry out their sales and marketing activities. The heads of the business units will conduct sales and marketing activities for their respective units, as well as cross-sell relevant services from other business units.

During the Financial Years Under Review and up to the LPD, we have not participated in any local or overseas exhibitions, conferences or other networking and marketing events.

6.12 RESEARCH AND DEVELOPMENT

We do not carry out and research and development activities as it is not relevant to the nature of our business.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.13 SCHEDULED WASTE**

We generate wastes that are classified as Scheduled Waste under the Environmental Quality (Scheduled Wastes) Regulations 2005 during the normal course of some of our business activities, such as carrying out commercial vehicle maintenance and fabrication of trailers and bodyworks, which are listed in the following table:

Scheduled Waste Code	Description
SW 305	Spent lubricating oil
SW 408	Contaminated soil, debris or matter resulting from cleaning-up of a spill of chemical, mineral oil or scheduled wastes
SW 409	Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes
SW 410	Rags, plastics, papers or filters contaminated with scheduled wastes

We have appointed the following companies, which are licenced by the Department of Environment, to dispose of these Scheduled Wastes:

- Alam Aliran Kualiti Sdn Bhd;
- Anggun Kitar Resources Sdn Bhd;
- Pentas Flora Sdn Bhd; and
- Riyaland Sdn Bhd.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.14 MAJOR APPROVALS, LICENCES AND PERMITS OBTAINED

Details of major approvals, licences and permits applicable to our Group as at the LPD are as follows:

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
1.	Agensi Tanjung Bruas	Forwarding agent licence and shipping agent licence pursuant to Section 90 of the Customs Act 1967	Customs	Licence No.: MF0026 & MS0006	Issuance date: N/A Validity Period: 10 December 2019 to 9 December 2021 ⁽¹⁾	<ol style="list-style-type: none"> 1. The licence will be suspended or withdrawn in the event the company or its employees have breached or deviated from the terms of this approval. 2. The company has been provided with SMK Public Bond Registration no M19/10000127/19 (MF0026) and M19/10000128/19 (MS0006). 3. The company shall not act as an agent for any client without a letter of authorisation from the said client. 4. Applications for the renewal of this licence must be submitted no later than 90 days from its expiry. 5. The company must inform Customs of any change of company information, directorship, shareholding, managerial staff and supporting staff within 14 days of such change. 6. The licence may not be rented or be used by any other party. 7. The company shall not change its name, address or shareholding without the consent of Customs. 	Complied ⁽⁷⁾

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
						<p>8. The Bumiputera participation in the company involving shareholdings, board of directors, management staff and supporting staff respectively shall not be less than 51% ("51% Bumiputera Participation Condition"). This condition does not apply if the company is acting solely as a shipping agent.</p> <p>9. Pursuant to the Customs Agents Manual issued under Section 90 of the Customs Act 1967 updated as at 22 February 2021, subsidiaries of companies which are listed on Bursa Securities will remain subject to the 51% Bumiputera Participation Condition save for companies which were registered as forwarding agents between 1976 and 1990 which will be subject to a 30% Bumiputera participation in equity, board of directors, management staff and supporting staff.</p> <p>10. Paragraph 3.4(iii) of the Customs Agents Manual further states that shipping agents are not subject to the 51% Bumiputera Participation Condition unless they are also registered as a forwarding agent.</p>	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
2.	Agenda Wira	Operator licence pursuant to the Land Public Transport Act 2010	APAD	Licence No.: 512643-V(LA) Reference No.: L144058	Issuance date: 14 October 2020 Validity period : 14 October 2020 to 21 March 2022	<p>1. General Conditions:</p> <p>a) The licence must be renewed at least 90 days from its expiry.</p> <p>b) The licence may not be transferred without APAD's prior written consent.</p> <p>2. Pursuant to the SPAD (now known as APAD) Licensing Guidelines, the Bumiputera shareholding of the holder of operator licence shall be at least 30%.</p> <p>3. Section 70(1) of the Land Public Transportation Act 2010 provides that a licenced operator shall obtain the approval of the Director General of Land Public Transport before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors.</p> <p>4. Section 72(3)(a) of the Land Public Transportation Act 2010 provides that a licenced operator shall inform the Director General of Land Public Transport immediately of any change of control of the licence holder.</p>	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
3.	Agenda Wira	Service permit issued as a component of its operator licence set out in item 2 above, certifying that the company has been authorised to carry out business activities in the entirety of Peninsular Malaysia	APAD	Licence No.: L011761 Reference No.: 512643V(LA)	Issued on 26 April 2012 Validity period: N/A ⁽²⁾	Nil	N/A
4.	Agenda Wira	Forwarding agent licence pursuant to Section 90 of the Customs Act 1967	Customs	Licence No.: BF1178	Issuance Date: N/A Validity Period: 15 June 2021 to 1 April 2023	<ol style="list-style-type: none"> 1. The licence will be suspended or withdrawn in the event the company or its employees have breached or deviated from the terms of this approval. 2. The company has been provided with SMK Public Bond Registration no 10000603/21. 3. The company shall not act as an agent for any client without a letter of authorisation from said client. 4. Any applications for the renewal of this approval must be submitted to the State Customs Director no later than 14 days before its expiry. 5. The company must inform Customs of any change of company information such as company address, directorship, shareholding, managerial staff and supporting staff within 7 days of such change. 6. The licence may not be rented or be used by any other party. 	Complied ⁽⁷⁾

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
						<p>7. The company may not change the status of its business without Custom's permission.</p> <p>8. The company must meet Bumiputera participation condition of at least 51% ("51% Bumiputera Participation Condition") at all times in accordance with the guidelines currently imposed.</p> <p>9. Pursuant to the Customs Agents Manual issued under Section 90 of the Customs Act 1967 updated as at 22 February 2021, subsidiaries of companies which are listed on Bursa Securities will remain subject to the 51% Bumiputera Participation Condition save for companies which were registered as forwarding agents between 1976 and 1990 which will be subject to a 30% Bumiputera participation in equity, board of directors, management staff and supporting staff.</p>	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
5.	Delta Express	Operator licence pursuant to the Land Public Transport Act 2010	APAD	Licence No.: 407682V(LA) Reference No.: L094327	Issuance date: 14 January 2017 Validity Period: 14 January 2017 to 1 April 2022	<ol style="list-style-type: none"> 1. General Conditions: <ol style="list-style-type: none"> a) The licence must be renewed at least 90 days from its expiry. b) The licence may not be transferred without APAD's prior written consent. 2. Pursuant to the SPAD (now known as APAD) Licensing Guidelines, the Bumiputera shareholding of the holder of operator licence shall be at least 30%. 3. Section 70(1) of the Land Public Transportation Act 2010 provides that a licenced operator shall obtain the approval of the Director General of Land Public Transport before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors. 4. Section 72(3)(a) of the Land Public Transportation Act 2010 provides that a licenced operator shall inform the Director General of Land Public Transport of any change of control of the licenced operator. 	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
6.	Delta Express	Service permit issued as a component of its operator licence set out in item 5 above, certifying that the company has been authorised to carry out business activities in the entirety of Peninsular Malaysia	APAD	Licence No.: L079172 Reference No: 407682V(LA)	Issued on 18 January 2017 Validity period: N/A ⁽²⁾	Nil	N/A
7.	Delta Express	Forwarding agent licence pursuant to Section 90 of the Customs Act 1967	Customs	Licence No.: BF0457	Issuance date: N/A Validity Period: 1 November 2019 to 31 October 2021 ⁽³⁾	<ol style="list-style-type: none"> 1. The licence will be suspended or withdrawn in the event the company or its employees have breached or deviated from the terms of this approval. 2. The company has been provided with SMK Public Bond Registration no 10000489/19. 3. The company shall not act as an agent for any client without a letter of authorisation from the said client. 4. Applications for the renewal of this licence must be submitted no later than 90 days from its expiry. 5. The company must inform Customs of any change of company information, directorship, shareholding, managerial staff and supporting staff within 14 days of such change. 6. The licence may not be rented or be used by any other party. 7. The company shall not change its name, address or shareholding without the consent of Customs. 	Complied ⁽⁷⁾

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
						<p>8. The Bumiputera participation in the company involving shareholdings, board of directors, management staff and supporting staff respectively shall not be less than 51% ("51% Bumiputera Participation Condition").</p> <p>9. Pursuant to the Customs Agents Manual issued under Section 90 of the Customs Act 1967 updated as at 22 February 2021, subsidiaries of companies which are listed on Bursa Securities will remain subject to the 51% Bumiputera Participation Condition save for companies which were registered as forwarding agents between 1976 and 1990 which will be subject to a 30% Bumiputera participation in equity, board of directors, management staff and supporting staff.</p>	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
8.	Komunjaya	Certificate of registration (Category A Engineering Workshop) (Sijil Pendaftaran Bengkel/Kejuteraan Kategori A) certifying that company has registered with the commission's automotive engineering division for the purposes manufacturing vehicle body, repairing and making technical modifications for trailers (Pembinaan Badan Baru, Pembaikan dan Pengubahsuaian Teknikal bagi semua jenis triler sahaja).	JPJ	Licence No.: BKA654P021J0 23	Issuance date: 23 October 2020 Expiry Date: 22 October 2022	The Certificate is subject to the company procuring a business premises licence for the relevant premises, and will be withdrawn in the event of any applicable conditions and/or laws are contravened.	Complied
9.	Q-Team	Certificate of registration (Workshop for the repair of Automobile vehicles involved in accidents) (Sijil Pendaftaran Bengkel/ Pembaikan Kemalangan Kenderaan Automobil) certifying that the company registered with the commission's automotive engineering division for the purposes of making body repair for automotive vehicles involved in accidents (Pembaikan Kenderaan kemalangan, body repair)	JPJ	Licence No.: BKA655B219J2 36	Date of issue: 5 February 2020 Expiry Date: 4 February 2022	The Certificate is subject to the company procuring a business premises licence for the relevant premises, and will be withdrawn in the event of any applicable conditions and/or laws are contravened.	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
10.	Sentiasa Hebat	Operator licence pursuant to the Land Public Transport Act 2010	APAD	Licence No.: 632959-D(LA) Reference No.: L099815	Date of issue: 1 November 2017 Validity Period: 1 November 2017 to 10 November 2022	<p>1. General Conditions:</p> <p>a) The licence must be renewed at least 90 days from its expiry.</p> <p>b) The licence may not be assigned or transferred without APAD's prior written consent.</p> <p>2. Pursuant to the SPAD (now known as APAD) Licensing Guidelines, the Bumiputera shareholding of the holder of operator licence shall be at least 30%.</p> <p>3. Section 70(1) of the Land Public Transportation Act 2010 provides that a licenced operator shall obtain the approval of the Director General of Land Public Transport before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors.</p> <p>4. Section 72(3)(a) of the Land Public Transportation Act 2010 provides that a licenced operator shall inform the Director General of Land Public Transport of any change of control of the licenced operator.</p>	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
11.	Sentiasa Hebat	Service permit issued as a component of its operator licence set out in item 10 above, certifying that the company has been authorised to carry out business activities in the entirety of Peninsular Malaysia	APAD	Licence No.: L088019 Reference No: 632959D(LA)	Issued on 8 November 2017 Validity period: N/A ⁽²⁾	Nil	N/A
12.	Swift Haulage	Operator licence pursuant to the Land Public Transport Act 2010	APAD	Licence No.: 533234V(LA) Reference No.: LP016432	Issuance date: 13 April 2021 Validity Period: 12 April 2021 to 21 August 2023	<ol style="list-style-type: none"> 1. General Conditions: <ol style="list-style-type: none"> a) The licence must be renewed at least 90 days from its expiry. b) The licence may not be assigned or transferred without APAD's prior written consent. 2. Pursuant to the SPAD (now known as APAD) Licensing Guidelines, the Bumiputera shareholding of the holder of operator licence shall be at least 30%. 3. Section 70(1) of the Land Public Transportation Act 2010 provides that a licenced operator shall obtain the approval of the Director General of Land Public Transport before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors. 4. Section 72(3)(a) of the Land Public Transportation Act 2010 provides that a licenced operator shall inform the Director General of Land Public Transport of any change of control of the licenced operator. 	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
13.	Swift Haulage	Service permit issued as a component of its operator licence set out in item 12 above, certifying that the company has been authorised to carry out business activities in the entirety of Peninsular Malaysia	APAD	Licence No.: L051424 Reference No: 533234V(LA)	Issued on 30 August 2013 Validity period: N/A ⁽²⁾	Nil	N/A
14.	Swift Haulage	Forwarding agent licence pursuant to Section 90 of the Customs Act 1967	Customs	Licence No.: BF1209	Issuance date: N/A Validity Period: 28 February 2018 to 27 February 2023	<ol style="list-style-type: none"> The licence will be suspended/withdrawn in the event the company or its employees have breached or deviated from the terms of this approval. The company has been provided with SMK Public Bond Registration no 10000035/18. The company shall not act as an agent for any client without a letter of authorisation from the said client. Application for the renewal of this approval must be made no later than 90 days from the expiry date. The company must inform Customs of any change of company information, directorship, shareholding, managerial staff and supporting staff within 14 days of such change. The licence may not be rented or be used by any other party. 	Complied ⁽⁷⁾

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
						<p>7. The company shall not change its name, address or shareholding without the consent of Customs.</p> <p>8. The Bumiputera participation in the company involving shareholdings, board of directors, management staff and supporting staff respectively shall not be less than 51% ("51% Bumiputera Participation Condition").</p> <p>9. By a letter dated 3 February 2021, Customs confirmed, among others, that companies which have been granted International Integrated Logistics Services Provider ("IILS") status by the Malaysian Investment Development Authority ("MIDA") are exempted from the Bumiputera Participation Condition until 31 December 2021.</p> <p>10. Pursuant to the Customs Agents Manual issued under Section 90 of the Customs Act 1967 updated as at 22 February 2021, forwarding agents which are listed on Bursa Securities will not be subject to the 51% Bumiputera Participation Condition.</p>	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
15.	Swift Haulage	Approval letter from MIDA confirming Swift Haulage's status as an Integrated Logistics Services Provider ("ILS") and International Integrated Logistics Services Provider ("ILS").	MIDA	Licence No.: 200/9/1/11(IILS) 200/9/18/63 (IILS)	Date of issue: 2 June 2016 Validity period: N/A	<ol style="list-style-type: none"> The company is required to carry out forwarding, transportation, warehousing activities and one additional value-added service (e.g., repacking, labelling and bulk breaking) The company must own and operate warehousing space of at least 9,300 sq. m and maintain at least 240 commercial transportation vehicles. The company must obtain the customs agent licence from the Royal Malaysia Customs. 	Complied
16.	Swift Integrated Logistics	Operator licence pursuant to the Land Public Transport Act 2010	APAD	Licence No.: 112036P(LA) Reference No.: L120349	Issuance Date: 30 September 2020 Validity Period: 30 September 2020 to 30 January 2024	<ol style="list-style-type: none"> General Conditions: <ol style="list-style-type: none"> The licence must be renewed at least 90 days from its expiry. The licence may not be assigned or transferred without APAD's prior written consent. Pursuant to the SPAD (now known as APAD) Licensing Guidelines, the Bumiputera shareholding of the holder of operator licence shall be at least 30%. Section 70(1) of the Land Public Transportation Act 2010 provides that a licenced operator shall obtain the approval of the Director General of Land Public Transport before participating in the business or agreement that would cause a change in the equity structure or change in the Board of Directors. 	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
17.	Swift Integrated Logistics	Service permit issued as a component of its operator licence set out in item 16 above, certifying that the company has been authorised to carry out business activities in the entirety of Peninsular Malaysia	APAD	Licence No.: L080466 Reference No: 112036-P(LA)	Issued on 4 December 2017 Validity period: N/A ⁽²⁾	4. Section 72(3)(a) of the Land Public Transportation Act 2010 provides that a licenced operator shall inform the Director General of Land Public Transport of any change of control of the licenced operator. Nil	N/A
18.	Swift Integrated Logistics	Shipping agent licence pursuant to Section 90 of the Customs Act 1967	Customs	Licence No.: TS0105	Issuance date: N/A Validity Period: 24 March 2021 to 23 March 2023	1. The licence will be suspended/withdrawn in the event the company or its employees have breached or deviated from the terms of this approval. 2. The company shall not act as an agent for any client without a letter of authorisation from the said client. 3. The company must provide a General Bond of RM10,000.00 as collateral by utilising the Customs application form No. 18. 4. Application for the renewal of this approval must be made no later 90 days from its expiry.	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
						<p>5. Notification and supporting documents must be provided to the Director of State Customs for any change of company information, Board of Directors, shareholding, managerial staff and supporting staff within 14 days of such change</p> <p>6. The licence may not be rented or be used by any other party.</p> <p>7. The company shall not change its name, address or shareholding without the consent of Customs.</p> <p>8. The Bumiputera participation in the company involving shareholdings, board of directors, management staff and supporting staff shall not be less than 51% ("51% Bumiputera Participation Condition"). This condition does not apply if the company is acting solely as a shipping agent.</p> <p>9. Paragraph 3.4(iii) of the Customs Agents Manual further states that shipping agents are not subject to the 51% Bumiputera Participation Condition unless they are also registered as a forwarding agent.</p>	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
19.	Swift Integrated Logistics	Forwarding agent licence pursuant to Section 90 of the Customs Act 1967	Customs	Licence No.: BF0898	Issuance date: N/A Validity Period: 26 March 2020 to 31 March 2022	<ol style="list-style-type: none"> 1. The licence will be suspended/withdrawn in the event the company or its employees have breached or deviated from the terms of this approval. 2. The company has been provided with SMK Public Bond Registration no 10000141/20 3. The company shall not act as an agent for any client without a letter of authorisation from the said client. 4. Application for the renewal of this approval must be made no later than 90 days from the expiry date. 5. The company must inform Customs of any change of company information, directorship, shareholding, managerial staff and supporting staff within 14 days of such change. 6. The licence may not be rented or be used by any other party. 7. The company shall not change its name, address or shareholding without the consent of Customs. 8. The Bumiputera participation in the company involving shareholdings, board of directors, management staff and supporting staff shall not be less than 51% ("51% Bumiputera Participation Condition"). 	Complied ⁽⁷⁾

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
20.	Swift Integrated Logistics	Public bonded warehouse licence pursuant to Section 65 of the Customs Act 1967 in respect of the public bonded warehouse located at: PLO 137 & 138, Jalan Angkasa Mas Utama, Kawasan Perindustrian Tebrau II, 81100 Johor Bahru, Johor; and PLO 516, Jalan Keluli 3, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang, Johor. The licence allows the company to warehouse goods liable to customs duties at the warehouses specified in the licence.	Customs	Licence No.: J10-G1- 00000006/08	Issuance Date: 8 March 2021 Validity Period: 1 April 2021 to 31 March 2023	<p>9. Pursuant to the Customs Agents Manual issued under Section 90 of the Customs Act 1967 updated as at 22 February 2021, subsidiaries of companies which are listed on Bursa Securities will remain subject to the 51% Bumiputera Participation Condition save for companies which were registered as forwarding agents between 1976 and 1990 which will be subject to a 30% Bumiputera participation in equity, board of directors, management staff and supporting staff.</p> <p>1. General Conditions: a) The company is required to inform and obtain approval in writing from the Assistant Director-General of Customs, Zone/State Director of Customs, should there be any changes in the company's name, board of directors or the equity holdings within 14 days from the date of such change. b) The renewal application of the licence must be submitted at least 90 days from the expiry of this licence. c) The licence may be revoked in the event the company breaches any terms and/or conditions imposed by Customs.</p>	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
21.	Swift Integrated Logistics	Public bonded warehouse licence pursuant to Section 65 of the Customs Act 1967 in respect of the public bonded warehouse located at: Lot 23, Lebuh Sultan Mohamed 1, Kawasan Perusahaan PKNS Fasa 2, Bandar Sultan Suleiman, 42000 Pelabuhan Klang, Selangor. The licence allows the company to warehouse goods liable to customs duties at the warehouses specified in the licence.	Customs	Licence No.: B32-G1- 00000001/99	Issuance Date: 22 April 2020 Validity Period: 1 May 2020 to 30 April 2022	<p>2. Item 4.1.2 of the Public Bonded Warehouse Requirements reflect that licence holders are required to maintain at least 30% Bumiputera shareholdings.</p> <p>1. General Conditions: a) The company is required to inform and obtain approval in writing from the Assistant Director-General of Customs, Zone/State Director of Customs, should there be any changes in the company's name, board of directors or the equity holdings within 7 days from the date of such change. b) The renewal application of the licence must be submitted at least 1 month from the expiry of this licence. c) The licence may be revoked in the event the company breaches any terms and/or conditions imposed by Customs.</p> <p>2. Item 4.1.2 of the Public Bonded Warehouse Requirements reflect that licence holders are required to maintain at least 30% Bumiputera shareholdings.</p>	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
22.	Swift Integrated Logistics	<p>Public bonded warehouse licence pursuant to Section 65 of the Customs Act 1967 in respect of the public bonded warehouse located at:</p> <p>Lot 2939-2980, ACKU Industrial Area, Jalan Bagan Lalang, 13400 Mak Mandin, Butterworth, Pulau Pinang</p> <p>The licence allows the company to warehouse goods liable to customs duties at the warehouses specified in the licence.</p>	Customs	Licence No.: P32-G1-00000001/05	<p>Issuance Date: 25 June 2021</p> <p>Validity Period: 30 June 2021 to 29 June 2023</p>	<p>1. General Conditions:</p> <p>a) The company is required to inform and obtain approval in writing from the Assistant Director-General of Customs, Zone/State Director of Customs, should there be any changes in the company's name, board of directors or the equity holdings within 14 days from the date of such change.</p> <p>b) The renewal application of the licence must be submitted at least 90 days prior to the expiry of this licence.</p> <p>c) The licence may be revoked in the event the company breaches any terms and/or conditions imposed by Customs.</p> <p>d) The company is required to inform and obtain the approval from the Customs should there be any changes in equity of the company.</p> <p>2. Item 4.1.2 of the Public Bonded Warehouse Requirements reflect that licence holders are required to maintain at least 30% Bumiputera shareholdings.</p>	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
23.	Swift Integrated Logistics	<p>Certificate of Registration with Ministry of Finance.</p> <p>The certificate permits the company to participate in the Malaysian Government's supplier selection process, and includes the category codes for the provision of the following services:</p> <ul style="list-style-type: none"> • Shipping Agents; • Lorry Transportation; • Forwarding Agents; • Packaging and Storage; and • Multimodal Transport Operator 	MOF	<p>Certificate No: K117193923025 63107</p> <p>Reference No: 357-00025566</p>	<p>Date of Registration: 7 July 2020</p> <p>Validity Period: 7 July 2020 to 3 August 2023</p>	<p>1. General Conditions:</p> <p>a) The company must inform the MOF in the event of any changes in the company information through the "Update Profile Information" module at www.e-perolehan.gov.my within 21 days from the date of such change.</p> <p>b) The certificate is to be renewed within 3 months from its expiry.</p> <p>2. Companies registered with the MOF for the provision of shipping agent services are required to ensure that the company is controlled by Malaysians, and that no less than 51% of the equity shareholding, board of directors, management, staff, organization chart/structure and management functions are held by Bumiputeras.</p> <p>3. A company must be registered under the relevant category codes for lorry transportation, forwarding agents and packaging and storage services in order to qualify/register as a multimodal transport operator.</p>	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
24.	Swift Integrated Logistics	<p>Certificate of Registration with Ministry of Finance.</p> <p>The certificate certifies that the company has been recognised as a Bumiputera company by the MOF</p>	MOF	<p>Certificate No: BP11719392302 563107</p> <p>Reference No: 357-00025566</p>	<p>Date of Registration: 7 July 2020</p> <p>Validity Period: 7 July 2020 to 3 August 2023</p>	<p>1. General Conditions:</p> <p>a) The company must at all times ensure that there is no less than 51% Bumiputera participation on share capital, directorship, head of executives, managing directors or senior management, key posts, and staff members (at management and employee levels)</p> <p>b) Bumiputras must hold the majority positions of roles that deal with the operations of the company, supervision of the company's business direction company, management of the company's finances, decision making for and on behalf of the company, and representing the company in any meetings or official business of the company.</p> <p>c) The company must inform the Ministry as soonest possible in the event of any changes relating to the conditions listed in items 1 and 2 above. Any such changes must be updated through the "Update Profile Information" module at www.e-perolehan.gov.my within 21 days from the date of such change. Failure to take the above-mentioned actions may cause the Ministry to doubt the authenticity on the company's status as a Bumiputera company.</p>	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
25.	Swift Integrated Logistics	<p>Certificate issued pursuant to Section 6 (3) of the Petroleum Development Act 1974.</p> <p>The Certificate allows the company to provide Petroleum NGV transportation services to Petronas via the use of lorries equipped with storage tanks in Peninsular Malaysia</p>	KPDNKK	<p>Licence No.: 13204</p> <p>PDA Serial No: 033928</p>	<p>Issuance Date: 9 December 2019</p> <p>Validity Period: 27 December 2019 to 26 December 2021⁽⁴⁾</p>	<p>The MOF will withdraw the company's status as a Bumiputera company and cancel such status in the e-Perolehan system in the event of a breach of the above-mentioned conditions, or if the management of the company and any contracts obtained are transferred to a third party.</p> <p>1. General Conditions:</p> <p>a) The company must obtain KPDNKK's approval prior to any change in its business structure, change of partnerships or change in business premises.</p> <p>b) Any applications for the renewal of the certificate must be submitted no later than 3 months from its expiry.</p> <p>c) The company must obtain KPDNKK's approval prior to any changes in the company structure (including change of shareholding, directorship, ownership and petroleum supplier).</p> <p>2. A company applying for this certificate must have at least 30% Bumiputera shareholding.</p>	Complied ⁽⁴⁾

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
26.	Swift Integrated Logistics	<p>The company is licenced by Petronas under Regulation 3 of the Petroleum Regulations 1974</p> <p>This licence includes the SWEC for the provision of the following goods and services:</p> <ul style="list-style-type: none"> • Warehouse Management Services; and • Packaging and Bagging; • Sale and Supply of Containers; • General storage services- Open Yard; • Sale of Container Accessories & Parts; • Road Tanker Services; • Leasing/Rental of Container Boxes; • Trucking Services; • Haulage Services; • Other Shipping Agency Services; and • Freight Forwarding Services. 	Petroleum Nasional Berhad (Petronas)	Licence No: 112036P	<p>Certificate Generated: 30 November 2020</p> <p>Validity Period: 27 October 2020 to 16 November 2023</p>	<p>1. General Conditions:</p> <p>a) The company must apply for the renewal of the licence 3 months before its expiry.</p> <p>b) The company is required to register, obtain a licence, permit or authorisation from the relevant authority to carry out the services or supply of product or material used in its operations and activities.</p> <p>c) The licence is not transferable.</p> <p>d) The licence will be revoked if the company is found to be in the process of liquidation, winding-up or dissolution.</p> <p>e) The company should take immediate action to adhere to the special conditions imposed as stated in the appendix of the certificate and to inform Petronas on the progress of this action.</p> <p>f) The company must inform Petronas on any changes related to the company's information such as company name, equity ownership, board of directors and management staff within 7 days of such change. Failure to do so may result in the revocation of the licence.</p>	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
						<p>g) The company, either by itself, through its employees, directors, agents or its employees is not allowed to perform any act or in any way directly or indirectly admit that it is a partner or have any connection/relationship with Petronas and/or its subsidiaries, UNLESS AND EXCEPT company is allowed to use reference [Company] is licenced by PETRONAS [No. licence], under Act 3 Petroleum Act 1974</p> <p>h) The licence may be revoked, suspended or blacklisted at any time if any of the above conditions, general conditions of Petronas licence and registration and any other conditions set in the Petronas Licence and Registration General Guidelines are not fulfilled.</p> <p>2. The respective SWECs for Swift Integrated Logistics must meet 51% minimum Bumiputera requirements in the company in respect of its equity participation, board of directors, management staff and employees respectively, except the following SWEC which requires a minimum Bumiputera requirement as follows:</p> <ul style="list-style-type: none"> a) Road Tanker Services – 30% b) Trucking Services – 30% c) Sale and supply of containers – Nil 	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
27.	Swift Integrated Logistics	Free Commercial Zone KLIA Operating Licence certifying that Swift Integrated Logistics has fulfilled the requirements of the FCZ Operating Licence to operate the office and warehouse at Lot C15, Block C, MAB Kargo Freight Forwarders Complex, Free Commercial Zone, KLIA Cargo Village, 64000 Sepang, Selangor Darul Ehsan.	Malaysia Airports (Sepang) Sdn Bhd	Licence No: FCZ/MABK/OFF /WHS/0074(M)	Expiry Date: 14 July 2022	<p>Flexibility is given for a "Berhad" public-listed company or a private company which is at least 51% owned by a "Berhad" public-listed company to hold a minimum of 35% Bumiputera equity for SWECS with minimum 51% Bumiputera requirement. However, the Bumiputera requirement at the Board of Directors, Management and Employees levels shall follow the respective SWECS's requirement.</p> <p>1. Conditions:</p> <p>(a) The licence holder is required to renew the licence within 2 months from its expiry.</p> <p>(b) The licence holder is required to notify the free zone authority in the event of any changes or amendments to its company profile.</p> <p>(c) The licence cannot be transferred, assigned or be used by any other party.</p> <p>(d) The licence may be revoked if the licence holder violates any of the regulations or terms and conditions imposed under this licence.</p> <p>(e) The free zone authority reserves the right to amend, add or impose additional terms and conditions as deemed necessary.</p>	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
28.	Swift Logistics TA	Shipping agent licence pursuant to Section 90 of the Customs Act 1967	Customs	Licence No.: BS0008	Validity Period: 1 January 2021 to 31 December 2025	<p>(f) The licence holder shall maintain liability insurance of at least RM100,000 in regards to the operations of its warehouse.</p> <ol style="list-style-type: none"> 1. The licence will be suspended/withdrawn in the event the company or its employees have breached or deviated from the terms of this approval. 2. The company has been provided with SMK Public Bond Registration no 10000679/20. 3. The company shall not act as an agent for any client without a letter of authorisation from the said client. 4. Application for the renewal of this approval must be made no later than 90 days from the expiry date. 5. The company must inform Customs of any change of company information, directorship, shareholding, managerial staff and supporting staff within 14 days of such change. 6. The licence may not be rented or be used by any other party. 7. The company shall not change its name, address or shareholding without the consent of Customs. 	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
29.	Swift Logistics TA	Forwarding agent licence pursuant to Section 90 of the Customs Act 1967	Customs	Licence No.: BF0243	Validity Period: 27 December 2019 to 31 December 2021 ⁽⁵⁾	<p>8. The Bumiputera participation in the company involving shareholdings, board of directors, management staff and supporting staff shall not be less than 51% ("51% Bumiputera Participation Condition"). This condition does not apply if the company is acting solely as a shipping agent.</p> <p>9. Paragraph 3.4(iii) of the Customs Agents Manual states that shipping agents are not subject to the 51% Bumiputera Participation Condition unless they are also registered as a forwarding agent.</p>	Complied ⁽⁷⁾
						<p>1. The licence will be suspended/withdrawn in the event the company or its employees have breached or deviated from the terms of this approval.</p> <p>2. The company has been provided with SMK Public Bond Registration no 10000694/19.</p> <p>3. The company shall not act as an agent for any client without a letter of authorisation from the said client.</p> <p>4. Applications for the renewal of this licence must be submitted no later than 90 days from its expiry.</p>	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
						<p>5. The company must inform Customs of any change of company information, directorship, shareholding, managerial staff and supporting staff within 14 days of such change.</p> <p>6. The licence may not be rented or be used by any other party.</p> <p>7. The company shall not change its name, address or shareholding without the consent of Customs.</p> <p>8. The Bumiputera participation in the company involving shareholdings, board of directors, management staff and supporting staff shall not be less than 51% ("51% Bumiputera Participation Condition").</p> <p>9. Pursuant to the Customs Agents Manual issued under Section 90 of the Customs Act 1967 updated as at 22 February 2021, subsidiaries of companies which are listed on Bursa Securities will remain subject to the 51% Bumiputera Participation Condition save for companies which were registered as forwarding agents between 1976 and 1990 which will be subject to a 30% Bumiputera participation in equity, board of directors, management staff and supporting staff.</p>	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
30.	Swift Logistics TA	Free Commercial Zone KLIA Operating Licence certifying that Swift Logistics TA has fulfilled the requirements of the FCZ Operating Licence to operate the office and warehouse at Lot C15, Block C, MAB Kargo Freight Forwarders Complex, Free Commercial Zone, KLIA Cargo Village, 64000 Sepang, Selangor Darul Ehsan.	Malaysia Airports (Sepang) Sdn Bhd	Licence No: FCZ/MABK/OFF /WHS/0075(S1)	Expiry Date: 14 July 2022	<p>1. Conditions:</p> <p>a) The licence holder is required to renew the licence within 2 months from its expiry.</p> <p>b) The licence holder is required to notify the free zone authority in the event of any changes or amendments to its company profile.</p> <p>c) The licence cannot be transferred, assigned or be used by any other party.</p> <p>d) The licence may be revoked if the licence holder violates any of the regulations or terms and conditions imposed under this licence.</p> <p>e) The free zone authority reserves the right to amend, add or impose additional terms and conditions as deemed necessary.</p> <p>The licence holder shall maintain liability insurance of at least RM100,000 in regards to the operations of its warehouse.</p>	Complied
31.	Swift Logistics TA	Free Commercial Zone (Penang Free Commercial Zone) certifying that Swift Logistics TA has fulfilled the requirements of the FCZ Operating Licence.	Malaysia Airports Sdn Bhd	Certificate No: FCZ/OL/013/2021	Date of Issue: 5 January 2021 Expiry Date: 31 December 2021 ⁽⁶⁾	The licence holder is required to provide 30 days' notice prior to any changes of address or cessation of operations in the Penang Free Commercial Zone.	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
32.	Tanjong Express	Operator licence pursuant to the Land Public Transport Act 2010	APAD	Licence No.: 221288M(LA) Reference No.: L083850	Date of issue: 1 February 2017 Validity Period: 27 January 2017 to 19 June 2022	<p>1. General Conditions:</p> <p>a) The licence must be renewed at least 90 days from its expiry.</p> <p>b) The licence may not be assigned or transferred without APAD's prior written consent.</p> <p>2. Pursuant to the SPAD (now known as APAD) Licensing Guidelines, the Bumiputera shareholding of the holder of operator licence shall be at least 30%.</p> <p>3. Section 70(1) of the Land Public Transportation Act 2010 provides that a licenced operator shall obtain the approval of the Director General of Land Public Transport before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors.</p> <p>4. Section 72(3)(a) of the Land Public Transportation Act 2010 provides that a licenced operator shall inform the Director General of Land Public Transport of any change of control of the licenced operator.</p>	Complied
33.	Tanjong Express	Service permit issued as a component of its operator licence set out in item 32 above, certifying that the company has been authorised to carry out business activities in the entirety of Peninsular Malaysia	APAD	Licence No.: L043361 Reference No.: 221288M(LA)	Issued on 23 May 2013 Validity period: N/A ⁽²⁾	Nil	N/A

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
34.	Tanjong Express Logistic	Operator licence pursuant to the Land Public Transport Act 2010	APAD	Licence No.: 376278-T(LA) Reference No.: L129378	Issuance Date: 20 January 2020 Validity Period: 20 January 2020 to 3 April 2025	<p>1. General Conditions:</p> <p>a) The licence must be renewed at least 90 days from its expiry.</p> <p>b) The licence may not be assigned or transferred without APAD's prior written consent.</p> <p>2. Pursuant to the SPAD (now known as APAD) Licensing Guidelines, the Bumiputera shareholding of the holder of operator licence shall be at least 30%.</p> <p>3. Section 70(1) of the Land Public Transportation Act 2010 provides that a licenced operator shall obtain the approval of the Director General of Land Public Transport before participating in the business or agreement that would cause a change in the equity structure or change in the board of directors.</p> <p>4. Section 72(3)(a) of the Land Public Transportation Act 2010 provides that a licenced operator shall inform the Director General of Land Public Transport of any change of control of the licenced operator.</p>	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Company	Description of approval / licence / permit	Authority	Licence / Reference no.	Issuance date / Expiry date	Major conditions imposed	Status of compliance
35.	Tanjung Express Logistic	Service permit issued as a component of its operator licence set out in item 34 above, certifying that the company has been authorised to carry out business activities in the entirety of Peninsular Malaysia	APAD	Licence No.: L012883 Reference No.: 376278T(LA)-1	Issued on 25 May 2012 Validity period: N/A ⁽²⁾	Nil	N/A

Notes:

- (1) Agensi Tanjung Bruas is finalising the documents required by Customs for the renewal of its forwarding agent licence.
- (2) As each service permit is issued as a component of an operator licence, the service permits will be valid for the same period as the validity period of the relevant operator licence.
- (3) Delta Express has submitted the renewal application for this licence on 22 September 2021, and the renewal process is ongoing as at the LPD.
- (4) Swift Integrated Logistics has submitted its application on 27 July 2021 to seek approval from KPDNKK for the change in ownership and shareholding structure upon Listing, and the processing of the application is still in progress. Additionally, Swift Integrated Logistics submitted the renewal application form for the licence certificate on 28 September 2021 and made further update through the online application system on 1 October 2021, and the renewal process is ongoing as at the LPD. If the approval for the change in ownership and shareholding structure upon the Listing is not granted by KPDNKK, it will hinder the renewal of the licence certificate. Without a valid licence certificate, Swift Integrated Logistics will not be able to continue the provision of Petroleum NGV transportation services to Petronas. For the Financial Years Under Review and FPE 2021, the revenue and gross profit from providing the Petroleum NGV transportation services under this licence certificate contributed 1.97%, 1.47%, 1.49% and 0.94% to our Group's total revenue, and 3.15%, 2.98%, 2.83% and 1.80% of our Group's gross profit.
- (5) Swift Logistics TA has submitted the documents for the renewal application of its forwarding agent licence on 1 October 2021, and the renewal process is ongoing as at the LPD.
- (6) Swift Logistics TA intends to submit the renewal application one month prior to the expiry of the FCZ operating licence upon obtaining clearance to enter the authority's office to be granted by Malaysia Airport Sdn Bhd.
- (7) Please refer to the statement below for further information on the 51% Bumiputera Participation Condition.

6. INFORMATION ON OUR GROUP (Cont'd)

In respect of the forwarding agent licences issued by Customs, Customs imposes a 51% Bumiputera Participation Condition for all companies save for companies which were registered as forwarding agents between 1976 and 1990 which are subject to a 30% Bumiputera participation in equity, board of directors, management staff and supporting staff. However, Customs has confirmed, vide a letter dated 3 February 2021, that among others, companies which have been granted International Integrated Logistics Services Provider ("ILS") status by the Malaysian Investment Development Authority ("MIDA") are exempted from the 51% Bumiputera Participation Condition until 31 December 2021.

Pursuant to the Customs Agents Manual issued under section 90 of the Customs Act 1967 updated as at 22 February 2021, companies that are listed on Bursa Securities are exempted from 51% Bumiputera Participation Condition. However, subsidiaries of companies which are listed on Bursa Securities will remain subject to the 51% Bumiputera Participation Condition (save for companies which were registered as forwarding agents between 1976 and 1990 which will be subject to a 30% Bumiputera participation in equity, board of directors, management staff and supporting staff). As such, should Agensi Tanjung Bruas, Agenda Wira, Delta Express, Swift Integrated Logistics and Swift Logistics TA not be able to meet the 51% Bumiputera Participation Condition after Listing, their forwarding licences will be suspended or withdrawn.

Notwithstanding the above, as Swift Haulage will be a company listed on Bursa Securities upon Listing, its forwarding license will not be subject to the 51% Bumiputera Participation Condition. Should the forwarding licences of Agensi Tanjung Bruas, Agenda Wira, Delta Express, Swift Integrated Logistics and Swift Logistics TA be suspended or withdrawn, our Group intends to transfer our forwarding business to Swift Haulage which has the necessary licence to conduct the business.

In respect of the shipping licences issued by Customs to Agensi Tanjung Bruas, Swift Integrated Logistics and Swift Logistics TA, in the event that they no longer hold forwarding agent licences and they act solely as shipping agents, the 51% Bumiputera Participation Condition will not apply to their shipping licenses.

In respect of the Certificates of Registration with the Ministry of Finance issued by MOF to Swift Integrated Logistics, should the Bumiputera participation on, amongst others, share capital be less than 51%, then the status of Swift Integrated Logistics as a Bumiputera company will be withdrawn. In such an instance, Swift Integrated Logistics will no longer be able to participate in the government's supplier's selection process for the provision of shipping agent services, forwarding agent services and in turn, the multimodal transport operator services.

For the Financial Years Under Review and FPE 2021, the revenue and gross profit from providing logistics services under our Certificates of Registration with the Ministry of Finance described above contributed 1.0%, 0.5%, 0.3% and less than 0.1% of our Group's total revenue, and 2.9%, 1.6%, 1.0% and 0.2%, of our Group's gross profits, for FYE 2018, FYE 2019, FYE 2020 and FPE 2021 respectively.

Aside from the permits, licences and certificates listed above, our Group also maintains business premises licences for its premises in various locations where it conducts its business activities as well as fire certificates for premises that it owns. These business premises licences and fire certificates are renewable on an annual basis. The application and renewal process is an ongoing process and at any one point in time, there will be premises which are in the midst of applying for or renewing their business premises licences and/or fire certificates. As at LPD, our Group is in the midst of applying/renewing 6 business premise licences and 4 fire certificates.

6. INFORMATION ON OUR GROUP (Cont'd)

Our Board does not foresee any hindrance in applying for or renewing the permits, licences, and certificates set out above as and when they become due and has not encountered any issues to renew these permits, licences and certificates in the past. In this respect, our Board also does not foresee that there would be any material adverse effect on our Group's operations arising from the renewal process as our Group actively engages with the respective authorities to ensure the renewal of its permits, licences and certificates.








Our Group has an internal process to monitor and track the renewal of all approvals including the permits, licences and certificates applicable to our Group. The Group Legal and Corporate Services as well as the administration department of the respective companies within the Group will closely monitor the validity of our approvals including permits, licences and certificates and the timing for submission of renewal applications to ensure all the approvals, including permits and licences and certificates are renewed in a timely manner prior to their expiry. Upon submission of the renewal application, our Group will actively liaise and follow up closely with the relevant authorities on the progress of the renewal. Upon renewal, we will maintain the supporting records of all approvals, including permits, licences and certificates in both hard copy and electronic formats to ensure that the relevant files are complete and available for review.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.15 INTELLECTUAL PROPERTY RIGHTS, PATENTS, TRADEMARKS AND REGISTRATIONS

As at the LPD and save as disclosed below, our Group does not have any other intellectual property rights, patents, trademarks and registrations:

No.	Trade mark	Issuing authority	Registered owner / Name of Applicant	Trademark number / Application number	Validity Period / Application Date	Description	Status
1.		Intellectual Property Corporation of Malaysia	Swift Haulage	TM2019034671	19 September 2019 to 19 September 2029	Class 39 ⁽¹⁾	Registered
2.		Intellectual Property Corporation of Malaysia	Swift Haulage	TM2019034672	19 September 2019 to 19 September 2029	Class 39 ⁽²⁾	Registered
3.		Intellectual Property Corporation of Malaysia	Tanjong Express	2012006049	13 April 2012 to 13 April 2022	Class 39 ⁽³⁾	Registered
4.		Intellectual Property Corporation of Malaysia	Swift Haulage	TM2019036632	4 October 2019	Class 39 ⁽⁴⁾	Appeal ongoing ⁽⁵⁾
5.		Intellectual Property Department of Thailand	Swift Haulage	190136387	28 October 2020	Class 39 ⁽⁶⁾	Pending registration
6.		Intellectual Property Department of Thailand	Swift Haulage	190136388	28 October 2020	Class 39 ⁽⁷⁾	Pending registration
7.		Intellectual Property Department of Thailand	Swift Haulage	190136389	28 October 2020	Class 39 ⁽⁸⁾	Pending registration

6. INFORMATION ON OUR GROUP (Cont'd)

Notes:

- (1) Courier services; freight services; freighting of ships, planes, railways, automobiles, motor vehicles, trucks; freight transportation; freight brokerage; packaging of freight; freight and cargo services; cargo transportation; cargo forwarding services; cargo agency services; leasing of cargo containers; storage of cargo before and after transportation; information services relating to the movement of cargo; cargo tracking services; storage services; storage of freight; storage of cargo; warehouse management; rental of warehouses; rental of storage containers; organization and handling of returned consignments (returns management); packing and packaging services; delivery services; transportation logistics; transportation services; taxi services; arranging transportation by land, sea and air; information services relating to transportation of goods; limousine services; all included in class 39.
- (2) Courier services; freight services; freighting of ships, planes, railways, automobiles, motor vehicles, trucks; freight transportation; freight brokerage; packaging of freight; freight and cargo services; cargo transportation; cargo forwarding services; cargo agency services; leasing of cargo containers; storage of cargo before and after transportation; information services relating to the movement of cargo; cargo tracking services; storage services; storage of freight; storage of cargo; warehouse management; rental of warehouses; rental of storage containers; organization and handling of returned consignments (returns management); packing and packaging services; delivery services; transportation logistics; transportation services; taxi services; arranging transportation by land, sea and air; information services relating to transportation of goods; limousine services; all included in class 39.
- (3) Transport; packaging and storage of goods; travel arrangement, warehousing, sea and airfreight and all other related services to logistics; all included in class 39.
- (4) Courier services; freight services; freighting of ships, planes, railways, automobiles, motor vehicles, trucks; freight transportation; freight brokerage; packaging of freight; freight and cargo services; cargo transportation; cargo forwarding services; cargo agency services; leasing of cargo containers; storage of cargo before and after transportation; information services relating to the movement of cargo; cargo tracking services; storage services; storage of freight; storage of cargo; warehouse management; rental of warehouses; rental of storage containers; organization and handling of returned consignments (returns management); packing and packaging services; delivery services; transportation logistics; transportation services; taxi services; arranging transportation by land, sea and air; information services relating to transportation of goods; limousine services; all included in class 39.
- (5) Pursuant to MyIPO's refusal letter dated 2 July 2020, MyIPO informed that it has rejected trademark application no RM2019036632 to register the trademark in Swift Haulage's name as MyIPO was of the view that such registration could cause confusion to arise due to its similarities with trademark registration no 2012006049 (i.e. item 3). Swift Haulage has, through its trademark agent Kass International Sdn Bhd ("KASS"), submitted a letter of appeal dated 26 August 2020 against MyIPO's decision for non-registration of this trademark, and enclosed a letter of consent issued by Tanjong Express consenting to Swift Haulage's registration of the trademark. As at LPD, the MyIPO appeal is ongoing with MyIPO to revert with the results of appeal. Notwithstanding the above, the non-registration of this trademark will not have a material impact on our activities as a similar trademark is currently held within the Group.

6. INFORMATION ON OUR GROUP (Cont'd)

- (6) Courier services; freight services; freighting of ships, planes, railways, automobiles, motor vehicles, trucks; freight transportation; packaging of freight; freight and cargo services; storage services; warehouse management; packing and packaging services; delivery services; transportation logistics; transportation services.
- (7) Courier services; freight services; freighting of ships, planes, railways, automobiles, motor vehicles, trucks; freight transportation; packaging of freight; freight and cargo services; storage services; warehouse management; packing and packaging services; delivery services; transportation logistics; transportation services.
- (8) Courier services; freight services; freighting of ships, planes, railways, automobiles, motor vehicles, trucks; freight transportation; packaging of freight; freight and cargo services; storage services; warehouse management; packing and packaging services; delivery services; transportation logistics; transportation services.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.16 MATERIAL DEPENDENCY ON COMMERCIAL CONTRACTS / AGREEMENTS / INTELLECTUAL PROPERTY RIGHTS / LICENCES OR PERMITS / BUSINESS PROCESSES

Save for the major licences in Section 6.14 and trademarks in Section 6.15 above, the business and profitability of our Group are not materially dependent on any contracts, intellectual property rights, licences and permits, and production or business processes as at the LPD.

6.17 EMPLOYEES

As at the LPD, we have a total workforce of 3,284 employees. The following table sets out the breakdown of our employees in our Group based on job function as at the LPD:

Malaysia

<u>Category</u>	<u>No. of employees</u>
Management	154
Executive	383
Clerical	726
Technical and Non-Clerical	305
Drivers	1,477
Foreign Workers	32
Total	3,077

Thailand

<u>Category</u>	<u>No. of employees</u>
Management	8
Executive	6
Clerical	42
Technical and Non-Clerical	4
Drivers	144
Foreign Workers	3
Total	207

As at the LPD, our Group has employed:

- 32 foreign workers with valid working permits as contractual workers in Malaysia; and
- 3 Malaysians (seconded to Thailand) with 3 valid work permits.

As the application and renewal of the work permits are ongoing process, there will be foreign workers that are in the midst of applying or renewing their work permits at any one point in time. As at the LPD, our Group has renewed the work permits for 8 foreign workers employed in Malaysia, which are currently pending the issuance of work permits from the Immigration Department of Malaysia.

Our Group provides accommodations for our foreign workers and the accommodations provided are in accordance with the standards under the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 ("**EMSHAAA 1990**") and the Employees' Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralized Accommodation) Regulations 2020. Our Group has rented 5 apartment units located in Port Klang and 2 apartment units in Pulau Indah, Klang as employee accommodations. Our Group had submitted applications to the Department of Labour Peninsular Malaysia pursuant to the EMSHAAA 1990 to certify these premises with certificates of accommodation and the processing of the applications is still in progress.

The employees of Swift Integrated Logistics, Swift Haulage and Tanjong Express Logistic are represented by 3 in-house unions, namely:

- Kesatuan Pekerja-Pekerja Swift Integrated Logistics;
- Kesatuan Pekerja-Pekerja Swift Haulage; and
- Kesatuan Pekerja-Pekerja Tanjong Express Logistic.

We enjoy a good relationship with the in-house unions, and we have not been engaged in any major industrial disputes since the commencement of our operations.