Potential investors of the [REDACTED] should carefully consider all of the information set out in this document and, in particular, the following risks and special considerations associated with an investment in the [REDACTED] before making any investment decision in relation to the [REDACTED]. The Company's business, financial position and operating results could be materially and adversely affected by any of these risks or other risk factors and uncertainties that the Company is unaware of, or investment factors that the Company considers insignificant at present. The trading price of the Shares may decline due to any of these risk factors and uncertainties, and you may lose all or part of your investment in the Shares.

1. RISKS RELATING TO THE GROUP'S BUSINESS

1.1 The Group may face difficulty in providing its integrated logistics services if it fails to renew or obtain its licences and permissions

The logistics services in Malaysia are regulated by specific legislations regulating freight forwarding or customs clearance, warehousing, and transportation. To undertake such business, various registrations, approvals and licences are required to be obtained from regulatory authorities in Malaysia. In providing integrated logistics services in Malaysia, the Group has obtained various permissions, certificates, licences and approvals, including customs agent licence, approval to carry out commercial activity in a free commercial zone, operator's licence for group vehicles operator's licence, business and advertisement licence and pioneer status certificate. These licences and permissions are subject to renewal.

In the event that the Group fails to renew or obtain its relevant licences and permissions, even if the Group may be able to subcontract relevant services, there is no assurance that the Group can locate suitable subcontractors in a timely manner or on reasonable commercial terms, and the subcontractor will at all times perform in a satisfactory level. Therefore, the Group's business, reputation, prospects, results of operations and financial condition may be materially and adversely affected.

1.2 Future terrorist or extremist attacks, or the threat of such attacks, and cargo hijacking may increase the costs of the Group's operations and reduce demand for the Group's services

During the Track Record Period, there was one incident that the Group's cargo in-transit was hijacked and the trailer and cargos were all found. The Group has not received any claim from the customer and did not suffer any loss in the incident. Risks of cargo hijacking and theft incidents are inherent to the nature of the Group's business. Even though the Group adopts risk management measures, such as GPS and security escort services, there is no guarantee that such hijacking and/or theft will not recur. Terrorist or extremist attacks and their impact may negatively affect the logistics industry. The potential impacts on the logistics industry include the loss of traffic and revenues, increased security and insurance costs and delays due to tightened security. Any future terrorist or extremist attacks, or the threat of such attacks, may increase the costs of operations due to the tightened security, more delays or cancellations associated with new government decrees and reduce demand for the Group's services. In such event, the reputation, business and results of operations of the Group may be materially and adversely affected.

1.3 The Group relies on its business partners, overseas freight forwarders and other service providers

The Group appoints overseas freight forwarders to manage logistics business overseas and subcontractors to carry out some of the transportation and overseas freight forwarding business. Apart from network freight forwarders, the Group also engages non-network freight forwarders which are recommended by the Group's existing customers or suppliers. During the Track Record Period, the Group subcontracted some of its logistics services, including part of its customs clearance, trucking and haulage services and warehouse services to Independent Third Parties providers. overseas freight forwarders may pass referral businesses or subcontract local sub-parts of their shipments to the Group whereby the Group has no control over, and no comprehension of the customers' nature or the goods they carry. Should these referred shipments carry goods of illicit nature, these goods may end up being impounded by customs and the Group may be investigated for breaking local laws and fined by the authorities.

There is also no assurance that business partners, overseas freight forwarders and other service providers of the Group will at all times perform at a satisfactory level and renew their co-operation agreements upon expiry. If they fail to do so, the Group's business, reputation, financial performance and results of operation may be materially and adversely affected.

1.4 Significant increases in cost of freight charges may materially and adversely affect the Group's business, financial condition and results of operations

The carriers used to provide freight forwarding service are owned by Independent Third Parties. In the event that they increase freight rates and usage fee rates, the Group will transfer the costs to its customers which may adversely affect the Group's pricing and costs. The Group incurs significant costs in procuring cargo space from airlines and ocean carriers, as well as providing or arranging for land transportation services overseas. For the years ended 31 December 2014 and 2015, cost of sales amounted to 47.0 million and 62.2 million, respectively. Cost of sales for the year ended 31 December 2015 increased by approximately 32% or RM15.2 million as compared to that of the previous year. The increase is mainly due to an increase in cost of freight charges. In line with turnover, majority of the cost of sales was attributable to freight charges of cargo spaces. Freight costs are significantly affected by a variety of factors, including fuel prices, exchange rate, the imposition of, or increases in, import or export taxes, the supply of cargo space, market conditions and other factors, many of which are beyond the Group's control. The Group prices its services on a cost-plus basis, by reference to the types of services provided, costs of cargo spaces, fees of third party service providers etc. The inability to pass on to customers of the Group any significant increases in freight and transportation costs could therefore materially and adversely affect the business, financial condition and results of operations of the Group.

1.5 The business of the Group is highly dependent on information technology

The Group is in the midst of changing to a new system (namely, *Freight Management 3000*) to integrate its customer service, operations and accounting functions. The ability to maintain effective information management depends, in part, upon the success of changing to a new system, the ability to make timely and cost-effective enhancements and additions to the technology underpinning the Group's operational platform and to introduce new technological products and services that meet customer demands. There is no assurance that the Group will be able to successfully keep up with technological improvements in order to meet its customers' needs or that the technology developed by others will not render its services less competitive or attractive. In addition, hardware or software failure relating to IT systems could significantly disrupt customer workflows and cause economic losses for which the Group could be held liable and which could damage its reputation. The Group is also subject to hacking or other attacks on its IT systems.

There is no assurance that it can successfully block and prevent all hacking or other attacks. As a result, failure to meet customers' IT demand or to protect against technological disruptions of operations of the Group or operations of its customers could materially and adversely affect its business, financial condition and results of operations.

1.6 The Group may suffer losses from its credit exposures

As at 31 December 2014 and 2015, the Group recorded trade receivables of approximately RM11.5 million and RM17.6 million, respectively, of which approximately RM6.0 million and RM8.6 million had been past due but not impaired as they were due from customers with no default history during the Track Record Period. The Group's business is subject to risks that customers or counterparties may delay or fail to perform their contractual obligations. During the Track Record Period, the Group did not experience any material difficulty in debt collections. There is no assurance that the Group will not experience any material difficulty in debt collections or potential default by customers in the future. While the Group's finance department monitors material overdue payments closely, there is also no assurance that the Group will be able to collect overdue payments. Any material non-payment or non-performance by customers or counterparties could adversely affect the Group's financial position, results of operations and cash flows.

1.7 The Group relies on a limited number of customers

During the Track Record Period, the Group derived a substantial portion of its revenue from a small number of customers. For the years ended 31 December 2014 and 2015, sales to the five largest customers accounted for approximately RM26.7 million and RM43.9 million of the Group's total revenue, respectively, and sales to these customers accounted for 44.1% and 52.9% of the total revenue, respectively. There is no assurance that its customers will continue to place orders with the Group, or that their future orders will be at a comparable level as in prior years. Even if the Group had made effort to diversify its customer base and attract new customers, it would take time and resources to develop relationship with the new customers, including reallocation of human resources, adapting systems and procedures to meet any requirements of the new customers. If any of the major customers ceases to place orders with the Group or reduces its order size, the Group's business, financial condition and results of operations could be adversely affected.

1.8 The Group may be unable to sustain gross profit margin and net profit margin

The Group reported gross profit margin of approximately 22.2% and 25.1% during the Track Record Period; and net profit margin of approximately 6.4% and 8.4% during the Track Record Period. Comprehensive international freight services which constituted over 95% of the Group's total income for the Track Record Period is largely affected by factors such as market competition, global and local economic conditions and market demands for the Group's services, the fuel prices and other costs of sale. Given the integrated logistics services is highly sensitive to these factors, it is probable that the Group may suffer a low or even negative net profit margin due to a decrease in turnover and/or gross profit should the global economy be adversely affected. As such, there is no assurance that the Group will be profitable or be able to maintain positive gross profit margins or net profit margins in the future.

1.9 The Group may incur losses as a result of excess capacity of logistics facilities

The Group offers storage to its customers as part of the integrated logistics solutions services. In order to meet such requirements, the Group maintains its own warehouse and rented warehouses. Changes in the economic conditions in the specific industry sector for which the capacity is purchased or maintained and any decision by the Group's customers to terminate or not to renew their contracts may lead to excess warehouse capacity. If the Group is unable to use or sell the excess warehouse capacity that it owns or leases, it may incur losses and may also be required to record impairments on assets, which could materially and adversely affect the business, financial condition and results of operations.

1.10 The insurance of the Group may be insufficient to cover all losses associated with its business operations

The Group maintains insurance policies against loss or damage to its office and business interruption, public liability insurance, group personal accident insurance, and insurance against marine and road transit liabilities. The insurance coverage may be insufficient to cover all the risks associated with the Group's business and operations in the future. In the case of an uninsured loss or a loss in excess of insured limits, including those caused by natural disasters and other events beyond the Group's control, the Group may be required to pay for losses, damages and liabilities out of its own funds, which could materially and adversely affect its business, financial condition and results of operations. Even if the insurance coverage is adequate to cover its direct losses, the Group may be unable to take remedial actions or other appropriate measures. Furthermore, claim records of the Group may affect the premiums which insurance companies charge in the future.

1.11 The Group relies on key management personnel

The Group recognises that its success in the freight forwarding and logistics industry is dependent on its employees. Please refer to paragraphs 2.3 and 2.4 of the section headed "Business" in this document for further details. The Group recruits its employees based on their industry experience and interpersonal skills. The results of operations and business performance may be materially and adversely affected if the Group cannot retain their services and suitable replacement cannot be found in a timely and viable manner and on reasonable terms.

1.12 The Group may face difficulty in implementing its business strategies

The Group intends to further expand its business in major gateways of Malaysia and the scope of services to cover cross border trucking, haulage and rail freight. The Group will also strengthen the information technology systems and attract and retain talented and experienced employees. Moreover, the Group expects to grow the business strategically through business acquisitions or business collaboration.

Please refer to paragraph 3 of the section headed "Business" in this document for further details. The Group's business is based on circumstances currently prevailing and the assumptions that certain circumstances will or will not occur, and the risks inherent in various stages of the development of its business. There can be no assurance that the Group will be successful in implementing its business strategies in the future.

1.13 The Group's net profit for the year ending 31 December 2016 might be adversely affected by the [REDACTED]

It is expected that the total [REDACTED], which are non-recurring in nature, will amount to approximately RM[REDACTED] million, of which approximately RM[REDACTED] million is directly attributable to the issue of [REDACTED] in the [REDACTED] and to be accounted for as a deduction from equity upon completion of [REDACTED] in the year ending 31 December 2016. Approximately RM1.4 million has been recognised and charged to the combined statement of comprehensive income during the financial year ended 31 December 2015. The remaining estimated [REDACTED] of approximately RM[REDACTED] million will be charged to the combined statement of comprehensive income upon [REDACTED]. Accordingly, the financial results of the Group for the year ending 31 December 2016 are expected to be materially affected by the estimated expenses in relation to the [REDACTED].

1.14 The Group derives a significant portion of its revenue from international operations and are exposed to foreign exchange risk

The Group derives a portion of its revenue from international operations. Quotes from suppliers, usually in USD for shipping cargo space and some of the customers pay the Group in USD. The Group entered into certain foreign currency forward contracts during the Track Record Period to mitigate the risk on foreign currency fluctuation against RM. However, significant volatility in foreign exchange rates may negatively affect the Group's results of operations and other comprehensive income.

1.15 Natural disasters, acts of God, wars, epidemics and other events may adversely affect the Group's operations

Natural disasters, acts of God, wars, epidemics, material interruptions in service or stoppages in transportation and other events which are beyond the Group's control may adversely affect local economies, infrastructures, airports, port facilities and international trade. They may also cause closure of ports or airports and disruptions to cargo flows, any of which could materially and adversely affect the Group's results of operations and financial position.

2. RISKS RELATING TO THE INDUSTRY

2.1 The Group operates in a highly fragmented and competitive industry

The logistics and/or freight forwarding market remains highly fragmented and competitive with little official oversight on the number and scale of firms throughout Malaysia. Industry players have estimated that in 2014, there had been approximately 10,000 logistics and/or freight forwarding establishments. While several local firms have reported sizable market returns, the industry continues to be dominated by multinational firms who have a competitive advantage in economies of scale and wider geographical footprint. The multinational players have more business resources in securing global servicing contracts with multinational companies, and thus are able to provide comprehensive services for freight forwarding, freight tracking and monitoring, and other distribution solutions.

The Group directly and indirectly competes with other integrated logistics service providers on a local, regional and international basis in the form of pricing, range of services provided, information technology and network of customers. Some of the Group's customers, being freight forwarders, face competition from overseas freight forwarders, logistics providers and express service providers. Any decline in their business will in turn reduce their use of the Group's services, which may materially and adversely affect the Group's business and financial condition. Increased competition may reduce the growth in the Group's customer base, reduce the Group's market share and result in higher sales and marketing expenses. There is no assurance that the Group will continue to compete successfully in the future, and if the Group fails to do so, its business, financial condition and results of operations would be adversely affected.

2.2 There is a low regulatory barrier to entry

The main barriers to entry for a company in the logistics and/or freight forwarding segment remain largely tied to the establishment requirements set out by the Customs Act 1967. For example, establishments that wish to perform customs brokerage services must first obtain a Customs Agent Licence from the Royal Customs Department of Malaysia. This licence was previously only made to domestic logistics service providers until 2008 when the International Integrated Logistics Services (IILS) scheme was introduced, allowing both domestic and international players to register, so long as they were qualified as IILS providers as defined by the Malaysian Investment Development Authority (MIDA).

Companies wishing to operate as container haulage operators, may no longer do so. With the opening up of borders within ASEAN as part of the implementation of ASEAN Free Trade Area, the government has since stopped issuing new container haulage license for new players, so as to be able to compete against additional foreign-based competition. There is no assurance that the government will continue to stop issuing new licenses for new players in the future. Any changes in laws that lower the barrier entry may increase overseas freight forwarders participation in local industry, posing risk of higher competition and lower profitability. Therefore, if the Group fails to compete effectively or maintain its competitiveness in the market, its business, financial condition and results of operation will be adversely affected.

2.3 An increase in fuel prices may reduce profitability

Fuel represents a sizable cost to the industry as it affects operations of companies through the land, sea and air freight rates and hence an increase in fuel prices may increase the Group's costs. Without a corresponding increase in freight rates, the Group's profitability may be adversely affected. The cost of fuel can fluctuate significantly and is subject to many economic and political factors that are beyond the Group's control, including but not limited to the political instability in oil-producing regions.

2.4 The Group's results of operations are affected by international trade volume, global and regional economic conditions

A majority of the Group's revenue is derived from transportation of cargo from or to Malaysia. The Group's results of operations are thus affected by global trade volume, in particular, the trade volume of Malaysia. The global trade volume and Malaysian trade volume are affected by changes or developments in global economic, financial and political conditions. The Group is also affected by economic cycles and changes in its customers' business cycles. Other factors, such as impositions of trade restrictions, sanctions, boycotts and other measures, trade disputes, currency appreciation or depreciation and work stoppages, particularly in the freight forwarding industry, could adversely affect Malaysian trade volume and lead to a material decline in the demand for the Group's services and the Group's results of operations may be adversely affected.

3. RISKS RELATING TO CONDUCTING BUSINESS IN MALAYSIA

3.1 Social, political, regulatory economic and legal developments, as well as any changes in Malaysian government policies, could materially and adversely affect the Group's business and operating results

The Group's business, prospects, financial condition and results of operations may be adversely affected by social, political, regulatory and economic developments in Malaysia. Uncertainties in these areas include, but not limited to, the risks of war, regional conflicts, terrorism, extremism, nationalism, nullification of contracts, changes in interest rates, imposition of capital controls, changes in government policies or introduction of new rules or regulations concerning logistics service providers, environmental or transportation regulations and methods of taxation. Any negative developments may adversely affect the Group's business, financial condition, results of operations and prospects.

The Group's primary market is Malaysia. As Malaysia is expected to remain as the Group's core market and place of operation in the foreseeable future, negative developments in the Malaysian economy may have a material adverse effect on business. Although the overall Malaysian economic environment (in which the Group predominantly operates) appears to be positive, there can be no assurance that this will continue to prevail in the future.

The logistics industry is a part of the overall transport industry in Malaysia. The government of Malaysia may tighten regulations governing transport industry to reduce accidents or impose new regulations to curb air pollution or to meet the more stringent environmental requirements owing to its international commitments. It may expand the scope of existing regulations, tightens rules governing license renewal process or even impose requirements to install certain equipment; these new measures may limit the Group's flexibility to operate and may increase the Group's costs of doing business. The Group's failure to comply with such laws and regulations could also result in reprimand, penalties, compounds, fines and lawsuits.

Although the logistics industry is undergoing a liberation phase, there is no guarantee that the authorities will not impose shareholding restriction for licensing purposes in the future. The authorities may require that some percentage of shares in the Group be owned by Bumiputera native and such restriction may affect the ability to carry on the Group's business.

3.2 The Malaysian ringgit may be subject to foreign exchange controls imposed by Malaysian government in the future or may be subject to exchange rate fluctuations

The Central Bank of Malaysia has, in the past, intervened in the foreign exchange market to stabilise the Malaysian ringgit, and it pegged the Malaysian ringgit to the United States dollar in September 1998. On 21 July 2005, the Central Bank of Malaysia adopted a managed float system which benchmarked the Malaysian ringgit to a currency basket to ensure that the Malaysian ringgit remains close to its fair value. The Group cannot assure you that the Malaysian government will not impose more restrictive or additional foreign exchange controls. Any imposition, variation or removal of exchange controls may lead to less independence in the Malaysian government's conduct of its domestic monetary policy and increased exposure of the Malaysian economy to the potential risks and vulnerability of external developments in the international markets.

Furthermore, fluctuations in the Malaysian ringgit's value against other currencies will create foreign currency translation gains or losses and may have an adverse effect on the Group's business, financial condition and results of operations. Any imposition, variation or removal of foreign exchange controls may adversely affect the value, translated or converted into United States dollars or Hong Kong dollars, of the Group's net assets, earnings or any declared dividends. Consequently, this may adversely affect the Group's ability to pay dividends or satisfy other foreign exchange requirements.

3.3 The Group's principal subsidiaries are incorporated in Malaysia and their main assets are located in Malaysia. It could be difficult to enforce a foreign judgment against the Malaysian Subsidiaries, the Directors or the management in Malaysia

The Group's principal subsidiaries are incorporated under the laws of Malaysia. The majority of the Directors and members of management are residents of Malaysia and a substantial portion of the assets and the assets of these Directors and management are located in Malaysia. Enforceability of certain foreign judgments in Malaysia is by virtue of the Reciprocal Enforcement of Judgments Act 1958, in which a foreign judgment must be registered before it can be enforceable. The registration of such foreign judgments is only possible if the judgment is given by a superior court from a country listed in the First Schedule of the Reciprocal Enforcement of Judgments Act 1958, which includes United Kingdom, Hong Kong, Singapore, New Zealand, Republic of Sri Lanka, India and Brunei Darussalam. In the event the foreign judgment is not from a country listed in the First Schedule of the Reciprocal Enforcement of Judgments Act 1958, the only method of enforcement at common law, is by securing a Malaysian judgment. As a result, it could be difficult to enforce a foreign judgment against the Malaysian Subsidiaries, the Directors and the management in Malaysia.

4. RISKS RELATING TO THE [REDACTED]

4.1 There has been no prior public market for the Shares, and the liquidity, market price and trading volume of the Shares may be volatile

Prior to the [REDACTED], there was no public market for the Shares. The [REDACTED] was determined as a result of negotiations between [the [REDACTED]] and the Company. The [REDACTED] may differ significantly from the market price for the Shares following the [REDACTED]. The Company has applied for the [REDACTED] of and permission to deal in the Shares on GEM. However, even if approved, being [REDACTED] on GEM does not guarantee that an active trading market for the Shares will develop following the [REDACTED] or that the Shares will always be [REDACTED] and [REDACTED] on GEM. There is no assurance to potential investors that an active trading market will develop or be maintained following the completion of the [REDACTED], or that the market price of the Shares will not decline below the [REDACTED].

The price and trading volume of the Shares may be highly volatile. Factors such as variations in the Group's revenue, earnings and cash flows and announcements of new investments, strategic alliances and/or acquisitions, fluctuations in market prices for products and services or fluctuations in market prices for comparable companies could cause the market price of the Shares to change substantially. Any such developments may result in large and sudden changes in the volume and price at which the Shares will trade.

In addition, shares of other comparable companies listed on GEM have experienced substantial price volatility in the past, and it is likely that from time to time, the Shares will be subject to changes in price that may not be directly related to the Group's financial or business performance.

4.2 Investors for the Shares will experience dilution and may experience further dilution if the Group issues additional Shares in the future

The Group may need to raise additional funds in the future to finance expansion of or new developments relating to its existing operations or new acquisitions. If additional funds are raised through the issuance of new equity or equity-linked securities of the Company other than on a pro-rata basis to the existing shareholders, the percentage ownership of such shareholders in the Company may be reduced or such new securities may confer rights and privileges that take priority over those conferred by the [REDACTED]. In addition, the exercise of options granted under the Share Option Scheme, if any, may have dilution effect to the existing shareholding.

4.3 Future sales by the Controlling Shareholders of a substantial number of the Shares disposals or dealings could materially and adversely affect the prevailing market price of the Shares

There is no assurance that the Controlling Shareholders will not dispose of or otherwise deal with their Shares following the expiration of their respective lock-up periods after completion of the [REDACTED]. The Group cannot predict the effect, if any, that any future disposals or dealings of Shares by any Controlling Shareholders, or the availability of Shares for disposals or dealings by any Controlling Shareholders may affect on the market price of the Shares. Disposals or dealings of substantial amounts of Shares by any Controlling Shareholders or the market perception that such disposals or dealings may occur, could materially and adversely affect the prevailing market price of the Shares.

5. RISKS RELATING TO STATEMENTS IN THIS DOCUMENT

5.1 Certain statistics and facts contained in this document have not been independently verified and should not be unduly relied upon

Certain statistics and facts in this document have been derived from various official government, publications and other sources, which may not be consistent with other information available. The Group believes that the sources of such information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. The Group has no reason to believe that such information is false or misleading in any material respect or that any information has been omitted that would render such information false or misleading in any material respect. The information has not been independently verified by the Group, the Sponsor, the [REDACTED], the [REDACTED], any of their respective directors, advisers, agents, officers or representatives or any other person involved in the [REDACTED] and no representation is given as to its accuracy. Due to possibly flawed or ineffective methods of data collection or discrepancies between published information and market practice, the statistics in this document may be inaccurate or may not be comparable to statistics produced with respect to other economies. Further, the Group cannot give assurance that they are stated or compiled on the same basis or with the same degree of accuracy elsewhere. Therefore, you should not unduly rely upon certain statistics derived from such official government and other publications contained in this document.

5.2 Forward-looking statements involve assumptions which may not materialise

This document contains forward-looking statements in respect of the Group's business objectives, future business plans and the Directors' expectation of the market trend and uses forward-looking terminology such as "anticipate", "believe", "expect", "may", "would", "should" or "will". Such forward-looking statements involve assumptions regarding the environment in which the Group will operate in future. There are also uncertainties, risks and other unforeseen factors which may cause the Group's actual performance or achievements to be materially different from the performance or achievements implied by the forward-looking statements.