NOT FOR PUBLICATION OR DISTRIBUTION OUTSIDE MALAYSIA

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF BISON CONSOLIDATED BERHAD ("BISON" OR THE "COMPANY") DATED 4 MARCH 2016 ("ELECTRONIC PROSPECTUS")

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

Website

The Electronic Prospectus can be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com (**"Website"**).

Availability and location of paper/printed Prospectus

Any applicant who is in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request a paper/printed copy of the Prospectus directly from the Company or Malaysian Issuing House Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus, subject to availability, from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

Prospective investors should note that the Application Forms are not available in electronic format.

Jurisdictional disclaimer

The distribution of the Electronic Prospectus and the IPO are subject to the laws of Malaysia. The Electronic Prospectus will not be distributed outside Malaysia. Bursa Securities, the Company, the Promoters, the Principal Adviser, the Managing Underwriter and the Sole Bookrunner named in the Electronic Prospectus have not authorised and take no responsibility for the distribution of the Electronic Prospectus outside of Malaysia. No action has been taken to permit a public offering of the Shares in any jurisdiction other than Malaysia based on this Electronic Prospectus. Accordingly, this Electronic Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe for or purchase any IPO Shares in any jurisdiction or in any circumstance in which such an offer is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. The distribution of this Electronic Prospectus and the sale of the IPO Shares in certain jurisdictions may be restricted by law. Persons who may be in possession of this Electronic Prospectus are required to inform themselves of and to observe such restrictions.

Close of application

Applications for the Retail Offering will open at **10.00 a.m. (Malaysian time)** on **4 March 2016** and will close at **5.00 p.m. (Malaysian time)** on **14 March 2016** or such other date(s) as the Directors of Bison and the Managing Underwriter in their absolute discretion may decide. The Electronic Prospectus made available on the Website after the closing of the application period is made available solely for informational and archiving purposes. No securities will be allotted or issued on the basis of the Electronic Prospectus after the closing of the application period.

Persons responsible for the internet site in which the Electronic Prospectus is posted

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

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

BISON

BISON CONSOLIDATED BERHAD

(Company No. 1039846-T)
(Incorporated in Malaysia under the Companies Act 1965)

INITIAL PUBLIC OFFERING OF 80,620,000 ORDINARY SHARES OF RM0.20 EACH IN BISON CONSOLIDATED BERHAD **("BISON")** **("IPO SHARES")** IN CONJUNCTION WITH THE LISTING OF AND QUOTATION FOR THE ENTIRE 310,070,000 ORDINARY SHARES OF RM0.20 EACH IN BISON, COMPRISING THE PUBLIC ISSUE WHICH ENCOMPASSES:

(I) INSTITUTIONAL OFFERING OF 62,316,500 IPO SHARES COMPRISING:

- 31,306,500 IPO SHARES TO MALAYSIAN INSTITUTIONAL AND SELECTED INVESTORS AT THE INSTITUTIONAL PRICE TO BE DETERMINED BY WAY OF BOOKBUILDING **("INSTITUTIONAL PRICE")**; AND
- 31,010,000 IPO SHARES TO BUMIPUTERA INSTITUTIONAL AND SELECTED INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY AT THE INSTITUTIONAL PRICE;

(II) RETAIL OFFERING OF 18,303,500 IPO SHARES COMPRISING:

- 15,503,500 IPO SHARES TO THE MALAYSIAN PUBLIC; AND
- 2,800,000 IPO SHARES MADE AVAILABLE TO THE ELIGIBLE PERSONS (AS DEFINED IN THIS PROSPECTUS);

AT THE RETAIL PRICE OF RM1.10 PER IPO SHARE **("RETAIL PRICE")**, PAYABLE IN FULL UPON APPLICATION AND SUBJECT TO REFUND OF THE DIFFERENCE BETWEEN THE FINAL RETAIL PRICE (AS DEFINED IN THIS PROSPECTUS) AND THE RETAIL PRICE IF THE FINAL RETAIL PRICE IS LESS THAN THE RETAIL PRICE. THE FINAL RETAIL PRICE WILL BE EQUAL TO THE INSTITUTIONAL PRICE PROVIDED THAT IT WILL NOT EXCEED THE RETAIL PRICE.

THE INSTITUTIONAL OFFERING AND THE RETAIL OFFERING ARE SUBJECT TO THE CLAWBACK AND REALLOCATION PROVISIONS AS DESCRIBED IN THIS PROSPECTUS.

PRINCIPAL ADVISER, MANAGING UNDERWRITER AND SOLE BOOKRUNNER

CIMB

CIMB Investment Bank Berhad (18417-M)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

PROSPECTUS

THIS PROSPECTUS IS DATED 4 MARCH 2016

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

FOR INFORMATION CONCERNING CERTAIN RISKS RELATING TO THE INVESTMENT IN OUR SHARES WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" IN SECTION 5 OF THIS PROSPECTUS.

THIS PROSPECTUS IS NOT TO BE DISTRIBUTED OUTSIDE OF MALAYSIA.

LISTING SOUGHT: MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD.

The real estate property depicted here does not belong to the Bison Group.

The following pages (a) to (c) set out a summarised overview of our business activities, corporate timeline, competitive advantages and key strengths, future plans and strategies, financial performance, store performance, methods of application and indicative timetable of our IPO. They should be read in conjunction with the full text of the relevant sections of this Prospectus. Meanings in capitalised terms may be found in the "Definitions" and "Glossary of Technical Abbreviations" sections of this Prospectus.

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

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH PROSPECTIVE INVESTORS SHOULD CONSIDER, SEE "RISK FACTORS" IN SECTION 5 OF THIS PROSPECTUS.

OVERVIEW *(See Sections 7.1 and 7.4 of this Prospectus)*

We are involved in the business of press and convenience retailing with principally 223 outlets under our main trade name of "myNEWS.com". We also operate 8 outlets under the trade name of "WHSmith" within Malaysian international airports pursuant to our equal joint venture with WH Smith Travel. WH Smith Travel is an indirect wholly-owned subsidiary of WH Smith PLC (UK), one of UK's leading retailers.

Over the years, we have grown from a single newsstand to our current chain of press and convenience outlets across Malaysia focused on urbanised high foot traffic areas. Our total outlets have grown at a CAGR of 17.8% over the 3 FYEs 31 October 2013 to 31 October 2015. We are currently the second largest retail convenience store industry player in Malaysia, with an estimated market share of 8.6% in terms of outlet numbers and 6.6% in terms of revenue in 2015 [(1)].

CORPORATE TIMELINE

(See Section 7.2 of this Prospectus)

1996
Opened 1st outlet located in 1 Utama Shopping Complex

1997
Launched "myNEWS.com" trade name and introduced our 1st contemporary press and convenience retail outlet

1999
Opened our 10th outlet

2007
Opened our 100th outlet

2009
"myNEWS.com" awarded "Most Promising Brand" and "BestBrands in Retail - Press Retailer" by The BrandLaureate SMEs BestBrands Award

2011
Our Managing Director, Dang Tai Luk was recognised with the Silver Award, Entrepreneur of the Year 2011 by The Star Outstanding Business Awards

2012
Equal joint venture with WH Smith Travel to set up and operate "WHSmith" outlets within Malaysian international airports

Opened our 150th outlet

2013
Bison Stores received the SME100 Awards - Malaysia's Fast Moving Companies for 5 consecutive years (2009 - 2013)

WH Smith Malaysia awarded with the Certificate of Recognition for Outstanding Brand Concept at klia2

2014
Opened our 200th outlet.

Bison Stores awarded Top 10 Ranking in the SME100 Awards Malaysia's Fast Moving Companies

2015
Bison Stores received the Retail Excellence Award under the Sin Chew Business Excellence Awards 2015

2016
Opened our 250th outlet

(1) Based on the IMR Report as set out in Section 8 of this Prospectus.

COMPETITIVE ADVANTAGES AND KEY STRENGTHS

(See Section 7.3.3 of this Prospectus)

FUTURE PLANS AND STRATEGIES *(See Section 7.3.4 of this Prospectus)*

Growing revenue & optimising margin

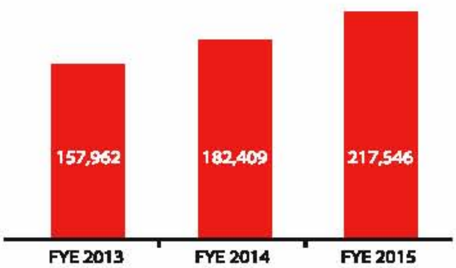
- **Expansion of our network of outlets**
- **Continuous enhancement, diversification and improvement of our product and service offerings**

Improving business functions & back-end operations

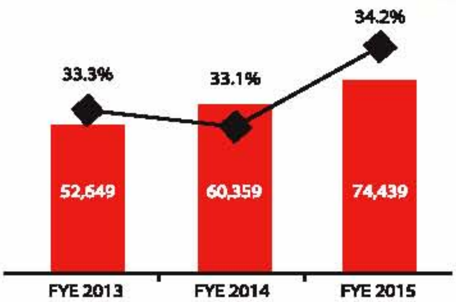
- **Improve nationwide logistics capabilities by establishing additional distribution centre, food preparation and packaging facility and transport equipment**
- **Improve IT software and capabilities to cater for our expansion and reporting requirements**

FINANCIAL PERFORMANCE *(See Section 12.1 of this Prospectus)*

REVENUE
(RM'000)



GROSS PROFIT
(RM'000)

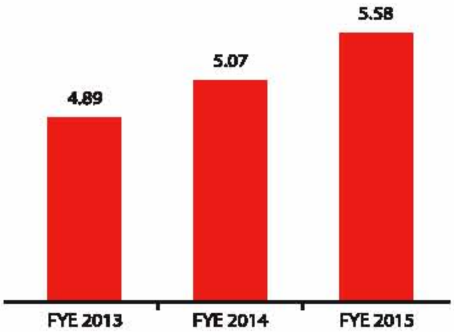


PROFIT AFTER TAX
(RM'000)

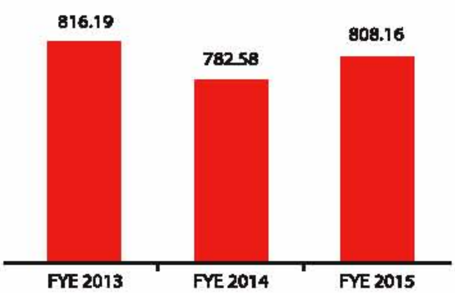
(1) Include gain on disposal of properties of RM6.16 million. Excluding the gain, the PAT and PAT margin are RM11.7 million and 7.4% respectively.

STORE PERFORMANCE *(See Sections 12.3 and 12.4 of this Prospectus)*

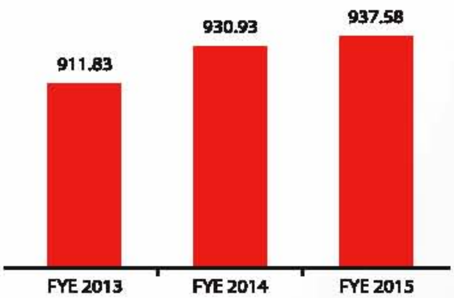
Average Retail Sales Per Transaction
(RM)



Average Retail Sales Per Outlet
(RM'000)



Average Same-Store (2) Retail Sales Per Outlet
(RM'000)



("FYE" denotes the financial year ended 31 October)

(2) Refer to the 138 outlets that were in continuous operation throughout the 3 FYEs 31 October 2013 to 31 October 2015

METHODS OF APPLICATION *(See Section 16.2.1 of this Prospectus)*

Type of Application Form		Category of Investors
WHITE Application Form or Electronic Share Application or Internet Share Application	⟷	Malaysian Public (for individuals)
WHITE Application Form only	⟷	Malaysian Public (for non-individuals e.g. corporations, institutions, etc.)
PINK Application Form only	⟷	Eligible Persons

INDICATIVE TIMETABLE *(See page iv of this Prospectus)*

10:00 AM, 4 March 2016	Issuance of Prospectus / Opening of the Retail Offering
05:00 PM, 14 March 2016	Closing of the Retail Offering
29 March 2016	Listing

OUR DIRECTORS AND THE PROMOTERS HAVE SEEN AND APPROVED THIS PROSPECTUS. THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION IN THIS PROSPECTUS. HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THEY CONFIRM THAT, THERE IS NO FALSE OR MISLEADING STATEMENT OR OTHER FACTS WHICH IF OMITTED, WOULD MAKE ANY STATEMENT IN THIS PROSPECTUS FALSE OR MISLEADING.

CIMB INVESTMENT BANK BERHAD ("**CIMB**") BEING THE PRINCIPAL ADVISER, MANAGING UNDERWRITER AND SOLE BOOKRUNNER IN RELATION TO OUR INITIAL PUBLIC OFFERING ("**IPO**") ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION, AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS IN CONNECTION WITH OUR IPO.

THE SECURITIES COMMISSION MALAYSIA ("**SC**") HAS APPROVED OUR IPO AND A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SC. THE APPROVAL AND REGISTRATION OF THIS PROSPECTUS SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS OUR IPO OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE OR OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. THE SC HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF OUR SHARES BEING OFFERED FOR INVESTMENT.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON OUR PART IN THIS PROSPECTUS BY US. THE SC ALSO TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF OUR IPO AND AN INVESTMENT IN OUR SHARES. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD IMMEDIATELY CONSULT YOUR STOCKBROKERS, BANK MANAGERS, SOLICITORS, ACCOUNTANTS OR OTHER PROFESSIONAL ADVISERS BEFORE APPLYING FOR OUR SHARES.

OUR COMPANY HAD ON 20 JANUARY 2016 OBTAINED THE APPROVAL OF BURSA MALAYSIA SECURITIES BERHAD ("**BURSA SECURITIES**") FOR THE LISTING OF AND QUOTATION FOR THE ENTIRE ENLARGED ISSUED AND PAID-UP ORDINARY SHARES OF RM0.20 EACH IN OUR COMPANY ("**SHARES**"). OUR ADMISSION TO THE OFFICIAL LIST OF BURSA SECURITIES IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF OUR IPO, OUR COMPANY OR OUR SHARES.

A COPY OF THIS PROSPECTUS, TOGETHER WITH THE APPLICATION FORMS, HAS ALSO BEEN LODGED WITH THE REGISTRAR OF COMPANIES OF MALAYSIA, WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

YOU ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS PROSPECTUS IS DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CAPITAL MARKETS AND SERVICES ACT 2007 ("**CMSA**").

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING OUR IPO FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

YOU SHOULD NOTE THAT ANY AGREEMENT BY THE MANAGING UNDERWRITER NAMED IN THIS PROSPECTUS TO UNDERWRITE OUR SHARES UNDER THE RETAIL OFFERING IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF OUR SHARES BEING OFFERED.

THIS PROSPECTUS HAS BEEN PREPARED IN THE CONTEXT OF AN IPO UNDER THE LAWS OF MALAYSIA. IT DOES NOT COMPLY WITH THE LAWS OF ANY JURISDICTION OTHER THAN MALAYSIA AND HAS NOT BEEN AND WILL NOT BE LODGED, REGISTERED OR APPROVED PURSUANT TO OR UNDER ANY APPLICABLE SECURITIES OR EQUIVALENT LEGISLATION OR BY ANY REGULATORY AUTHORITY OF ANY JURISDICTION OTHER THAN MALAYSIA.

THE DISTRIBUTION OF THIS PROSPECTUS AND OUR IPO ARE SUBJECT TO THE LAWS OF MALAYSIA. THIS PROSPECTUS WILL NOT BE DISTRIBUTED OUTSIDE MALAYSIA. OUR COMPANY, THE PROMOTERS, PRINCIPAL ADVISER, MANAGING UNDERWRITER AND SOLE BOOKRUNNER NAMED IN THIS PROSPECTUS HAVE NOT AUTHORISED AND TAKE NO RESPONSIBILITY FOR THE DISTRIBUTION OF THIS PROSPECTUS OUTSIDE OF MALAYSIA. NO ACTION HAS BEEN TAKEN TO PERMIT A PUBLIC OFFERING OF OUR SHARES IN ANY JURISDICTION OTHER THAN MALAYSIA BASED ON THIS PROSPECTUS. ACCORDINGLY, THIS PROSPECTUS MAY NOT BE USED FOR THE PURPOSE OF AND DOES NOT CONSTITUTE AN OFFER FOR SUBSCRIPTION OR PURCHASE OR INVITATION TO SUBSCRIBE FOR OR PURCHASE ANY IPO SHARES IN ANY JURISDICTION OR IN ANY CIRCUMSTANCE IN WHICH SUCH AN OFFER IS NOT AUTHORISED OR LAWFUL OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION. THE DISTRIBUTION OF THIS PROSPECTUS AND THE SALE OF OUR IPO SHARES IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. PERSONS WHO MAY BE IN POSSESSION OF THIS PROSPECTUS ARE REQUIRED TO INFORM THEMSELVES OF AND TO OBSERVE SUCH RESTRICTIONS.

THIS PROSPECTUS IS PUBLISHED SOLELY IN CONNECTION WITH OUR IPO. OUR SHARES BEING OFFERED IN THE IPO ARE OFFERED SOLELY ON THE BASIS OF THE INFORMATION CONTAINED AND REPRESENTATIONS MADE IN THIS PROSPECTUS. OUR COMPANY, THE PROMOTERS, PRINCIPAL ADVISER, MANAGING UNDERWRITER AND SOLE BOOKRUNNER HAVE NOT AUTHORISED ANYONE TO PROVIDE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS PROSPECTUS. ANY INFORMATION OR REPRESENTATION NOT CONTAINED IN THIS PROSPECTUS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY OUR COMPANY, THE PROMOTERS, PRINCIPAL ADVISER, MANAGING UNDERWRITER AND SOLE BOOKRUNNER, OR ANY OF THEIR RESPECTIVE DIRECTORS OR ANY OTHER PERSONS INVOLVED IN OUR IPO.

THIS PROSPECTUS CAN BE VIEWED OR DOWNLOADED FROM THE WEBSITE OF BURSA SECURITIES AT www.bursamalaysia.com.

ELECTRONIC PROSPECTUS

THE CONTENTS OF THE ELECTRONIC PROSPECTUS AND THE COPY OF THIS PROSPECTUS REGISTERED WITH THE SC ARE THE SAME. YOU MAY OBTAIN A COPY OF THE ELECTRONIC PROSPECTUS FROM THE WEBSITE OF CIMB INVESTMENT BANK BERHAD AT www.eipocimb.com, CIMB BANK BERHAD AT www.cimbclicks.com.my, AFFIN BANK BERHAD AT www.affinOnline.com, AFFIN HWANG INVESTMENT BANK BERHAD AT trade.affinhwang.com, MALAYAN BANKING BERHAD AT www.maybank2u.com.my, RHB BANK BERHAD AT www.rhbgroup.com AND PUBLIC BANK BERHAD AT www.pbebank.com.

THE INTERNET IS NOT A FULLY SECURE MEDIUM. YOUR INTERNET SHARE APPLICATION (AS DEFINED HERE IN THIS PROSPECTUS) MAY BE SUBJECT TO RISKS IN DATA TRANSMISSION, COMPUTER SECURITY THREATS SUCH AS VIRUSES, HACKERS AND CRACKERS, FAULTS WITH COMPUTER SOFTWARE AND OTHER EVENTS BEYOND THE CONTROL OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS. THESE RISKS CANNOT BE BORNE BY THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS. IF YOU DOUBT THE VALIDITY OR INTEGRITY OF AN ELECTRONIC PROSPECTUS, YOU SHOULD IMMEDIATELY REQUEST FROM OUR COMPANY OR THE ISSUING HOUSE, A PAPER/PRINTED COPY OF THIS PROSPECTUS. IF THERE IS ANY DISCREPANCY BETWEEN THE CONTENTS OF THE ELECTRONIC PROSPECTUS AND THE PAPER/PRINTED COPY OF THIS PROSPECTUS, THE CONTENTS OF THE PAPER/PRINTED COPY OF THIS PROSPECTUS WHICH ARE IDENTICAL TO THE COPY OF THE PROSPECTUS REGISTERED WITH THE SC SHALL PREVAIL.

IN RELATION TO ANY REFERENCE IN THIS PROSPECTUS TO THIRD PARTY INTERNET SITES (REFERRED TO AS "**THIRD PARTY INTERNET SITES**"), WHETHER BY WAY OF HYPERLINKS OR BY WAY OF DESCRIPTION OF THE THIRD PARTY INTERNET SITES, YOU ACKNOWLEDGE AND AGREE THAT:

(I) WE DO NOT ENDORSE AND ARE NOT AFFILIATED IN ANY WAY TO THE THIRD PARTY INTERNET SITES. ACCORDINGLY, WE ARE NOT RESPONSIBLE FOR THE AVAILABILITY OF OR THE CONTENT OR ANY DATA, FILES OR OTHER MATERIAL PROVIDED ON THE THIRD PARTY INTERNET SITES. YOU BEAR ALL RISKS ASSOCIATED WITH THE ACCESS TO OR USE OF THE THIRD PARTY INTERNET SITES;

(II) WE ARE NOT RESPONSIBLE FOR THE QUALITY OF PRODUCTS OR SERVICES IN THE THIRD PARTY INTERNET SITES, PARTICULARLY IN FULFILLING ANY TERMS OF ANY OF YOUR AGREEMENTS WITH THE THIRD PARTY INTERNET SITES. WE ARE ALSO NOT RESPONSIBLE FOR ANY LOSS OR DAMAGE OR COST THAT YOU MAY SUFFER OR INCUR IN CONNECTION WITH OR AS A RESULT OF DEALING WITH THE THIRD PARTY INTERNET SITES OR THE USE OF OR RELIANCE ON ANY DATA, FILE OR OTHER MATERIAL PROVIDED BY SUCH PARTIES; AND

(III) ANY DATA, FILE OR OTHER MATERIAL DOWNLOADED FROM THE THIRD PARTY INTERNET SITES IS DONE AT YOUR OWN DISCRETION AND RISK. WE ARE NOT RESPONSIBLE, LIABLE OR UNDER OBLIGATION FOR ANY DAMAGE TO YOUR COMPUTER SYSTEMS OR LOSS OF DATA RESULTING FROM THE DOWNLOADING OF ANY SUCH DATA, INFORMATION, FILE OR OTHER MATERIAL.

WHERE AN ELECTRONIC PROSPECTUS IS HOSTED ON THE WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION, YOU ARE ADVISED THAT:

(I) THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS ONLY LIABLE IN RESPECT OF THE INTEGRITY OF THE CONTENTS OF AN ELECTRONIC PROSPECTUS, TO THE EXTENT OF THE CONTENT OF THE ELECTRONIC PROSPECTUS ON THE WEB SERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION WHICH MAY BE VIEWED VIA YOUR WEB BROWSER OR OTHER RELEVANT SOFTWARE. THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS NOT RESPONSIBLE FOR THE INTEGRITY OF THE CONTENTS OF AN ELECTRONIC PROSPECTUS WHICH HAS BEEN OBTAINED FROM THE WEB SERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION AND SUBSEQUENTLY COMMUNICATED OR DISSEMINATED IN ANY MANNER TO YOU OR OTHER PARTIES; AND

(II) WHILE ALL REASONABLE MEASURES HAVE BEEN TAKEN TO ENSURE THE ACCURACY AND RELIABILITY OF THE INFORMATION PROVIDED IN AN ELECTRONIC PROSPECTUS, THE ACCURACY AND RELIABILITY OF AN ELECTRONIC PROSPECTUS CANNOT BE GUARANTEED BECAUSE THE INTERNET IS NOT A FULLY SECURE MEDIUM.

THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS NOT LIABLE (WHETHER IN TORT OR CONTRACT OR OTHERWISE) FOR ANY LOSS, DAMAGE OR COSTS, THAT YOU OR ANY OTHER PERSON MAY SUFFER OR INCUR DUE TO, AS A CONSEQUENCE OF OR IN CONNECTION WITH ANY INACCURACIES, CHANGES, ALTERATIONS, DELETIONS OR OMISSIONS IN RESPECT OF THE INFORMATION PROVIDED IN AN ELECTRONIC PROSPECTUS WHICH MAY ARISE IN CONNECTION WITH OR AS A RESULT OF ANY FAULT WITH WEB BROWSERS OR OTHER RELEVANT SOFTWARE, ANY FAULT ON YOUR OR ANY THIRD PARTY'S PERSONAL COMPUTERS, OPERATING SYSTEM OR OTHER SOFTWARE, VIRUSES OR OTHER SECURITY THREATS, UNAUTHORISED ACCESS TO INFORMATION OR SYSTEMS IN RELATION TO THE WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION, AND/OR PROBLEMS OCCURRING DURING DATA TRANSMISSION WHICH MAY RESULT IN INACCURATE OR INCOMPLETE COPIES OF INFORMATION BEING DOWNLOADED OR DISPLAYED ON YOUR PERSONAL COMPUTER.

(The rest of this page has been intentionally left blank)

INDICATIVE TIMETABLE

An indicative timetable for our IPO is set out below:

Events	Date
Opening of the Institutional Offering	4 March 2016
Issuance of Prospectus / Opening of the Retail Offering	10.00 a.m., 4 March 2016
Closing of the Retail Offering	5.00 p.m., 14 March 2016
Closing of the Institutional Offering	15 March 2016
Price Determination Date	15 March 2016
Balloting of applications for our IPO Shares offered under the Retail Offering	16 March 2016
Allotment of our IPO Shares to successful applicants	25 March 2016
Listing	29 March 2016

Applications for the Retail Offering will open and close on the dates stated above or such other date(s) as our Directors and the Managing Underwriter in their absolute discretion may decide. The Institutional Offering will open and close on the dates stated above or such other date(s) as our Directors and the Sole Bookrunner in their absolute discretion may decide.

If the closing date and/or time of either the Institutional Offering or the Retail Offering is extended, the Price Determination Date and dates for the balloting and allotment of our IPO Shares, and our Listing will be extended accordingly. Any such extension will be announced by us in a widely circulated Bahasa Malaysia and English daily newspaper within Malaysia.

All terms used are defined under "Presentation of Financial and Other Information", "Definitions" and the "Glossary of Technical Abbreviations" commencing on pages ix, xii and xvi respectively.

(The rest of this page has been intentionally left blank)

CONTENTS

CONTENTS *(cont'd)*

CONTENTS *(cont'd)*

CONTENTS *(cont'd)*

(The rest of this page has been intentionally left blank)

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to "our Company" or "Bison" in this Prospectus are to Bison Consolidated Berhad. All references to "our Group" or "Bison Group" in this Prospectus are to our Company and our subsidiaries, taken as a whole. References to "we", "us", "our" and "ourselves" are to our Company and where the context requires, our Company and our subsidiaries.

In this Prospectus, references to the "Government" are to the Government of Malaysia; and references to "RM" and "sen" are to the lawful currency of Malaysia. Any discrepancies in the tables included in this Prospectus between the amounts listed and totals thereof are due to rounding. Other abbreviations used here are defined in the "Definitions" and "Glossary of Technical Abbreviations" sections appearing on pages xii to xvi of this Prospectus. Words denoting the singular only shall include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender and vice versa. Reference to persons shall include corporations.

Any reference to any provisions of the statutes, rules, regulations, enactments or rules of stock exchange shall (where the context admits), be construed as a reference to provisions of such statutes, rules, regulations, enactments or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactments to the statutes, rules, regulations, enactments or rules of stock exchange for the time being in force.

Any reference to a time or date shall be a reference to a time or date in Malaysia, unless otherwise stated.

References to the "LPD" in this Prospectus are to 10 February 2016, which is the latest practicable date for certain information to be obtained and disclosed in this Prospectus prior to the registration of this Prospectus with the SC.

This Prospectus includes statistical data provided by us and various third parties and cites third party projections regarding growth and performance of the industries in which we operate. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is acknowledged in this Prospectus, provided that where no source is acknowledged, it can be assumed that the information originates from us. In particular, certain information in this Prospectus is extracted or derived from the report prepared by Smith Zander International Sdn Bhd, an independent industry analyst, for inclusion in this Prospectus. We believe that the statistical data and projections cited in this Prospectus are useful in helping you understand the major trends in the market and industry in which we operate. However, we, our Directors, our Promoters, Principal Adviser, Managing Underwriter and Sole Bookrunner have not independently verified these data and projections. None of our Company, our Directors, our Promoters, Principal Adviser, Managing Underwriter and Sole Bookrunner make any representation as to the correctness, accuracy or completeness of such data and projections and accordingly, you should not place undue reliance on the statistical data and projections cited in this Prospectus. Further, third party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. No assurances are or can be given that the estimated figures will be achieved, and you should not place undue reliance on the third party projections cited in this Prospectus.

EBITDA as well as its related ratio presented in this Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with MFRS or IFRS. EBITDA and its related ratio are not measurements of financial performance or liquidity under MFRS or IFRS and should not be considered as alternatives to net income, operating income or any other performance measures derived in accordance with MFRS or IFRS or as alternatives to cash flows from operating activities or as measures of liquidity. In addition, EBITDA is not a standardised term, hence a direct comparison between companies using such a term may not be possible as other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure.

We believe that EBITDA facilitates comparisons of operating performance from period to period and company to company (on the assumption that they are derived consistently by the companies) by eliminating potential differences caused by variations in capital structures (affecting interest expense and finance charges), tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses), the age and booked depreciation and amortisation of assets (affecting relative depreciation and amortisation expenses). EBITDA has been presented because we believe that it is frequently used by securities analysts, investors and other interested parties in evaluating companies. Finally, EBITDA is presented as a supplemental measure of our ability to service debt. Nevertheless, EBITDA has limitations as an analytical tool and potential investors should not consider it in isolation from, or as a substitute for analysis of our financial condition or results of operations, as reported under MFRS and IFRS and presented in Section 12 of this Prospectus. Due to these limitations, EBITDA should not be considered as a measure of discretionary cash available to invest in the growth of our business.

The information on our website or any website, directly or indirectly, linked to our website does not form part of this Prospectus and you should not rely on it. If there is any discrepancy between the contents of such website relating to our Group and this Prospectus, the information contained in this Prospectus shall prevail.

(The rest of this page has been intentionally left blank)

FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Company for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future result, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. Forward-looking statements can be identified by the use of forward-looking terminology such as the words "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast" or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- our future overall business development and operations;
- our financial performance and financing plans including earnings, cash flow and liquidity;
- potential growth opportunities;
- our business strategies, trends and competitive position and the effects of such competition;
- the plans and objectives of our Company for future operations;
- the general industry environment, including the demand and supply for our products and services; and
- the regulatory environment and the effects of future regulation.

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

- the expansion rate of our chain of outlets and the rollout of our planned products and services;
- continued availability of capital and financing;
- taxes and duties;
- the competitive environment of the industry in which we operate;
- the activities and financial health of our suppliers and other business partners;
- the general economic and business conditions;
- fluctuations in demand and supply for the products and services that we provide, which have an impact on same-store growth;
- delays, cost escalation, shortages in skilled and unskilled resources or other changes that impact the execution of our enhancements and expansion plans;
- rental rates of our outlets;
- utility rates; and
- future regulatory or government policy changes affecting us or the industry in which we operate.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed elsewhere in Section 5 of this Prospectus on "Risk factors" and Section 12.3 of this Prospectus on "Significant factors affecting our Group's operating and financial results". We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the LPD.

Save as required under Section 238(1) of the CMSA and Paragraph 1.02 of the Prospectus Guidelines (Supplementary and Replacement Prospectus), we expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained in this Prospectus to reflect any changes in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

DEFINITIONS

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

Acquisitions	:	Collectively, the acquisitions of Bison Stores, Eemerge, Kukuh and Bison Foods by our Company as further detailed in Section 6.2 of this Prospectus
Act	:	Companies Act 1965
ADA	:	Authorised Depository Agent
Application Form(s)	:	Application form(s) for the application of our IPO Shares under the Retail Offering accompanying this Prospectus
Articles	:	Articles of Association of our Company
ATM	:	Automated teller machine
Bison DC	:	Central distribution centre and warehouse of our Group known as the Bison Distribution Centre, which is located at Rawang Integrated Industrial Park, Selangor
Bison Group or our Group	:	Collectively, Bison and our subsidiaries
Bison or Company	:	Bison Consolidated Berhad
Bisonet System	:	Our retail outlet operations system as further described in Section 7.7.1 of this Prospectus
BNM	:	Bank Negara Malaysia
Board or Board of Directors	:	The Board of Directors of our Company
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
CAGR	:	Compound annual growth rate
CCC	:	Certificate of completion and compliance
CCTV	:	Closed circuit television
CDS	:	Central Depository System
CF	:	Certificate of fitness for occupation
CIMB or Principal Adviser	:	CIMB Investment Bank Berhad
CMSA	:	Capital Markets and Services Act 2007
D&D Consolidated	:	D&D Consolidated Sdn Bhd
Director(s)	:	Member(s) of our Board
DTG	:	Dang Tai Gean
DTH	:	Dang Tai Hock
DTK	:	Dang Tai Kien
DTL	:	Dang Tai Luk
DTW	:	Dang Tai Wen
EBITDA	:	Earnings before interest (finance cost), tax expenses, depreciation and amortisation
Electronic Prospectus	:	A copy of this Prospectus that is issued, circulated or disseminated via the internet, and/or any electronic storage medium, including but not limited to CD-ROMs (compact disc read-only memory)

Electronic Share Application	:	Application for our IPO Shares made available to the Malaysian Public under the Retail Offering through a Participating Financial Institution's ATM
Eligible Persons	:	Collectively, (i) the eligible Directors; (ii) the eligible employees; and (iii) the eligible persons who have contributed to the success of our Group, who have been allocated with our IPO Shares in the manner set out in Section 4.3.3 of this Prospectus
EPS	:	Earnings per share
Executive Directors	:	Executive directors of Bison, namely DTL, DTW and DTH
Final Retail Price	:	The final price per IPO Share offered equivalent to the Institutional Price which is to be determined on the Price Determination Date, provided that it will not exceed the Retail Price nor be lower than the par value of our Shares
FYE	:	Financial year ended / ending
GDP	:	Gross domestic product
GPS	:	Global positioning system
HQ	:	Our head office which is located at 258–259, Jalan KIP 4, KIP Industrial Park, 52200 Kuala Lumpur
IFRS	:	International Financial Reporting Standards, as issued by the International Accounting Standards Board
IMR Report	:	Executive summary of the Independent Market Research Report dated 22 February 2016, as set out in Section 8 of this Prospectus
Institutional Offering	:	Offering of 62,316,500 IPO Shares at the Institutional Price comprising: (i) 31,306,500 IPO Shares to Malaysian institutional and selected investors; and (ii) 31,010,000 IPO Shares to Bumiputera institutional and selected investors approved by MITI, subject to clawback and reallocation provisions
Institutional Price	:	Price per IPO Share to be paid by investors pursuant to the Institutional Offering which will be determined on the Price Determination Date by way of bookbuilding
Internet Participating Financial Institution(s)	:	The participating financial institution(s) for Internet Share Applications, which is set out in Section 16 of this Prospectus
Internet Share Application	:	Application for our IPO Shares under the Retail Offering through an Internet Participating Financial Institution
IPC	:	Intellectual Property Corporation of Malaysia
IPO	:	Initial public offering of 80,620,000 IPO Shares, comprising the Institutional Offering and the Retail Offering
IPO Shares	:	The new Shares to be issued pursuant to the Public Issue
Issuing House	:	Malaysian Issuing House Sdn Bhd
IT	:	Information technology
Key Management	:	Key management personnel of our Group comprising our Executive Directors, Ong Chee Jern, Steven Koh, Zainora Binti Zainal Abidin and Chang Wei Lin
KLIA	:	Kuala Lumpur International Airport
klia2	:	Kuala Lumpur International Airport 2

Listing	:	Listing of and quotation for 310,070,000 Shares representing the entire enlarged issued and paid-up share capital of our Company on the Main Market
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	10 February 2016, being the latest practicable date prior to the registration of this Prospectus with the SC
Main Market	:	Main Market of Bursa Securities
Malaysian Public	:	Malaysian citizens, companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
Managing Underwriter	:	CIMB
Market Day	:	A day on which Bursa Securities is open for trading in securities
MDeC	:	Multimedia Development Corporation Sdn Bhd
MDTCC	:	Ministry of Domestic Trade, Co-operatives and Consumerism of Malaysia
Memorandum and Articles	:	Memorandum and Articles of Association of our Company
MFRS	:	Malaysian Financial Reporting Standards as issued by the Malaysian Accounting Standards Board
MITI	:	Ministry of International Trade and Industry of Malaysia
MOHA	:	Ministry of Home Affairs of Malaysia
MSC	:	Multimedia Super Corridor
N/A	:	Not applicable
NA	:	Net assets
NBV	:	Net book value
NTA	:	Net tangible assets
Official List	:	A list specifying all securities which have been admitted for listing and which have not been removed from the Main Market
Participating Financial Institution(s)	:	The participating financial institution(s) for Electronic Share Applications, which is set out in Section 16 of this Prospectus
PAT	:	Profit after taxation
PBT	:	Profit before taxation
Placement Agreement	:	Placement agreement to be entered into between our Company and the Sole Bookrunner in relation to the placement of 62,316,500 IPO Shares under the Institutional Offering
PPE	:	Property, plant and equipment
Price Determination Date	:	Date on which the Institutional Price and the Final Retail Price will be determined
Promoters	:	D&D Consolidated, DTL, DTH, DTW, DTK and DTG
Public Issue	:	Public issue of 80,620,000 IPO Shares comprising the Institutional Offering and the Retail Offering
Retail Offering	:	Offering of 18,303,500 IPO Shares, subject to clawback and reallocation provisions, at the Retail Price comprising of 15,503,500 IPO Shares made available to the Malaysian Public, of which 50% are reserved for subscription by Bumiputera public and 2,800,000 IPO Shares made available to Eligible Persons

Retail Price	:	Initial price of RM1.10 per IPO Share to be fully paid by applicants pursuant to the Retail Offering subject to the adjustment as set out in Section 4.4.3 of this Prospectus
Retail Underwriting Agreement	:	Retail underwriting agreement entered into between our Company and our Managing Underwriter on 22 February 2016 in relation to the Retail Offering
SC	:	Securities Commission Malaysia
Share Registrar	:	Symphony Share Registrars Sdn Bhd
Shares	:	Ordinary shares of RM0.20 each in our Company
SICDA	:	Securities Industry (Central Depositories) Act 1991
Sole Bookrunner	:	CIMB
Substantial Shareholder(s)	:	D&D Consolidated, DTL, DTH, DTW and DTK, being persons who respectively have an interest in our Shares, the nominal amount of which is not less than 5% of the aggregate nominal amount of all the voting shares of our Company
sq. ft.	:	Square feet
sq. m.	:	Square metre
UK	:	United Kingdom
WH Smith Travel	:	WH Smith Travel Limited
WMS	:	Warehouse management system used at our Bison DC as further described in Section 7.7.2 of this Prospectus
WU Malaysia	:	Western Union Payments (Malaysia) Sdn Bhd

CURRENCY

RM and sen	:	Ringgit Malaysia and sen, the lawful currency of Malaysia

SUBSIDIARIES OF OUR COMPANY

Bison Foods	:	Bison Foods Sdn Bhd
Bison Stores	:	Bison Stores Sdn Bhd
Eemerge	:	Eemerge Incorporated Sdn Bhd
Kukuh	:	Kukuh Network Sdn Bhd

SUBSIDIARIES OF BISON STORES

DKE	:	DKE Technology Sdn Bhd
Nadi Minda	:	Nadi Minda Sdn Bhd

ASSOCIATE OF BISON STORES

WH Smith Malaysia	:	WH Smith Malaysia Sdn Bhd

(The rest of this page has been intentionally left blank)

GLOSSARY OF TECHNICAL ABBREVIATIONS

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

Brand equity	:	The commercial value that derives from positive consumer perception of the recognisable name of a particular product or service. In the case of our Group, our brand equity refers to our trade name of "myNEWS.com".
Convenience food	:	Ready meals or snacks which are pre-cooked and packaged in disposable form that require minimal preparation (typically just reheating) to be consumed. Such ready meals or snacks can either be chilled or frozen.
Merchandise Planogram	:	A visual schematic that provides in detail where merchandise in a retail outlet is planned to be placed within the outlet's layout, and also illustrates the facings which are allocated for each SKU.
POS	:	Point-of-sale
Press and convenience retailing	:	A form of retailing activity that combines the sale of both print media, convenience retail products and consumer services as detailed in Section 7.5.1 of this Prospectus.
Product principal	:	Manufacturer or principal supplier (as the case may be) of a SKU or a type of SKU(s).
SKU(s)	:	Stock keeping unit(s), a distinct item for sale, such as a product or service and includes all attributes associated with that item which distinguishes it from other items (including but not limited to items of similar nature such as material, size, colour, packaging, etc.).

(The rest of this page has been intentionally left blank)

1. CORPORATE DIRECTORY

DIRECTORS

Name	Address	Nationality	Profession
Ding Lien Bing *(Independent Non-Executive Chairman)*	89 Jalan SS 1/23 Kampung Tunku 47300 Petaling Jaya Selangor Darul Ehsan Malaysia	Malaysian	Director
Dang Tai Luk *(Non-Independent Executive Director)*	A 1-29-2 Bukit Utama 1 Changkat Bukit Utama Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan Malaysia	Malaysian	Managing Director
Dang Tai Wen *(Non-Independent Executive Director)*	B-501 Palm Spring @ Damansara Jalan PJU 3/29 Section 13 Kota Damansara 47810 Petaling Jaya Selangor Darul Ehsan Malaysia	Malaysian	Chief Operating Officer
Dang Tai Hock *(Non-Independent Executive Director)*	A 1-29-2 Bukit Utama 1 Changkat Bukit Utama Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan Malaysia	Malaysian	Director – F&B *(food & beverage)*
Soon Dee Hwee *(Independent Non-Executive Director)*	C-36-8, 9 Bukit Utama 9 Persiaran Bukit Utama Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan Malaysia	Malaysian	Director
Mohd Suffian Bin Suboh *(Independent Non-Executive Director)*	9 Jalan PJU 7/30 Mutiara Damansara 47810 Petaling Jaya Selangor Darul Ehsan Malaysia	Malaysian	Businessman

(The rest of this page has been intentionally left blank)

1. CORPORATE DIRECTORY *(cont'd)*

AUDIT COMMITTEE

Name	Designation	Directorship
Soon Dee Hwee	Chairman	Independent Non-Executive Director
Ding Lien Bing	Member	Independent Non-Executive Chairman
Mohd Suffian Bin Suboh	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Mohd Suffian Bin Suboh	Chairman	Independent Non-Executive Director
Dang Tai Luk	Member	Non-Independent Executive Director
Soon Dee Hwee	Member	Independent Non-Executive Director

NOMINATING COMMITTEE

Name	Designation	Directorship
Ding Lien Bing	Chairman	Independent Non-Executive Chairman
Soon Dee Hwee	Member	Independent Non-Executive Director
Mohd Suffian Bin Suboh	Member	Independent Non-Executive Director

COMPANY SECRETARY : Ng Yim Kong (LS0009297)
Unit 07-02, Level 7, Persoft Tower
6B Persiaran Tropicana
Tropicana Golf & Country Resort
47410 Petaling Jaya
Selangor Darul Ehsan
Malaysia

REGISTERED OFFICE : Unit 07-02, Level 7, Persoft Tower
6B Persiaran Tropicana
Tropicana Golf & Country Resort
47410 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Tel No. : +603 7804 5929
Fax No. : +603 7805 2559

HEAD / MANAGEMENT OFFICE : 258-259, Jalan KIP 4
KIP Industrial Park
52200 Kuala Lumpur
Malaysia

Tel No. : +603 6273 6366
Fax No. : +603 6277 4911
E-mail : bison@mynews.com.my
Website : www.bisonconsolidated.com

1. CORPORATE DIRECTORY *(cont'd)*

PRINCIPAL BANKERS (in alphabetical order)	:	CIMB Bank Berhad 19th Floor Menara Bumiputra-Commerce 11 Jalan Raja Laut 50350 Kuala Lumpur Malaysia Tel No. : +603 2619 1188 Fax No. : +603 2619 2288 United Overseas Bank (Malaysia) Bhd No. 82 1st Floor Jalan 3/62D Medan Putra Business Centre Sri Menjalara off Jalan Damansara 52200 Kuala Lumpur Malaysia Tel No. : +603 6286 6888 Fax No. : +603 6275 3668
AUDITORS AND REPORTING ACCOUNTANTS	:	SJ Grant Thornton (AF:0737) Level 11 Sheraton Imperial Court Jalan Sultan Ismail 50250 Kuala Lumpur Malaysia Tel No. : +603 2692 4022 Fax No. : +603 2691 5229
LEGAL ADVISERS	:	*To the Company* Cheang & Ariff 39 Court @ Loke Mansion 273A Jalan Medan Tuanku 50300 Kuala Lumpur Malaysia Tel No. : +603 2691 0803 Fax No. : +603 2692 8533
	:	*To the Managing Underwriter and Sole Bookrunner* Zaid Ibrahim & Co. Level 19 Menara Milenium Jalan Damanlela Pusat Bandar Damansara 50490 Kuala Lumpur Malaysia Tel No. : +603 2087 9999 Fax No. : +603 2094 4666/4888

1. CORPORATE DIRECTORY *(cont'd)*

PRINCIPAL ADVISER, MANAGING UNDERWRITER AND SOLE BOOKRUNNER	:	CIMB Investment Bank Berhad 17th Floor Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia Tel No. : +603 2261 8888 Fax No. : +603 2261 8889
ISSUING HOUSE	:	Malaysian Issuing House Sdn Bhd Level 6, Symphony House Pusat Dagangan Dana 1 Jalan PJU 1A/46 47301 Petaling Jaya Selangor Darul Ehsan Malaysia Tel No. : +603 7841 8000 Fax No. : +603 7841 8150
SHARE REGISTRAR	:	Symphony Share Registrars Sdn Bhd Level 6, Symphony House Pusat Dagangan Dana 1 Jalan PJU 1A/46 47301 Petaling Jaya Selangor Darul Ehsan Malaysia Tel No. : +603 7841 8000 Fax No. : +603 7841 8151 / 8152
INDEPENDENT MARKET RESEARCHER	:	Smith Zander International Sdn Bhd Suite 23-3, Level 23, Office Suite Menara 1MK 1 Jalan Kiara Mont' Kiara 50480 Kuala Lumpur Malaysia Tel No. : +603 6211 2121 E-mail : enquiries@smith-zander.com
LISTING SOUGHT	:	Main Market of Bursa Securities

(The rest of this page has been intentionally left blank)

2. INTRODUCTION

This Prospectus is dated 4 March 2016.

No securities will be allotted or issued or offered on the basis of this Prospectus later than 12 months after the date of this Prospectus.

We have registered this Prospectus with the SC. We have also lodged a copy of this Prospectus, together with the Application Forms, with the Registrar of Companies Malaysia, who takes no responsibility for its contents.

On 10 December 2015, approval was obtained from the SC in respect of our IPO. The approval of the SC shall not be taken to indicate that the SC recommends our IPO or assumes responsibility for the correctness of any statement made or opinion expressed or report contained in this Prospectus. The SC has not, in any way considered the merits of our IPO Shares being offered for investment. The SC is not liable for any non-disclosure on our part in this Prospectus. The SC also takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus.

You are advised to make your own independent assessment of our Company and should rely on your own evaluation to assess the merits and risks of our IPO and an investment in us.

Our Company has obtained the approval of Bursa Securities on 20 January 2016 for the listing of and quotation for our Shares, including our IPO Shares which are the subject of this Prospectus, on the Main Market. Our Shares will be admitted to the Official List and official quotation will commence upon receipt of confirmation from Bursa Depository that all CDS accounts of the successful applicants have been duly credited and notices of allotment have been despatched to all successful applicants. Admission to the Official List shall not be taken as an indication of the merits of our Company, our Shares and our IPO.

Pursuant to subsection 14(1) of the SICDA, Bursa Securities has prescribed our Shares as a "prescribed security". Consequently, our Shares offered in our IPO will be deposited directly with Bursa Depository. Any dealing in our Shares will be carried out in accordance with the SICDA and the rules of Bursa Depository. We will not issue any share certificates to the successful applicants.

The completion of the Retail Offering and Institutional Offering are inter-conditional and are subject to the public spread requirements under the Listing Requirements.

If our IPO Shares are not allotted pursuant to the Retail Offering and the Institutional Offering, monies paid in respect of any application for our IPO Shares will be returned to applicants (without interest or any share of revenue or benefit arising therefrom) and in accordance with the provision of subsection 243(2) of the CMSA. If such monies are not returned within 14 days after our Company becomes liable to repay it, then in addition to the liability of our Company, the officers of our Company shall be jointly and severally liable to return such monies with interest at the rate of 10% a year or at such other rate as may be prescribed by the SC from the expiration of that period.

Pursuant to the Listing Requirements, our Company is required to comply with the public spread requirements as determined by Bursa Securities, pursuant to which our Company is required to have a minimum of 25% of our Shares for which Listing is sought to be held by at least 1,000 public shareholders holding not less than 100 Shares each upon completion of our IPO and at the time of Listing. Our Company is expected to achieve this at the time of Listing. If the above requirement is not met, our Company may not be permitted to proceed with the Listing. In such event, monies paid in respect of all applications will be returned in full (without interest or any share of revenue or benefit arising therefrom) and if such monies are not returned in full within 14 days after our Company becomes liable to do so, the provision of subsection 243(2) of the CMSA shall apply accordingly.

2. INTRODUCTION *(cont'd)*

In the case of an application by way of the Application Form, you should state your CDS account number in the space provided in the Application Form. If you do not presently have a CDS account, you must open a CDS account with an ADA before making an application for our IPO Shares. For an application by way of Electronic Share Application, only an applicant who has a CDS account number can make an Electronic Share Application and you should provide your CDS account number to a Participating Financial Institution by way of keying in your CDS account number if the instructions on the ATM screen at which you submit your Electronic Share Application requires you to do so. In the case of an application by way of Internet Share Application, only an applicant who has a CDS account opened with an Internet Participating Financial Institution can make an Internet Share Application. Your CDS account number will automatically appear in the electronic IPO online Application Form. A corporation or institution cannot apply for our IPO Shares by way of Electronic Share Application or Internet Share Application.

IF YOU ARE IN ANY DOUBT ABOUT THIS PROSPECTUS OR IN CONSIDERING YOUR INVESTMENT, OR IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKERS, BANK MANAGERS, SOLICITORS, ACCOUNTANTS OR ANY OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

(The rest of this page has been intentionally left blank)

3. SUMMARY

This summary highlights selected information from this Prospectus and may not contain all of the information about us and our IPO which may be important to you. You should read and understand the whole Prospectus before deciding whether to invest in our Shares. You are advised to read the risk factors described in Section 5 of this Prospectus for an understanding of the risks associated with the investment in our Company.

3.1 Overview

Over our past 19 years of operations, our Group grew from a single newsstand to a chain of press and convenience retail outlets. Presently, our Group has a network of outlets opened in urbanised high foot traffic areas which is present in all but 3 states of Malaysia. Our outlets are concentrated mainly in Kuala Lumpur and Selangor where 77.3% of our outlets are located. According to the IMR Report, we are the second largest retail convenience store industry player in Malaysia with an estimated market share of 8.6% in terms of outlet numbers and 6.6% in terms of revenue in 2015. We are also the largest homegrown [1] retail convenience store industry player in Malaysia.

As at the LPD, our network of press and convenience outlets spans across a total of 255 outlets in Malaysia with 223 outlets carrying our main trade name of "myNEWS.com". We also operate 24 outlets under the trade names of "newsplus", "MAGBIT" and "THE FRONT PAGE". Our outlets offer a product mix comprising print media, convenience retail products and consumer services whereby the product mix and SKU allocations for each outlet, is customised based on locality, demography, and available retail space. The remaining 8 outlets operate under the trade name of "WHSmith" under our equal joint venture with WH Smith Travel and retails news, books and convenience products such as tobacco, stationery and food and beverages within Malaysian international airports.

As our outlet appearance, concept and trade names (other than "WHSmith") are developed in-house and wholly-owned by us, we have the autonomy to customise our product mix to suit consumer demands and changing preferences.

For the month preceding the LPD, our retail operations (including that of "WHSmith" outlets) recorded approximately 3.3 million transactions and on average over the 12 months preceding the LPD, we recorded approximately 3.0 million transactions monthly.

For the past 3 FYEs 31 October 2013, 31 October 2014 and 31 October 2015, our Group recorded total consolidated revenues of RM157.96 million, RM182.41 million and RM217.55 million respectively, representing a CAGR of 17.4% over the period, and we recorded consolidated gross profits of RM52.65 million, RM60.36 million and RM74.44 million respectively, representing a CAGR of 18.9% over the same period. Our growth is primarily driven by the expansion of our chain of retail outlets.

It has been our aim and focus, throughout our 19 years of operations to bring a contemporary press and convenience shopping experience to our customers. Early on, we recognised the importance of modernising our business and identified IT as one of the differentiating factors needed to enhance accountability, transparency and accuracy in business processes for the sale of print media and convenience products. In 1997, we introduced our in-house developed contemporary press and convenience outlet concept, aimed at creating a contemporary image in terms of outlet appearance and branding. Today, our outlets' contemporary press and convenience shopping experience continues to provide us with a competitive platform for our growth moving forward.

Other than our principal business of press and convenience retailing, we also operate a food and beverage outlet under the trade name of "Bison Café". Bison Café was set up as our test centre and marketing outreach to our customers, and is used to study consumer demands and appetite for types of meals to be adapted and packaged as convenience food for sale at our outlets under the trade mark of "Taste Malaysia"; details of the trade mark applications are as set out in Section 7.18.2 of this Prospectus.

Please refer to Section 7 of this Prospectus for further information on our business.

---

[1] *In the context of the IMR Report, homegrown companies refer to companies which originate from Malaysia, and have built and established their market reputation and branding in Malaysia.*

3.2 Competitive advantages and key strengths

We believe our competitive advantages and key strengths are as follows:

(i) we own our trade names and have full autonomy over our trade names and brand;

(ii) we have an experienced management team, in particular our Executive Directors who are our founders and have been actively involved in our business since inception;

(iii) we use a comprehensive and integrated retail management and control system via our Bisonet System and WMS, from our back-end operations to our front-end over the counter POS, which is also interfaced with our accounting system;

(iv) we have the ability to leverage on our Bison DC and logistics team;

(v) our products and services mix focuses on convenience or "on-the-go" merchandise which are general and broad-based in nature, and accessible to consumers at affordable price points; and

(vi) we are well positioned to take advantage of the growth prospects of the retail convenience store market in Malaysia.

For further details of our competitive advantages and key strengths, refer to Section 7.3.3 of this Prospectus.

3.3 Future plans and strategies

The future plans and strategies of our Group which we intend to implement within 36 months from the date of our Listing will focus on the following areas:

(i) growing our revenue and optimising our margins through the expansion of our network of outlets and continued diversification of our products and services offering; and

(ii) improving our business functions and back-end operations such as our logistics capabilities and IT capabilities.

Please refer to Section 7.3.4 of this Prospectus for further information on our future plans and strategies.

3.4 Risk factors

Before investing in our Shares, you should pay particular attention to the fact that our Group, and to a large extent, our activities, are governed by the legal, regulatory and business environment in Malaysia whether presently or in the future. Our business is subject to a number of factors, many of which are outside our control. Prior to making an investment decision, you should carefully consider, along with the other matters set forth in this Prospectus, the risks and investment considerations below. You should note that the following list is not an exhaustive list of all the risks that we face or risks that may develop in the future. Additional risks, whether known or unknown, may in the future have a material and adverse effect on us or our Shares.

3.4.1 Risks relating to our business and operations

(i) Our success depends on our ability to secure optimal outlet locations.

(ii) Our success depends on the value of our "myNEWS.com" brand and our ability to maintain continued consumer recognition.

(iii) Our business is dependent on customer loyalty and if lost, our customers may turn to our direct competitors.

(iv) Our business depends on our ability to identify and match customer preferences for our products and services, failing which we may experience revenue loss and material adverse impact on our prospects and financial performance.

(v) We depend on IT in managing our business operations. Any malfunctions or system failure including our computer hardware or network may interrupt our business operations.

(vi) We rely on our Bison DC as the centre of our distribution network. Any significant disruption, disasters affecting our Bison DC or delays from the operations of our Bison DC may adversely affect our business operations.

(vii) We may be affected by inventory management issues such as shortage in supply, overstocking or oversupply, or obsolete or slow-moving SKUs. These may consequently affect our sales performance.

(viii) We are dependent on our major suppliers who are key tobacco suppliers in Malaysia. Any disruption to or cessation of supply from our major suppliers may affect our business and sales performance, as tobacco sales is one of our largest revenue contributors.

(ix) We are dependent on skilled and experienced personnel and the loss of their continued services may affect our business.

(x) We may face human resource challenges which could lead to issues in the quality of our customer service and any shortage in the supply of foreign workers could adversely affect our business operations.

(xi) We are susceptible to pilferage and robbery, particularly at our outlets as cash receipts constitute a significant proportion of our sales transactions.

(xii) Our operations may be affected due to changes in tenancy arrangements and rental costs, as well as outlet refurbishment costs.

(xiii) We may face risks of non-compliance with land laws, rules and regulations for our tenanted properties.

(xiv) We are subject to risks of legal, employment, consumer, public liability claims, other disputes and negative publicity arising from our business operations.

(xv) There is no assurance that our insurance coverage is adequate.

(xvi) There is no assurance that our future plans will be commercially successful.

3.4.2 Risks affecting the industry in which we operate

(i) We operate in a competitive environment not only with other retail convenience store industry players but also other retail format stores.

(ii) Our financial performance is subject to regulatory changes in Malaysia.

(iii) Our performance is dependent on the state of the Malaysian economy.

(iv) We are subject to political, economic and social developments in Malaysia.

3.4.3 Risks relating to our Shares

(i) There has been no prior market for our Shares and it is uncertain whether a sustainable market will ever develop.

(ii) As the Retail Price is higher than the NTA value per Share, the investors in our IPO will suffer immediate dilution in NTA.

(iii) The market price of our Shares and its trading volume may be volatile.

(iv) The interest of our Promoters who control our Group may not be aligned with the interest of our shareholders.

(v) There may be failure or delay in our Listing.

(vi) We cannot assure you that we will declare and distribute any amounts of dividends in the future.

(vii) We are a holding company and, as a result, are dependent on the flow of dividends from our subsidiaries and our associate to meet our obligations and to provide funds for payment of dividends on our Shares.

Please refer to Section 5 of this Prospectus for further details of our risk factors.

3.5 Summary of historical financial information

3.5.1 Historical consolidated statements of profit or loss and other comprehensive income

The historical audited consolidated statements of profit or loss and other comprehensive income of our Group for the FYE 31 October 2013, 31 October 2014 and 31 October 2015 presented below have been extracted from the Accountants' Report in Section 13 of this Prospectus ("**Consolidated Financial Statements**").

The audited historical consolidated statements of profit or loss and other comprehensive income should be read in conjunction with Section 12.4 of this Prospectus that sets out our management's discussion and analysis of financial conditions and results of operations for the financial periods under review, and with the Accountants' Report in Section 13 of this Prospectus. The historical financial information included in this Prospectus does not reflect our Group's results of operations, financial position and cash flows in the future, and our Group's past operating results are not indicative of our Group's future operating performance.

	Audited		
	FYE 31 October		
	2013	**2014**	**2015**
	(RM'000)	**(RM'000)**	**(RM'000)**
Revenue	157,962	182,409	217,546
Cost of sales	(105,313)	(122,050)	(143,107)
Gross profit	**52,649**	**60,359**	**74,439**
Gain/(loss) on disposal of PPE	6,156[(1)]	81	(8)
Other income	368	512	490
Administration expenses	(34,660)	(41,397)	(53,523)
Other expenses	(2,314)	(2,976)	(3,846)
Finance costs	(596)	(602)	(577)
Share of profit of associates	36	302	727
PBT	**21,639**	**16,279**	**17,702**
Tax expense	(3,784)	(3,850)	(4,192)
Net profit for the financial year	**17,855**	**12,429**	**13,510**

3. SUMMARY *(cont'd)*

	Audited		
	FYE 31 October		
	2013	2014	2015
	(RM'000)	(RM'000)	(RM'000)
Other comprehensive income, net of tax			
Items that will not be reclassified subsequently to profit or loss:			
Revaluation of land and buildings	-	9,489	-
Crystallisation of revaluation reserve	-	(477)	-
Tax effect on item that will not be reclassified to profit or loss	-	(451)	-
	-	8,561	-
Transfer to retained earnings	-	477	-
Total other comprehensive income	-	9,038	-
Total comprehensive income for the financial year	**17,855**	**21,467**	**13,510**
Gross profit margin(2) (%)	33.3%	33.1%	34.2%
EBITDA (RM'000)	24,371	19,612	21,872
EBITDA margin (%)	15.4%	10.8%	10.1%
PBT margin(3) (%)	13.7%	8.9%	8.1%
PAT margin(4) (%)	11.3%	6.8%	6.2%
Basic EPS(5) (RM)	8.15	5.68	0.06
Illustrative EPS(6) (sen)	7.78	5.42	5.89
Dividend per share(5) (RM)	3.06	4.99	neg.(7)
Dividend rate (%)(8)	37.5	87.9	3.7
Illustrative dividend per share(6) (RM)	0.03	0.05	neg.(7)

Notes:

(1) Represents a net gain of approximately RM6.16 million from the disposal by Bison Stores (a wholly-owned subsidiary) of a landed property situated in Sungai Buloh, Selangor and a commercial property located in Petaling Jaya, Selangor, and after taking into account the loss of RM5,148 from disposal of certain used equipment in outlets.

(2) Gross profit margin is computed based on the gross profit over revenue.

(3) PBT margin is computed based on the PBT over revenue.

(4) PAT margin is computed based on the net profit over revenue.

(5) Basic EPS and dividend per share are computed based on the net profit and dividends declared and distributed (including dividends in-specie) for the respective financial year over 2,190,005 ordinary shares of RM1.00 each in Bison as at 31 October 2013 and 31 October 2014 and 229,450,000 Shares as at 31 October 2015. Dividends in-specie relates to the transfer of PPE, investment property and assignment of amount due from related party as set out in Note 29 of the Accountants' Report.

(6) Illustrative EPS and illustrative dividend per share are computed based on the net profit and dividends declared and distributed (including dividends in-specie) for the FYEs 31 October 2013, 31 October 2014 and 31 October 2015 over our Company's existing 229,450,000 Shares (prior to the Public Issue), to provide an illustration of the

EPS and the dividend per share on the assumption that our current Group structure was in existence during the relevant financial periods presented above.

(7) Represents an interim dividend amounting to RM500,000.

(8) Dividend rate is computed based on dividends declared and distributed (including dividends in-specie) over the net profit for the financial year.

Please refer to Section 12 of this Prospectus for further discussion on our consolidated statements of profit or loss and other comprehensive income.

3.5.2 Summary of consolidated statements of cash flows

The following table sets out a summary of our Group's consolidated statements of cash flows for the financial years indicated, and should be read in conjunction with the Accountants' Report in Section 13 of this Prospectus.

	Audited		
	FYE 31 October		
	2013	**2014**	**2015**
	(RM'000)	**(RM'000)**	**(RM'000)**
Net cash from operating activities	9,326	12,225	8,499
Net cash from / (used in) investing activities	1,038	(8,765)	(8,059)
Net cash used in financing activities	(9,959)	(4,290)	(2,108)
Net increase / (decrease) in cash and cash equivalents	**405**	**(830)**	**(1,668)**
Cash and cash equivalent at the beginning of the year	8,511	8,916	8,086
Cash and cash equivalent at the end of the year	**8,916**	**8,086**	**6,418**

Please refer to Section 12 of this Prospectus for further discussion on our consolidated statements of cash flows.

3.5.3 Selected pro forma consolidated statements of financial position

Presented below are the consolidated statements of financial position of our Group as at 31 October 2015 based on the following:

(i) The audited consolidated statements of financial position of our Group as at 31 October 2015 as presented in the Accountants' Report in Section 13 of this Prospectus; and

(ii) On a pro forma basis, giving effect to the completion of our IPO and Public Issue with the receipt of a gross proceeds of RM88.68 million based on the Institutional Price and the Final Retail Price of RM1.10 per IPO Share and the utilisation of such proceeds as described under Section 12.14 of this Prospectus, as if all such transactions had occurred on 31 October 2015.

The pro forma consolidated statements of financial position has been prepared on the basis set out in the notes in Section 12.14 of this Prospectus, using our audited consolidated statements of financial position prepared in accordance with MFRS and IFRS, and in the manner consistent with both the format of the financial statements and the accounting policies of our Group.

3. SUMMARY *(cont'd)*

The pro forma consolidated statements of financial position should be read in conjunction with the Reporting Accountants' letter as set forth in Section 12.14 of this Prospectus.

	Audited Consolidated Financial Statements 31 October 2015 (RM'000)	Pro forma After IPO and utilisation of proceeds (RM'000)
Non-Current Assets		
PPE	46,679	96,679
Intangible asset	6	6
Investment in associate	1,568	1,568
Other investment	5	5
Total non-current assets	**48,258**	**98,258**
Current Assets		
Inventories	21,755	21,755
Trade receivables	4,169	4,169
Other receivables	16,989	16,989
Amount due from associate	1,244	1,244
Amount due from related parties	1	1
Tax recoverable	16	16
Short term deposits with licensed banks	925	925
Cash and bank balances	6,092	38,324
Total current assets	**51,191**	**83,423**
TOTAL ASSETS	**99,449**	**181,681**
Equity		
Share capital	45,890	62,014
Share premium	-	67,780
Retained earnings	47,000	45,328
Revaluation reserve	8,561	8,561
Merger deficit	(45,952)	(45,952)
Total equity	**55,499**	**137,731**
Non-current liabilities		
Bank borrowings	8,276	8,276
Finance lease liabilities	471	471
Deferred tax liabilities	2,108	2,108
Total non-current liabilities	**10,855**	**10,855**
Current liabilities		
Trade payables	21,446	21,446
Other payables	9,600	9,600
Amount due to related parties	131	131
Amount due to a director	5	5
Bank borrowings	1,266	1,266
Finance lease liabilities	194	194
Tax payables	453	453

	Audited Consolidated Financial Statements 31 October 2015 (RM'000)	Pro forma After IPO and utilisation of proceeds (RM'000)
Total current liabilities	**33,095**	**33,095**
TOTAL LIABILITIES	**43,950**	**43,950**
TOTAL EQUITY AND LIABILITIES	**99,449**	**181,681**
Number of ordinary shares ('000)	229,450	310,070
NTA (RM'000)	55,493	137,725
NTA per ordinary share (RM)	0.24	0.44

Please refer to Section 12 of this Prospectus for further details in relation to our consolidated statements of financial position.

3.5.4 Capitalisation and indebtedness

The table below sets out the deposits, cash and bank balances as well as capitalisation and indebtedness of our Group based on the unaudited consolidated statements of financial position of our Group as at 31 January 2016 and on a pro forma basis, giving effect to the completion of our IPO and the utilisation of proceeds having occurred on 31 January 2016. The pro forma financial information below does not represent our Group's actual capitalisation and indebtedness as at 31 January 2016 and is provided for illustration purposes only.

	Unaudited Consolidated Financial Statements 31 January 2016 (RM'000)	Pro forma After IPO and utilisation of proceeds (RM'000)
Cash and cash equivalents[1]	**7,330**	**39,562**[2]
Indebtedness		
Short term borrowings		
- Term loans (secured)	1,283	1,283
- Finance lease liabilities (secured)	216	216
	1,499	**1,499**
Long term borrowings		
- Term loans (secured)	7,949	7,949
- Finance lease liabilities (secured)	389	389
	8,338	**8,338**
Total indebtedness[3]	**9,837**	**9,837**
Total shareholders' equity / capitalisation	61,270	143,502

	Unaudited Consolidated Financial Statements	Pro forma
	31 January 2016	After IPO and utilisation of proceeds
	(RM'000)	(RM'000)
Total capitalisation and indebtedness	**71,107**	**153,339**
Gearing ratio (times)[(4)]	0.16	0.07

Notes:

(1) Cash and cash equivalents comprise of short term deposits with licensed banks, cash and bank balances less short term deposits pledged to licensed banks.

(2) Comprised adjustments for gross proceeds from our Public Issue of RM88.68 million less utilisation for capital expenditure of RM50.00 million and estimated listing expenses of RM6.45 million.

(3) Total indebtedness includes short term and long term borrowings.

(4) Computed based on total indebtedness (as computed in note (3) above) divided by total shareholders' equity.

3.6 Particulars of our IPO

Our IPO is subject to the terms and conditions of this Prospectus and upon acceptance, our IPO Shares are expected to be allocated in the manner described below, subject to clawback and reallocation provisions as set out in Section 4.3.4 of this Prospectus. Our IPO of 80,620,000 IPO Shares, representing 26.0% of our Company's enlarged issued and paid-up share capital comprises the Institutional Offering and the Retail Offering.

3.6.1 Institutional Offering

Institutional offering of 62,316,500 IPO Shares, representing approximately 20.1% of the enlarged issued and paid-up share capital of our Company, at the Institutional Price subject to clawback and reallocation provisions set out in Section 4.3.4 of this Prospectus, to be allocated in the following manner:

(i) 31,306,500 IPO Shares to Malaysian institutional and selected investors; and

(ii) 31,010,000 IPO Shares to Bumiputera institutional and selected investors approved by MITI.

3.6.2 Retail Offering

Retail offering of 18,303,500 IPO Shares, representing approximately 5.9% of the enlarged issued and paid-up share capital of our Company, at the Retail Price payable in full upon application, subject to clawback and reallocation provisions set out in Section 4.3.4 of this Prospectus, to be allocated in the following manner:

(i) 15,503,500 IPO Shares to be made available to the Malaysian Public, of which 50% are reserved for subscription by Bumiputera public; and

(ii) 2,800,000 IPO Shares to be made available to the Eligible Persons.

The Final Retail Price shall be determined after the Institutional Price is fixed on the Price Determination Date, and will be equal to the Institutional Price (provided that it will not exceed the Retail Price nor be lower than the par value of our Shares).

Please refer to Section 4 of this Prospectus for further information on the details of our IPO.

3.7 Utilisation of proceeds

The gross proceeds from our Public Issue of up to RM88.68 million are expected to be utilised in the manner as set out below by our Group:

Details of utilisation	Estimated timeframe for utilisation upon Listing	RM million	%
Capital expenditure	Within 36 months	50.00	56.4
Working capital	Within 36 months	32.23	36.3
Estimated listing expenses	Within 3 months	6.45	7.3
Total		**88.68**	**100.0**

Please refer to Section 4.7 of this Prospectus for further details on the utilisation of proceeds from our IPO.

3.8 Dividend policy

As we are a holding company, our Company's income, and therefore our ability to pay dividends, depends upon the dividends we receive from our subsidiaries. The payment of dividends by our subsidiaries will depend upon their distributable profits, operating results, financial condition, capital expenditure plans as well as other factors.

Presently, our Company does not have any formal dividend policy. However, it is the intention of our Board to allow our shareholders to participate in the profits of our Group, as well as to retain adequate reserves for our future growth. For the past 3 FYEs 31 October 2013, 31 October 2014 and 31 October 2015, our Group had declared and distributed dividends amounting to RM6.70 million, RM10.92 million (including dividends-in-specie of RM5.92 million) and RM0.50 million respectively.

Our ability to declare and pay interim dividends and the recommendation of any final dividends are subject to the discretion of our Board and any final dividend proposed is subject to our shareholders' approval. Furthermore, our Group's ability to distribute dividends or make other distribution to our shareholders is subject to various factors such as profit recorded and excess funds not required to be retained for capital expenditure and/or working capital for our business.

As our Company is presently in its growth phase in terms of its business, our priority is to use our excess funds to increase shareholder value through business expansion. Our future plans and strategies are set out in Section 7.3.4 of this Prospectus. Therefore, our Directors will take into consideration, amongst others, the following factors when recommending dividends for approval by our shareholders or when declaring dividends:

(i) our anticipated future operating conditions as well as future expansion, capital expenditure and investment plans;

(ii) our operating cash flow requirements and financing commitments;

(iii) our expected financial performance including return on equity and retained earnings;

(iv) the availability of adequate reserves and cash flows;

(v) any restrictive covenants contained in our current and future financing arrangements; and

(vi) any material impact of tax laws and regulatory requirements.

Any declaration and payment of dividends in the future will be at the discretion of our Board. No inference should or can be made from any of the statements above as to our actual future profitability or our ability to pay dividends in the future.

4. DETAILS OF OUR IPO

4.1 Opening and closing of applications

Application for our IPO Shares under the Retail Offering will open at 10.00 a.m. on 4 March 2016 and will remain open until 5.00 p.m. on 14 March 2016, or such other date(s) as our Directors and the Managing Underwriter in their absolute discretion may decide.

4.2 Indicative timetable

An indicative timetable for our IPO is set out below:

Events	Date
Opening of the Institutional Offering	4 March 2016
Issuance of Prospectus / Opening of the Retail Offering	10.00 a.m., 4 March 2016
Closing of the Retail Offering	5.00 p.m., 14 March 2016
Closing of the Institutional Offering	15 March 2016
Price Determination Date	15 March 2016
Balloting of applications for our IPO Shares offered under the Retail Offering	16 March 2016
Allotment of our IPO Shares to successful applicants	25 March 2016
Listing	29 March 2016

Applications for the Retail Offering will open and close at the dates stated above or such other date(s) as our Directors and the Managing Underwriter in their absolute discretion may decide. The Institutional Offering will open and close on the dates stated above or such other date(s) as our Directors and the Sole Bookrunner in their absolute discretion may decide.

If the closing date and/or time of either the Institutional Offering or the Retail Offering is extended, the Price Determination Date and dates for the balloting and allotment of our IPO Shares, and our Listing will be extended accordingly. Any such extension will be announced by us in a widely circulated Bahasa Malaysia and English daily newspaper within Malaysia.

4.3 Particulars of our IPO

Our IPO is subject to the terms and conditions of this Prospectus and upon acceptance, our IPO Shares are expected to be allocated in the manner described below, subject to clawback and reallocation provisions as set out in Section 4.3.4 of this Prospectus. Our IPO of 80,620,000 IPO Shares, representing 26.0% of our Company's enlarged issued and paid-up share capital comprises the Institutional Offering and the Retail Offering.

4.3.1 Institutional Offering

Institutional offering of 62,316,500 IPO Shares, representing approximately 20.1% of the enlarged issued and paid-up share capital of our Company, at the Institutional Price subject to clawback and reallocation provisions set out in Section 4.3.4 of this Prospectus, to be allocated in the following manner:

(i) 31,306,500 IPO Shares to Malaysian institutional and selected investors; and

(ii) 31,010,000 IPO Shares to Bumiputera institutional and selected investors approved by MITI.

4.3.2 Retail Offering

Retail offering of 18,303,500 IPO Shares, representing approximately 5.9% of the enlarged issued and paid-up share capital of our Company, at the Retail Price payable in full upon application, subject to clawback and reallocation provisions set out in Section 4.3.4 of this Prospectus, to be allocated in the following manner:

(i) 15,503,500 IPO Shares to be made available to the Malaysian Public, of which 50% are reserved for subscription by the Bumiputera public; and

(ii) 2,800,000 IPO Shares to be made available to the Eligible Persons.

The Final Retail Price shall be determined after the Institutional Price is fixed on the Price Determination Date, and will equal the Institutional Price (provided that it will not exceed the Retail Price nor be lower than the par value of our Shares). In the event the Final Retail Price is lower than the Retail Price, the details of the refund mechanism of the difference are set out in Section 4.4.3 of this Prospectus.

4.3.3 Summary of IPO Shares to be allocated

A summary of our IPO Shares allocated under the Retail Offering and the Institutional Offering (subject to clawback and reallocation provisions) is indicated in the table below.

	IPO Shares	
Categories	**No. of Shares**	**% of enlarged share capital**
Retail Offering		
Malaysian public (via balloting)		
- Bumiputera	7,751,750	2.5
- Non-Bumiputera	7,751,750	2.5
Subtotal	15,503,500	5.0
Eligible Persons[1]	2,800,000	0.9
Total Retail Offering	18,303,500	5.9
Institutional Offering		
Malaysian institutional and selected investors	31,306,500	10.1
Bumiputera institutional and selected investors approved by MITI	31,010,000	10.0
Total Institutional Offering	62,316,500	20.1
Total Offering	**80,620,000**	**26.0**

The completion of the Retail Offering and the Institutional Offering are inter-conditional. Our IPO is subject to the public spread requirements as stipulated under the Listing Requirements.

Note:

(1) The details of the allocation of our IPO Shares to the Eligible Persons are as set out below:

Eligible Persons	No. of persons	Aggregate number of IPO Shares allocated
Eligible Directors[(a)]	3	600,000
Eligible employees[(b)]	Up to 191	970,000
Eligible persons who have contributed to the success of our Group [(c)]	Up to 41	1,230,000
Total	**Up to 235**	**2,800,000**

Details in respect of each category of Eligible Persons:

(a) The allocation to eligible Directors is based on, amongst others, their respective roles as independent non-executive directors of our Company, their responsibilities and contributions to our Group. The eligible Directors are allocated 200,000 IPO Shares each. Our Executive Directors have not been allocated IPO Shares under this allocation due to their existing substantial shareholdings in our Company.

(b) The criteria of allocation for the above mentioned IPO Shares to the eligible employees of our Group (as approved by our Board) are based on, inter-alia, the following factors:

(i) the eligible employee must be a full time confirmed employee and on the payroll of our Group; and

(ii) the number of IPO Shares allocated to the eligible employees is based on their seniority, position, length of service, past performance and respective contribution made to our Group as well as other factors considered relevant to our Board.

The number of IPO Shares allocated under this category is inclusive of the allocation to our Key Management (excluding our Executive Directors).

(c) Our IPO Shares to be allocated to the eligible persons who have contributed to the success of our Group shall be based on their contributions to our Group and as approved by our Board. The persons who have contributed to the success of our Group include business associates, suppliers and others.

4.3.4 Clawback and reallocation

The Retail Offering and Institutional Offering shall be subject to the following clawback and reallocation provisions:

(i) if our IPO Shares allocated to Bumiputera institutional and selected investors approved by MITI are not fully subscribed, and there is a corresponding over-application by Malaysian institutional and selected investors, the IPO Shares which are not applied for will be allocated to Malaysian institutional and selected investors under the Institutional Offering;

(ii) subject to sub-paragraph (i) above, if there is an under-application of the Institutional Offering and there is an over-application in the Retail Offering, the IPO Shares not applied for may be clawed back from the Institutional Offering and allocated to the Retail Offering; and

(iii) if there is an under-application of the Retail Offering and there is an over-application in the Institutional Offering, the IPO Shares not applied for may be clawed back from the Retail Offering and allocated to the Institutional Offering.

The clawback and reallocation provisions will not apply in the event there is an over-application in both the Retail Offering and the Institutional Offering.

Any IPO Shares allocated to Eligible Persons but not taken up by them shall be made available to other Eligible Persons who have applied for excess IPO Shares (if any) ("**Excess Shares**") in addition to their pre-determined allocation. Such Excess Shares will be allocated to these Eligible Persons on a fair and equitable basis in the following priority:

(i) firstly, allocation on a proportionate basis to Eligible Persons who have applied for Excess Shares based on the number of Excess Shares applied for; and

(ii) secondly, to minimise odd lots.

Any allocated IPO Shares not fully taken up by Eligible Persons will be made available for application by the Malaysian Public under the Retail Offering. Any IPO Shares under the Retail Offering not applied for after being subject to the clawback and reallocation provisions above shall be underwritten.

4.3.5 Share capital

	No. of Shares	RM
Authorised	2,500,000,000	500,000,000
Issued and fully paid-up as at the LPD	229,450,000	45,890,000
To be issued pursuant to the Public Issue	80,620,000	16,124,000
Enlarged issued and paid-up share capital upon Listing	310,070,000	62,014,000

4.3.6 Classes of shares and ranking

As at the date of this Prospectus and upon completion of our IPO, we have only one class of shares, namely ordinary shares of RM0.20 each in our Company. Our IPO Shares, upon allotment and issuance, will rank *pari passu* or equally in all respects with our existing Shares including voting rights, and will be entitled to all dividends, rights and distributions that may be declared subsequent to the date of allotment of our IPO Shares, subject to any applicable rules of Bursa Depository.

Subject to any special rights attached to any shares which we may issue in the future, our shareholders shall, in proportion to the amount paid up on the Shares held by them, be entitled to share the profits paid out by us as dividends or other distributions. Similarly, if our Company is liquidated, our shareholders shall be entitled to the surplus (if any), in accordance with our Memorandum and Articles, after the satisfaction of any preferential payments in accordance with the Act and our liabilities.

At any general meeting of our Company, each shareholder shall be entitled to vote in person, by proxy, by attorney or by duly authorised representative. Each shareholder shall be entitled to appoint not more than 2 proxy(ies) to attend and vote at any general meeting of our Company. A proxy may but need not be a member of our Company and the provisions of Section 149(1)(a), (b), (c) and (d) of the Act shall not apply to our Company. On a show of hands, each shareholder present either in person, by proxy, by attorney or other duly authorised representative shall have 1 vote. On a poll, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have 1 vote for each Share held. A proxy shall be entitled to vote on a show of hands or on a poll, on any question, at any general meeting, save that on a voting by show of hands if there is more than 1 proxy appointed, only the first named proxy on the form of proxy is entitled to vote on behalf of the shareholder. In a voting by poll, each proxy shall be entitled to such number of votes equal to the proportion of the shareholder's shareholdings represented by such proxy.

4.3.7 Minimum subscription

There is no minimum subscription level in terms of proceeds to be raised from our IPO. However, in order to comply with the public spread requirements of Bursa Securities, the minimum subscription level in terms of number of Shares will be the number of Shares required to be held by our Company's public shareholders in order to comply with the public spread requirements under the Listing Requirements or as approved by Bursa Securities.

If the aforesaid public spread requirement is not met, our Company may not be permitted to proceed with the Listing. In such event, monies paid in respect of all applications will be returned in full (without interest or any share of revenue or benefits arising therefrom) and if such monies are not returned in full within 14 days after our Company becomes liable to do so, the provision of subsection 243(2) of the CMSA shall apply accordingly.

4.4 Basis of arriving at the price of our IPO Shares

4.4.1 Retail Price

Our Directors, Promoters, the Principal Adviser and the Managing Underwriter have determined and agreed to the Retail Price of RM1.10 per IPO Share, based on the following factors:

(i) our competitive advantages and key strengths and our future plans and strategies as described in Sections 7.3.3 and 7.3.4 of this Prospectus;

(ii) our Group's financial performance and operating history as set out in Sections 12 and 13 of this Prospectus which represents an implied price to earnings multiple of approximately 25.0 times based on our Group's consolidated PAT for the FYE 31 October 2015, as well as the CAGR of our Group's consolidated revenue and gross profits of 17.4% and 18.9% respectively over the past 3 FYEs up to 31 October 2015;

(iii) the market performance of Bursa Securities and anticipated demand for our IPO Shares; and

(iv) the growth of the Malaysian retail convenience store market and Malaysia's low retail convenience store penetration rate compared to other developed countries, which supports our Group's prospects as described in Section 8 of this Prospectus.

The Final Retail Price will be determined after the Institutional Price has been determined on the Price Determination Date, and will be equal to the Institutional Price, provided that it will not exceed the Retail Price, nor be lower than the par value of our Shares.

If the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to the successful applicants, without any interest thereon. Further details of the refund mechanism are set out in Section 4.4.3 of this Prospectus.

The Final Retail Price and the Institutional Price are expected to be announced within 2 Market Days from the Price Determination Date via Bursa Listing Information Network (BursaLINK). In addition, all successful applicants will be given written notice of the Final Retail Price and the Institutional Price, together with the notices of allotment for our IPO Shares.

4.4.2 Institutional Price

The Institutional Price will be determined by a bookbuilding process where prospective institutional and selected investors will be invited to bid for portions of the Institutional Offering by specifying the number of IPO Shares they would be prepared to acquire and the price they would be prepared to pay for our IPO Shares in respect of the Institutional Offering. This bookbuilding process commenced on 4 March 2016 and will end on 15 March 2016, or such date(s) as our Directors and the Sole Bookrunner in their absolute discretion may decide. Upon the completion of the bookbuilding process, the Institutional Price will be fixed by our Directors in consultation with the Sole Bookrunner on the Price Determination Date.

4.4.3 Refund mechanism

If the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to the successful applicants without any interest thereon.

The refund in the form of cheques will be despatched by ordinary mail to the addresses of successful applicants maintained with Bursa Depository for applications made via Application Forms for applicants who have not provided their bank account information to Bursa Depository for purposes of cash dividend / distribution. If the applicants have provided their bank account information to Bursa Depository for purposes of cash dividend / distribution, the refund will be credited directly to their bank accounts. For this purpose, the applicants are required to provide their consent via the Application Forms in accordance with the relevant laws of Malaysia (including Section 134 of the Financial Services Act 2013 and subsection 45(1) of the SICDA) for disclosure by the Company and Bursa Depository, of information pertaining to the applicants and their accounts with the relevant financial institution and Bursa Depository, to the relevant authorities and any person as may be necessary or expedient to facilitate the refund or for any other purpose in connection with such payments. This would include disclosure by the relevant financial institutions, their respective agents and any third parties who may be involved in facilitating the payment of refund to the applicants, as the case may be.

If the crediting of the refund into any bank account (details of which have been provided to Bursa Depository) is unsuccessful, the refund will then be made via cheque which will be despatched to the applicant by ordinary post to the correspondence address as shown on Bursa Depository's record, at the applicant's own risk.

The refund will be made by crediting into the accounts of successful applicants with Participating Financial Institutions for applications made via the Electronic Share Application or by crediting into the accounts of successful applicants with the Internet Participating Financial Institution for applications made via Internet Share Application, within 10 Market Days from the date of the final ballot of applications, at the successful applicants' own risk.

4.4.4 Expected market capitalisation

Based on the Retail Price, the total market capitalisation of our Company upon Listing shall be RM341,077,000.

4.5 Objectives of our IPO

The objectives of our IPO are as follows:

(i) to enable us to access the equity capital market for cost effective capital raising for the purposes set out in Section 4.7 below and to provide us the financial flexibility to pursue growth opportunities;

(ii) to enhance our Company's profile;

(iii) to obtain the listing of and quotation for our entire enlarged issued and paid-up share capital on the Main Market to provide an opportunity for the investing community including eligible employees of our Group to participate in the future performance of our Company by way of equity participation; and

(iv) to establish liquidity of our Shares.

4.6 Dilution

Dilution is the amount by which the price paid by retail and institutional investors for our Shares exceeds our consolidated net assets per Share after our IPO. Our consolidated NTA per Share immediately before adjusting for our IPO was RM0.24, after taking into account our Group's audited consolidated NTA as at 31 October 2015. The consolidated NTA per Share represents the equity attributable to the shareholders of our Company over the number of Shares outstanding immediately prior to our IPO of 229,450,000 Shares.

Once the issuance of the 80,620,000 IPO Shares is effected and after further adjusting for estimated listing expenses, our pro forma audited consolidated NTA per Share as at 31 October 2015 after taking into account our Company's enlarged issued and paid-up share capital of 310,070,000 Shares would be RM0.44 per Share. This represents an immediate increase in NTA per Share of RM0.20 to our existing shareholders and an immediate dilution in NTA per Share of RM0.66, representing 60.0% from the Retail Price and the Institutional Price to our retail and institutional investors, on the assumption that the Institutional Price and the Final Retail Price is equal to the Retail Price.

The following table illustrates such dilution on a per Share basis:

	RM
Assumed Final Retail Price / Institutional Price equal to the Retail Price	1.10
Adjusted consolidated NTA per Share as at 31 October 2015, before adjusting for our IPO	0.24
Pro forma consolidated NTA per Share as at 31 October 2015, after adjusting for our IPO	0.44
Increase in NTA per Share to existing shareholders	0.20
Dilution in NTA per Share to retail / institutional investors	0.66
Dilution in NTA per Share to retail / institutional investors as a percentage to the Retail Price / Institutional Price	60.0%

Save as disclosed below, there has been no acquisition of any of our Shares by our Directors or Key Management, Substantial Shareholders or persons connected to them, or any transaction entered into by them which grants them the right to acquire any of our Shares, during the past 3 years up to the LPD:

Substantial Shareholders	No. of Shares	Total Consideration (RM)	Price per Share (RM)
D&D Consolidated	213,388,500	42,677,700	0.20
DTK	11,472,500	2,294,500	0.20
DTG	4,589,000	917,800	0.20

Further details of the acquisitions above have been set out in Sections 6.2 and 15.6(h) of this Prospectus.

4.7 Utilisation of proceeds

The gross proceeds from our Public Issue of up to RM88.68 million (assuming the Institutional Price and the Final Retail Price to be equal to the Retail Price) are expected to be utilised in the manner as set out below by our Group:

Details of utilisation	Estimated timeframe for utilisation upon Listing	RM million	%
Capital expenditure	Within 36 months	50.00	56.4
Working capital	Within 36 months	32.23	36.3
Estimated listing expenses	Within 3 months	6.45	7.3
Total		**88.68**	**100.0**

Details of our utilisation of the gross proceeds are as follows:

4.7.1 Capital expenditure

Our capital expenditure requirements relate to our Group's plans to expand and enhance our network of outlets as well as those relating to improving our logistics and IT capabilities to support our growing network and product base.

(a) Expansion of our network of outlets and enhancement of our existing outlets

We plan to use approximately RM35.55 million (or 40.1%) from our IPO proceeds firstly for the purposes of outlet expansion, and secondly to enhance our existing outlets; within 36 months from the date of our Listing.

Our outlet expansion plans would include the setting up of new outlets and may also include strategic investments or acquisitions of existing retail chains or outlets to grow our network of outlets. However at this point in time we have not identified any such strategic investments or acquisitions that meet such requirements.

The capital expenditure required to set up new outlets include amongst others associated equipment, renovation costs, fit-outs, the purchase and installation of inventory control systems and related hardware, and we anticipate such cost to range from RM175,000 to RM250,000 for each new outlet depending on the location, retail space and layout.

The capital expenditure relating to the enhancement of our existing outlets include the installation of new and improved inventory control systems and related hardware, as well as refurbishments when required. We anticipate such costs to be approximately RM40,000 for each outlet.

We intend to add at least another 115 new outlets by the FYE 31 October 2017. Such expansion is prioritised in major urban areas such as the Klang Valley, Johor Bahru and Penang, followed by other parts of Malaysia.

(b) Improvement and/or establishment of nationwide logistics and IT capabilities to support our growing network and product base

The requirement to improve our back-end infrastructure and business support functions will grow in tandem with the growth of our network of outlets. We intend to use approximately RM14.45 million (or 16.3%) from our IPO proceeds to improve our nationwide logistics and IT capabilities within 36 months from the date of our Listing, in the following manner:

- to establish an additional distribution centre and/or warehouse in our prioritised expansion areas of either Johor Bahru or Penang;
- to establish a food preparation and packaging facility that would also include cold storage facilities;
- to improve our current logistics capabilities by acquiring additional transport equipment such as up to 7 lorries to cater for our growing network; and
- to improve our IT software and capabilities to ensure improved connectivity by way of :
  - (i) additional servers for our WMS to cater for the additional number of outlets, the new distribution centre and/or warehouse as well as the food preparation and packaging facility; and
  - (ii) the installation of business intelligence software to improve our reporting requirements for further automation of data collation and trend analysis in anticipation of servicing a larger network of outlets.

As at the LPD, the plans for the distribution centre and/or warehouse and the food preparation and packaging facility as described above are still preliminary and we have yet to identify suitable locations for the facilities mentioned above.

4.7.2 Working capital

Our Group's requirement for working capital will also increase in tandem with the growth of our network of outlets. Therefore, we expect to use approximately RM32.23 million (or 36.3%) of our IPO proceeds raised as additional working capital to finance the following:

- approximately RM21.06 million to be allocated for initial inventory stocking of our new outlets at an estimate of approximately RM70,000 for each new outlet and for our day-to-day working capital requirements for inventory in connection with our existing outlets; and
- approximately RM11.17 million for:
  - (i) expansion of workforce required to manage and operate the larger number of outlets as we expand our network;
  - (ii) defrayment of other associated operational and business development expenses such as legal fees, licences and security deposits for new tenancies; and

(iii) advertisement and promotional activities of our Group.

This additional working capital will further enhance our cash flow position and enable us to conduct our operations and expansion without being overly dependent on external funding.

4.7.3 To settle our listing expenses

Our listing expenses are estimated to be RM6.45 million, details of which are as follows:

	RM million
Professional fees	2.65
Fees to authorities	0.32
Estimated underwriting, placement and brokerage fees	2.84
Printing and advertising	0.50
Contingencies	0.14
Total	**6.45**

If the actual listing expenses are higher than estimated, the deficit will be funded out of our Group's internally generated funds.

The actual proceeds accruing to our Group will depend on the Institutional Price and the Final Retail Price. If the actual proceeds are higher than budgeted above, the excess will be used for working capital and general corporate purposes. Conversely, if the actual proceeds are lower than budgeted above, the proceeds allocated for capital expenditure and working capital will be proportionately reduced.

Pending the eventual utilisation of the Public Issue proceeds for the above intended purposes, the funds will be placed in short-term deposits with licensed financial institutions or short term money market instruments.

Our use of the Public Issue proceeds is expected to have the following primary impact to our Group:

(i) Outlet expansion

We intend to use part of the proceeds from our IPO to expand our network of outlets and to enhance as well as to improve our logistics and IT capabilities to support such expansion. The expansion of outlets and their respective contributions is expected to improve our financial performance in coming years.

Furthermore, a growing and larger network in tandem with improved and wider logistics and IT capabilities will provide our Group with an opportunity to become more competitive within the industry. For instance, our Group will be able to enjoy further economies of scale with our product principals and suppliers and be able to leverage and capitalise on an integrated and centralised supply chain, thus providing further efficiencies to our operations, with the objective of improving operating margins.

(ii) Availability of working capital

The ability to finance the initial inventory stocking for new outlets, as well as the additional manpower required for such new outlets is also crucial to support a growing network. As we intend to use a portion of the proceeds from our IPO to finance these requirements, the additional working capital will further enhance our cash flow position and enable us to conduct our operations and expansion without being overly dependent on external funding.

(iii) Enhancement to our Group's capital structure

With the increase in our shareholders' funds from the completion of the Public Issue, we expect our gearing level of approximately 0.16 times as at 31 January 2016 to decrease to approximately 0.07 times (on the assumption that the Public Issue was completed on the same date). The reduction in our gearing will enable our Group to have the flexibility to raise additional external financing as and when opportunities arise to fund our expansion and/or working capital requirements.

The pro forma financial impact of the utilisation of proceeds on our capitalisation and indebtedness as at 31 January 2016, assuming that the Public Issue and the utilisation of the proceeds is completed on the same date, is reflected in Section 12.6 of this Prospectus.

4.8 Brokerage, underwriting commission and placement fees

4.8.1 Brokerage fee

We will pay brokerage in respect of our IPO Shares under the Retail Offering, at a rate of 1.0% on the Final Retail Price per IPO Share in respect of all successful applications which bear the stamp of CIMB, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and/or the Issuing House.

CIMB is entitled to charge brokerage fees to successful applicants under the Institutional Offering. For avoidance of doubt, any brokerage fees payable under the Institutional Offering will not be borne by us.

4.8.2 Underwriting commission

As stipulated in the Retail Underwriting Agreement, we will pay the Managing Underwriter an underwriting commission of 2.5% of the amount equal to the Final Retail Price multiplied by the number of Shares underwritten pursuant to the Retail Offering.

4.8.3 Placement fee

We, in respect of our IPO Shares, will pay the Sole Bookrunner a base placement commission of 2.5% and an incentive fee of up to 0.6% of the Institutional Price multiplied by the number of IPO Shares sold to institutional and/or selected investors pursuant to the Institutional Offering, in accordance with the terms of the Placement Agreement.

4.9 Underwriting, placement and lock-up agreements

4.9.1 Underwriting

Pursuant to the Retail Underwriting Agreement, the Managing Underwriter has agreed to underwrite 18,303,500 IPO Shares under the Retail Offering, subject to clawback and reallocation provisions set out in Section 4.3.4 of this Prospectus. Details of the underwriting commission are set out in Section 4.8.2 of this Prospectus.

The salient terms of the Retail Underwriting Agreement are as follows:

(i) the obligations of the Managing Underwriter under the Retail Underwriting Agreement are subject to certain conditions precedent;

(ii) the Managing Underwriter may by notice to our Company given at any time before the date of Listing, terminate, cancel and withdraw its underwriting commitment if:

   (a) there has been a breach by our Company of any of its warranties, undertakings or obligations under the Retail Underwriting Agreement in any respect;

(b) our Company withholds any information from the Managing Underwriter which, in the opinion of the Managing Underwriter, would have or is likely to have a material adverse effect, whether individually or in the aggregate, and whether or not arising in the ordinary course of business, on any of the following:

(aa) the condition (financial or otherwise), contractual commitments, general affairs, management, business, assets, liquidity, liabilities, shareholders' equity, prospects, properties or results of operations of our Company and our subsidiaries, taken as a whole;

(bb) the ability of our Company to perform in any respect its obligations under or with respect to, or to consummate the transactions to which it is a party as contemplated by this Prospectus and/or the Application Forms, the Placement Agreement or the Retail Underwriting Agreement;

(cc) the ability of our Company or any of our subsidiaries to conduct its businesses and to own or lease its assets and properties as described in this Prospectus; or

(dd) the IPO;

(**"Material Adverse Effect"**)

or affect the success of the IPO, or the distribution or the sale of the IPO Shares pursuant to the IPO;

(c) there shall have occurred, happened or come into effect any event or series of events beyond the reasonable control of the Managing Underwriter by reason of Force Majeure (as defined below) which would have or can reasonably be expected to have, a Material Adverse Effect or is reasonably likely to have the effect of making any material obligation under the Retail Underwriting Agreement incapable of performance in accordance with its terms. "**Force Majeure**" means causes which are unpredictable and beyond the reasonable control of the party claiming Force Majeure which could not have been avoided or prevented by reasonable foresight, planning and implementation including but not limited to:

(aa) war, acts of warfare, sabotages, hostilities, invasion, incursion by armed force, act of hostile army, nation or enemy, civil war or commotion, hijacking, terrorism;

(bb) riot, uprising against constituted authority, civil commotion, disorder, rebellion, organised armed resistance to the government, insurrection, revolt, military or usurped power; or

(cc) natural catastrophe including but not limited to earthquakes, floods, fire, storm, lightning, tempest, explosions, accident, epidemics or other acts of God;

(d) there shall have occurred any government requisition or other occurrence of any nature whatsoever which would have or is reasonably likely to have a Material Adverse Effect;

(e) there shall have occurred any material adverse change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), political or economic conditions or exchange control or currency exchange rates which in the opinion of the Managing Underwriter would have or is reasonably likely to, have a Material Adverse Effect or a material adverse effect (whether in the primary market or in respect of dealings in the secondary market) on the value or price of the IPO Shares. For the avoidance of doubt, and without prejudice to the foregoing, if the FTSE Bursa Malaysia KLCI ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:

(aa) on or after the date of the Retail Underwriting Agreement; and

(bb) prior to the closing date of the Retail Offering,

lower than 85% of the level of Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to the date of the Retail Underwriting Agreement and remains at or below that level for at least 3 consecutive Market Days, it shall be deemed a material adverse change in the stock market condition;

(f) trading of all securities on Bursa Securities has been suspended or other material form of general restriction in trading for 3 consecutive Market Days or more;

(g) there shall have announced or carried into force any new laws or change in laws in any jurisdiction which in the opinion of the Managing Underwriter may prejudice the success of the Listing or which would have or is reasonably likely to have the effect of making it impracticable to enforce contracts to allot the Shares or making any obligation under the Retail Underwriting Agreement incapable of performance in accordance with its terms;

(h) the Institutional Offering and/or the Retail Offering is stopped or delayed by our Company or the regulatory authorities for any reason whatsoever (unless such delay has been approved by the Managing Underwriter);

(i) the closing date of the Retail Offering does not occur within 10 days from the issuance date of this Prospectus or such other extended date as may be agreed by the Managing Underwriter;

(j) the Listing does not take place by 29 March 2016 or such other extended date as may be agreed by the Managing Underwriter;

(k) any commencement of legal proceedings or action against any member of our Group or any of our directors, which in the opinion of the Managing Underwriter, would have or is reasonably likely to have a Material Adverse Effect or make it impracticable to enforce contracts to allot the Shares;

(l) the Placement Agreement is terminated or rescinded in accordance with its terms or any of the conditions precedent set forth in the Placement Agreement not having been satisfied in full or to the extent not satisfied as such, waived by the Managing Underwriter in accordance with its terms; and

(m) any of the approvals below being revoked, suspended or ceases to have any effect whatsoever, or is varied or supplemented upon terms that would have or is reasonably likely to have a Material Adverse Effect:

(aa) amongst others, all approvals required in relation to the IPO, the admission of our Company's entire issued share capital to the Official List and the Listing, remaining in full force and effect and none having been rescinded, revoked or varied on the closing date of the Retail Offering and that all conditions to such approvals (except for any which can only be complied with after the Initial Public Offering has been completed) have been complied with;

(bb) the approval-in-principle of Bursa Securities for the Listing being obtained on terms acceptable to the Managing Underwriter and such approval remaining in full force and effect and none having been rescinded, revoked or varied on the closing date of the Retail Offering and that all conditions to such approval (except for any which can only be complied with after the IPO has been completed) have been complied with.

4.9.2 Placement

We expect to enter into the Placement Agreement with the Sole Bookrunner in relation to the placement of 62,316,500 IPO Shares under the Institutional Offering, subject to clawback and reallocation provisions set out in Section 4.3.4 of this Prospectus. We will be requested to give various representations, warranties and undertakings and to indemnify the Sole Bookrunner against certain liabilities in connection with the IPO.

4.9.3 Lock-up agreements

(i) Our Company had agreed to a lock-up agreement with the Sole Bookrunner dated 22 February 2016 (**"Issuer Lock-up Agreement"**) that our Company shall not and shall procure that its nominees and/or trustees holding Shares on trust for our Company shall not, and shall use our Company's best endeavour to procure that our affiliates shall not, without the prior written consent of the Sole Bookrunner, from the date of the Issuer Lock-up Agreement until the date falling 180 days from the date of our Listing:

   (a) offer, pledge, sell, contract or agree to sell, mortgage, charge, assign, allot or issue or sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase, lend, subscribe for, hypothecate or create any encumbrance, or otherwise transfer or dispose of, directly or indirectly, conditionally or unconditionally, any Shares (or any securities convertible into or exercisable or exchangeable for the Shares), whether any such transaction is to be settled by delivery of the Shares or such other securities, in cash or otherwise;

   (b) enter into any swap, hedge or derivative or other agreement, transaction or arrangement that transfers, in whole or in part, any of the economic consequences of ownership of the Shares (or any securities convertible into or exercisable or exchangeable for, or that represent the right to receive or are substantially similar to, the Shares), whether any such transaction is to be settled by delivery of the Shares or such other securities, in cash or otherwise;

   (c) deposit any Shares (or any securities convertible into or exchangeable for, or which carry rights to subscribe or purchase or that represent the right to receive or are substantially similar to, the Shares) in any depository receipt facilities; or

   (d) agree to do or announce any intention to do any of the above or an offering or sale of any of the Shares or any other securities exercisable or exchangeable for or convertible into or that represent the right to receive, or are substantially similar to, such Shares (or any interest therein or in respect thereof) with respect to any of the foregoing.

(ii) By respective agreements dated 22 February 2016, D&D Consolidated, DTG and DTK had respectively agreed to lock-up agreements with the Sole Bookrunner (**"Promoters Lock-up Agreements"**) that they respectively shall not and shall procure that its affiliates and/or nominees and/or trustees holding the Shares on trust for or on his behalf shall not, without the prior written consent of the Sole Bookrunner, from the date of the Promoters Lock-up Agreement until the date falling 180 days from the date of our Listing (the **"Promoters Lock-up Period"**):

(a) offer, pledge, sell, contract or agree to sell, mortgage, charge, assign, allot or issue or sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase, lend, subscribe for, hypothecate or create any encumbrance, or otherwise transfer or dispose of, directly or indirectly, conditionally or unconditionally, any Shares (or any securities convertible into or exercisable or exchangeable for the Shares), whether any such transaction is to be settled by delivery of the Shares or such other securities, in cash or otherwise;

(b) enter into any swap, hedge or derivative or other agreement, transaction or arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Shares (or any securities convertible into or exercisable or exchangeable for, or that represent the right to receive or are substantially similar to, the Shares), whether any such transaction is to be settled by delivery of the Shares or such other securities, in cash or otherwise;

(c) deposit any Shares (or any securities convertible into or exchangeable for, or which carry rights to subscribe or purchase or that represent the right to receive or are substantially similar to, the Shares) in any depository receipt facilities;

(d) agree to do or announce any intention to do any of the above or an offering or sale of any of the Shares or any other securities exercisable or exchangeable for or convertible into or that represent the right to receive, or are substantially similar to, such Shares (or any interest therein or in respect thereof) with respect to any of the foregoing; or

(e) sell, transfer or otherwise dispose of any interest in any shares in any company or other entity controlled by it which is directly, or through another company or other entity indirectly, the beneficial owner of the Shares.

The restrictions above shall apply to all Shares (or any securities convertible into or exercisable or exchangeable for the Shares) (i) held by D&D Consolidated, DTG and DTK, their nominees and/or trustees holding shares as at the date of the Promoters Lock-up Agreement or (ii) acquired by D&D Consolidated, DTG and DTK, their nominees and/or trustees after the date of the Promoters Lock-up Agreement and until and including the date of our Listing.

D&D Consolidated, DTG and DTK respectively agrees that, without the prior written consent of the Sole Bookrunner, it will not, during the Promoters Lock Up Period, make any demand for or exercise any right with respect to, the registration of any Shares or any security convertible into or exercisable or exchangeable for the Shares.

4.10 Trading and settlement in secondary market

Upon our Listing, our IPO Shares will be traded through Bursa Securities and settled by book-entry settlement through CDS (which is operated by Bursa Depository). This will be effected in accordance with the Rules of Bursa Depository and the provisions of SICDA. Accordingly, our Company will not deliver share certificates to the subscribers of our IPO Shares.

Beneficial owners of our Shares are required under the rules of Bursa Depository to maintain the Shares in CDS accounts, either directly in their name or through authorised nominees. Persons whose names appear in the Record of Depositors maintained by Bursa Depository will be treated as the shareholders of our Company in respect of the number of Shares credited to their respective CDS accounts.

Transactions in our Shares under the book-entry settlement system will be reflected by the seller's CDS account being debited with the number of Shares sold and the buyer's CDS account being credited with the number of Shares acquired. No transfer stamp duty is currently payable for our Shares that are settled on a book-entry basis, although there is a nominal transfer fee of RM10 payable for each transfer not transacted on the market.

All Shares held in CDS accounts shall not be withdrawn from the CDS except in the following instances:

(i) to facilitate a share buy-back;

(ii) to facilitate conversion of non-equity securities;

(iii) to facilitate company restructuring process;

(iv) where a body corporate is removed from the Official List;

(v) to facilitate a rectification of any error; and

(vi) in any other circumstances as determined by Bursa Depository from time to time, after consultation with the SC.

Trading of shares of companies listed on Bursa Securities is normally done in "board lots" of 100 shares. Investors who desire to trade less than 100 shares shall trade under the odd lot market. Settlement and payment of trades done on a "ready" basis on Bursa Securities generally takes place on the 3rd Market Day following the transaction date.

It is expected that our IPO Shares will not commence trading on Bursa Securities until about 10 Market Days after the close of the Retail Offering. Holders of our Shares will not be able to sell or otherwise deal in our Shares (except by way of a book-entry transfers to other CDS accounts in circumstances which do not involve a change in beneficial ownership) prior to the commencement of trading on Bursa Securities.

(The rest of this page has been intentionally left blank)

5. RISK FACTORS

Before investing in our Shares, you should pay particular attention to the fact that our Group, and to a large extent, our activities, are governed by the legal, regulatory and business environment in Malaysia whether presently or in the future. Our business is subject to a number of factors, many of which are outside our control. Prior to making an investment decision, you should carefully consider, along with the other matters set forth in this Prospectus, the risks and investment considerations below. You should note that the following list is not an exhaustive list of all the risks that we face or risks that may develop in the future. Additional risks, whether known or unknown, may in the future have a material and adverse effect on us or our Shares.

5.1 Risks affecting our business and operations

5.1.1 Our success depends on our ability to secure optimal outlet locations

As a press and convenience retailer, one of the key factors to the performance of our outlets is our ability to secure outlet locations with high foot traffic that are optimal to our retail business. This is done through our business development team that focuses on store acquisition and store development. Our established brand equity enhances our ability to secure optimal outlet locations as property owners are more likely to rent their premises to tenants that have established and easily recognisable brands. However, we cannot assure you that we will be able to secure optimal retail locations for our new outlets. If we are unable to secure optimal retail locations, our ability to expand our retail network may be hindered and if our outlets become sub-optimal in the future in terms of declining foot traffic, the financial viability from operating such outlets may be adversely impacted due to lower sales performance, which may then materially impact our Group's overall financial performance and business profitability.

5.1.2 Our success depends on the value of our "myNEWS.com" brand

As at the LPD, out of our 255 outlets, 223 outlets operate under our homegrown trade name of "myNEWS.com". Maintaining consumer recognition for "myNEWS.com" is critical in attracting and expanding our customer base and ensuring customer loyalty.

Our "myNEWS.com" brand is built on several key factors such as our clean and inviting outlet concept, quality of customer service and optimum product mix of print media and convenience retail items, all of which are aimed at bringing a contemporary press and convenience shopping experience to our customers. The value of our "myNEWS.com" brand is dependent on us being able to continuously improve and build on these key factors to ensure continued consumer recognition. Failure to do so may adversely affect our brand equity, which in turn may result in a material adverse effect on our business and financial performance.

Despite our efforts, there is no assurance that our brand equity will not be eroded or adversely affected due to circumstances and events beyond our control. In such a situation, our sales and financial performance may be adversely affected and our ability to expand our retail network may also be hindered.

5.1.3 Our business is dependent on customer loyalty

Most of our customers are end consumers, and as such, our business is generally affected by consumer spending and behaviour. Our success depends on our customers' continuous loyalty to our brand. We believe that the key factors which will attract and retain customers include:

(i) our ability to enhance our brand presence and brand value;

(ii) successful promotional, advertising and marketing strategies;

(iii) the quality of products and services offered at our outlets; and

(iv) the ability for us to competitively price the products and services offered at our outlets.

Nonetheless, we cannot guarantee that our efforts to establish customer loyalty will continue to be effective. If we are unable to establish continuous customer loyalty to our brand, products and services that we carry, our customers may turn to our direct competitors. This may result in a material adverse impact on our business and financial performance.

5.1.4 Our business depends on our ability to identify and match customer preferences for our products and services

Our business performance largely depends on our ability to identify a suitable mix of products and services to match consumer demands and preferences in different localities and across different demographics, as well as our ability to respond to such demands and preferences in a timely manner.

If we are unable to predict our target markets' demands, respond to our customers' needs and preferences, as well as execute necessary adjustments to our merchandise and services in a timely manner, we may suffer revenue loss and our prospects and financial performance may be materially and adversely impacted.

By leveraging on IT to provide us with on-demand information, we are able to systematically monitor and analyse sales trends, margins and SKU movements throughout our retail network to regularly identify sales patterns and trends. This allows us to respond to our target markets' demands in a timely manner and to optimise our sales performance.

Also, as we have been in the press and convenience retailing business over the past 19 years, we have established long-standing relationships with our suppliers. This assists us to access a wide variety of products and consumer services, from which we are able to select in order to ensure that our customers get a wide variety of their preferred products and services. Nevertheless, we cannot guarantee that we will be able at all times to predict accurately our product mix and services that match our customer preferences and demands. Any failure to do so may materially and adversely affect our business and financial performance.

5.1.5 We depend on IT in managing our business operations

We use IT as a competitive platform to place effective business and operating controls for our retail business. The application of our integrated IT system, consisting of our Bisonet System and WMS, spans across our business operations, human resources management, logistics and warehouse management, and to our front end over-the-counter POS. We are therefore reliant on the performance of our IT system to control, manage and monitor, amongst others, our retail and procurement activities. Further details of the technologies that we use and the capabilities of our IT platform are set out in Section 7.7 of this Prospectus.

We also use barcoding for all our inventories and SKUs, which is applied throughout our Bison DC, logistics distribution system and outlets. In addition, we are also dependent on the computer hardware and network to support our IT platform.

As such, there is a risk of interruption to our business operations and loss of data if we experience any malfunctions or system failure in our IT systems as well as our computer hardware or network. Such interruption, malfunction or system failure may have a material adverse impact on our Group's business operations and in such a situation, our sales and financial performance may be materially and adversely affected.

5.1.6 We rely on our Bison DC

As at the LPD, approximately 86.7% of our SKUs received from our suppliers, managed and distributed to our network of outlets are from our Bison DC. Our Bison DC is supported by a logistics team consisting of 85 employees who are located on-site and a fleet of 13 delivery trucks which services all of our outlets nationwide.

Due to the concentration of our distribution network around our Bison DC, any significant disruption in the operations of our Bison DC due to natural disasters or calamities such as flooding or events such as fire, accidents, prolonged power outages, system failures or other unforeseen circumstances could severely damage our inventory, rendering the inventory unsaleable. In such an event, it could adversely affect our product distribution and sales until such time we secure an alternative facility or arrangements with our product principal and suppliers.

We cannot guarantee that our product principals or suppliers will agree to deliver those inventory that were distributed through Bison DC, directly to our outlets nor can we guarantee that we will be able to secure an alternative facility in a timely manner and on terms and conditions which are commercially acceptable to us.

Furthermore, if we encounter difficulties, delays or problems arising from the operations of our Bison DC, we cannot ensure that the critical systems and operations will be restored in a timely manner, resulting in delayed deliveries to our outlets or delivery scheduling conflicts, thereby affecting our ability to restock our outlets in a timely manner.

Any disruption or disasters affecting our Bison DC or delays from the operations of our Bison DC may consequently result in a material adverse impact on our business operations, financial performance and profitability.

5.1.7 We may be affected by inventory management issues

Our Group's principal business as a press and convenience retailer depends very much on our ability to procure optimal SKUs at our outlets at competitive costs and in a timely and satisfactory manner to meet our customers' demands. In case of delay or other problems in placing of stock orders by our outlets due to, amongst others, human error, or delay in receiving supply of products from our suppliers, shortages or oversupply may occur. If we are unable to meet our customers' demands due to shortage of SKUs at our outlets, we will lose sales. On the other hand, in the case of overstocking SKUs, we may face shortage of retail space and consequently increase in our inventory holding costs.

Our existing business operations is set up to enable us to respond in a timely manner to maintain optimal levels and range of SKUs at each particular outlet and to minimise obsolete or slow-moving SKUs. Despite our established network of suppliers and proactive management of our inventory, we are unable to guarantee that shortage in supply or obsolete or slow-moving SKUs will not occur. In such a situation, our sales and financial performance may be materially and adversely affected.

5.1.8 We are dependent on our major suppliers

During the FYEs 31 October 2013, 31 October 2014 and 31 October 2015, each of our major suppliers as set out in Section 7.15 of this Prospectus who accounted for more than 10% of our total purchases were tobacco suppliers.

These tobacco suppliers are also key suppliers in Malaysia. Any disruption to or cessation in the supply of products from these major suppliers, or any changes in our business relationship with these major suppliers may have an adverse effect on our business. We may incur additional costs, time and resources to seek alternative supply sources on terms that are commercially acceptable to us. This will in turn affect our profit margins and our price competitiveness against other tobacco retailers.

Any disruption or cessation of supply from these major suppliers may result in shortage of supply to our outlets and as such may affect our outlets' sales performance as tobacco sales is one of our largest revenue contributors.

Despite our long-standing relationship with these major suppliers, there can be no assurance that these major suppliers will continue to supply their products to us, and any disruption in the supply of tobacco products from the above major suppliers may have a material adverse effect on the business of our Group.

5.1.9 We are dependent on skilled and experienced personnel and the loss of their continued services may affect our business

Our Group's continued success, future business growth and expansion depend on our Key Management's experience, expertise and continued efforts. Our Executive Directors, who are also our Promoters, play an active role in the management and operations of our Group. Specifically, DTL and DTW have been actively involved in our Group's operations, and their long service, in-depth knowledge on all aspects of our Group's operations, as well as their retail sector experience (19 years for DTL and 17 years for DTW) is invaluable to our Group and our Group's future plans. Our Executive Directors are assisted by our other Key Management who also have extensive knowledge and experience in the retail business.

The loss of any of our Key Management may adversely affect our ability to maintain and/or improve our performance. As such, our ability to retain and also attract competent and skilled personnel is crucial for our continued success, future business growth and expansion.

Nonetheless, there can be no assurance that the loss of any of our Key Management and the ensuing impact arising from the transition of key management functions will not have a material adverse effect on our Group's operations.

5.1.10 We may face human resource challenges which could lead to issues in the quality of our customer service

The retail convenience store market requires the need for human resources, and thus the market is reliant on the employment of efficient personnel. As a press and convenience retailer and an operator of a food and beverage outlet, our business is very much service oriented. It is therefore important to ensure that suitable front-line or front-desk personnel are hired. Any customer service issues such as inefficient or unfriendly customer service could have an overall unpleasant experience for customers. For example, any customer service issues leading to longer queues or longer check-out time could have a negative impact on our customers' convenience shopping experience. This may in turn result in loss of sales or loss of repeat customers.. In the event of the above, our brand equity, business and results of operations may be materially and adversely affected.

As at the LPD, we have 464 contractual foreign workers. Factors such as language and cultural barriers in respect of our foreign workers may pose a challenge in our efforts to deliver quality customer service which is consistent with our objectives of bringing a contemporary press and convenience shopping experience to our customers.

Furthermore, while the employment of foreign workers in the retail market is presently allowed, the countries from which retail operators may source foreign workers as well as the ensuing conditions related to their employment are subject to governmental policies, directives and regulations from time to time. In general, approval is granted based on the merits of each case and is subject to conditions imposed by the relevant authorities from time to time. For example, under the current policies issued by MOHA, foreign workers are not allowed to work as front-line workers, which include having a role as a cashier. Additionally, the Government may amend policies relating to the employment of foreign workers in the retail market and/or introduce new conditions from time to time.

As such, any shortage in the supply of foreign workers could adversely affect our business operations. In addition, we may also be subjected to increased costs and retail overheads if there are any increases in the levy or minimum wages for foreign workers or any other costs imposed by the Government in relation to their employment.

Based on our Group's experience, we have found it difficult to recruit and retain domestic employees to fill in front-line positions due to the transitory nature of the role. This places constraints on our ability to increase the pool of domestic manpower to manage front-line work at our outlets. As at the LPD, we have an average of 1.4 domestic employees for each outlet. Although we try to ensure that all front-line positions at our outlets are manned by domestic employees, there is no assurance that all front-line positions at our outlets will be manned by domestic employees at all times. To the extent that we are unable to attract and retain a wider pool of domestic employees, we may experience constraints in growing our network of outlets in compliance with the above policy by MOHA.

With an aim to attract a wider pool of employees to counter the risk of labour shortage which may disrupt our outlet operations, we have put in place competitive remuneration packages, benefits and incentive for our outlet staff. Also, to such extent that we are unable to arrange for contractual, part time or temporary staff in event of disruption to labour supply, we may experience loss of sales due to disruption to the affected outlets as well as increased operating costs, or constraints in growing our network of outlets. As a result of the above, we cannot assure you that the above factors will not materially and adversely impact our financial performance, results of operations and business prospects.

5.1.11 We are susceptible to pilferage and robbery, particularly at our outlets

The operational risks of pilferage and robbery will cause loss to our inventory which may in turn disrupt and/or affect our operations and financial condition. As a retail business, cash receipts constitute a significant proportion of our sales transactions at our outlets and as such, our outlets are particularly subject to the risk of pilferage and robbery.

As preventive measures to deter pilferage and robbery, all our outlets are installed with alarm systems, security cameras and safes. We also have in place our internal control team that is responsible for, amongst others, monitoring and investigating pilferage, cash variances and carrying out random spot checks on our outlets. Other efforts taken to mitigate these risks include applying various monitoring and tracking systems and standardised cash management practices to minimise any fraud, mismanagement or mishandling of cash and for safety purposes.

Although we have taken all reasonable steps to mitigate the operational risks above, we cannot assure you that the above measures taken will be adequate or that should such events occur they will not have a material adverse impact on our business, financial condition and operations.

5.1.12 Our operations may be affected due to changes in tenancy arrangements and rental costs, as well as outlet refurbishment costs

We do not own the properties on which our outlets operate from. Our outlets located at shopping malls, hypermarkets, high streets, office spaces, transportation hubs, resorts and medical centres are rented from third parties. Most of our tenancies do not exceed 3 years. The terms and conditions of our tenancies may be subject to review and modification by our landlords, depending on the provisions of the respective tenancy agreements.

There can be no assurance that our landlords will not increase the rental rates or that our landlords will renew our tenancies upon expiry of the tenancy periods. If our landlords choose not to renew our tenancies, our operations in these affected outlets will have to be relocated to a new location, and there can be no assurance that we will be able to find a comparable location optimal to our business, especially for our outlets located at shopping malls or transportation hubs where the availability of retail space is competitive. This may result in a material adverse impact on our Group's operations and profitability.

In addition, from time to time, we may refurbish or our landlords may require us to refurbish our outlets, to improve our storefront appearance and to comply with our landlords' storefront appearance requirements. Any disruption to the operations and business of these outlets arising from such refurbishment may affect our sales and financial performance.

5.1.13 We may face risks of non-compliance with land laws, rules and regulations for our tenanted properties

In respect to our tenanted properties, we are not in a position to ascertain if our landlords have complied with all applicable land laws, regulations and rules. As such, we are susceptible to the risks of fines and penalties of any non-compliance of applicable land laws, regulations and rules to such extent it affects us as occupiers of the outlets.

All outlets operated by our Group are rented from property owners. These property owners comprise shopping malls, office or commercial property owners as well as individual property owners.

Therefore, there can be no assurance that we will not be subject to any penalties or fines as an occupier of such properties or spaces. Even if the fines and penalties for any breach of laws in respect of the properties are incurred and paid for by our landlords, we may be required to indemnify the landlords against such fines and penalties to the extent such breach is caused by us as tenants in accordance with the tenancy agreements that we entered into in respect of such properties. These fines, penalties and any indemnification may materially and adversely affect our business, financial condition and results of operations.

As part of our efforts to fully comply with the relevant land laws, rules and regulations relating to properties, which we rent and occupy, our business development team, in the course of site acquisition for our new outlets, will take into account the status of compliance as one of the evaluating factors. For non-compliances, though we may request our landlords, in our capacity as tenants, to procure the CF/CCC, or rectify any non-compliance of the category of land use and/or express condition or approved use of land on which the tenanted outlets are located, we are unable to guarantee that we will succeed in doing so or that the non-compliances may be rectified in a timely manner. As such, any disruption to the operations and business of the affected outlets, or if we will need to relocate the affected outlet, our business operations, sales and financial performance may be materially and adversely affected.

Please refer to section 7.23.2(i) for a description of the relevant land laws, rules and regulations relating to the properties which we rent and occupy and the status of compliance of our rented outlets with the CF/CCC requirements.

5.1.14 We are subject to risks of legal, employment, consumer, public liability claims, other disputes and negative publicity arising from our business operations

We are subject to risks of legal, employment, consumer claims, public liability claims and other disputes arising from our business operations. As most of our product and service offerings are third party consumer goods, we may be subject to consumer claims in the case of sale of substandard or defective products, and contaminated or deteriorated food and beverage products sold to our customers. As a mitigating measure, we are in the process of incorporating product indemnity terms within our standard trading terms with our product principals and suppliers.

We also offer fresh food and beverages at our Bison Café. As such, we are subject to risks of food contamination and deterioration, which are inherent risks to food industry participants.

Any negative publicity arising from consumer claims and negative media reports which we may be directly or indirectly associated with may affect our brand equity and reputation and subsequently our sales.

In the course of our retail business operations, we are also susceptible to the risk of public liability claims such as public liability claims arising from accidents and/or injuries sustained by customers within our outlets.

Litigation or dispute resolution processes arising from these claims may be costly and time consuming. Due to the vagaries of litigation and dispute resolution proceedings, we are also unable to guarantee that the outcome of any such dispute resolution will be in our favour. If the outcome of dispute resolution is against us, we cannot assure you that we will have sufficient funds or be in a position to make sufficient provisions for such liabilities.

As a result of the abovementioned claims, we may be exposed to the risk of revocation, suspension or non-renewal of our business licences by the authorities. As such, these claims may materially and adversely affect our reputation, business, future growth and expansion, and financial performance.

Hence, any legal, employment, consumer, public liability claims, other disputes and negative publicity arising from our business operations may have a material adverse effect on our business, financial performance and results of operations.

Although we have not experienced any negative publicity that has materially affected our business, sales or financial performance as at the LPD, there is no guarantee that we will not be affected by negative publicity which may lead to a material adverse effect on our sales and financial position.

5.1.15 There is no assurance that our insurance coverage is adequate

We have purchased insurance policies for fire, burglary, money in transit, public liability, fidelity insurance and product liability insurance for consumables such as food and beverage products sold by us. We believe our current insurance coverage undertaken is adequate for our business and level of operations. Nonetheless, we are unable to guarantee that the insurance coverage would be adequate to cover the losses, damages or liabilities, which we may incur in the course of our business operations. To such extent any such risks are uninsured, not covered under our insurance policies, or where the insurance protection is not sufficient to cover such risks, we may have to bear such losses, damages or liabilities and consequently our business and financial condition may suffer a material adverse impact.

5.1.16 There is no assurance that our future plans will be commercially successful

We currently focus on expanding our network of outlets in major urban centres such as the Klang Valley, Johor Bahru and Penang. Our future plans and strategies focus on key areas of enhancing our revenue generation and margin optimisation, as well as the corresponding business and operational support functions.

It is our plan to expand our market presence through expansion of our network of outlets. We may also explore overseas markets. In order to stay competitive, we believe in the importance of continuous diversification and enhancement of our product range, and improving our business functions and back-end operations such as logistics capabilities and IT capabilities to support our growing network and product base. Please refer to Section 7.3.4 of this Prospectus for further details of our future plans and strategies.

Our expansion plans involve a number of risks, including but not limited to capital expenditure incurred to expand our outlets and to enhance our existing outlets, the costs of acquiring suitable land or properties and/or construction costs (if required) to expand our distribution and logistics capabilities that may include new distribution centres, warehouses or other facilities, the cost to improve our Bison DC and its logistics and IT capabilities, the working capital tied up in inventories, increased advertising, marketing and promotional expenses as well as other working capital requirements.

While we believe that we have sufficient resources at our disposal to execute our business expansion plans after the Public Issue and Listing, we are not able to guarantee that we will be successful in executing our business expansion plans, nor can we assure you that we will be able to anticipate all the business and operational risks arising from our future business plans. Any failure to do so may lead to a material adverse effect on our financial performance and position.

Any failure or inefficiency to manage our business growth and the expanding demand for personnel stemming from our future business expansion may also have a material adverse impact on our business operations and financial performance.

5.2 Risks affecting the industry in which we operate

5.2.1 We operate in a competitive environment

(i) We are subject to competition within the retail convenience store market

The retail convenience store market consists of owners and operators ranging from large corporations to small independently owned businesses. The number of retail convenience stores in Malaysia was 2,547 as at 2014 and is estimated to have grown to 2,776 outlets as at 2015. Some of these retail convenience stores have been in operation for more than a decade, and as such are more established than others. With the presence of these established retail convenience store industry players, competition is strong as most of these industry players have the ability to offer competitive pricing and effectively manage their inventories, as a result of their higher stock turnover and larger inventory spaces. Furthermore, the reputation that these industry players garnered over many years in operations also enables them to seek and negotiate more suitable and strategic locations for their stores.

Some examples of the major retail convenience industry players which we compete with in the retail convenience store market are 7-Eleven Malaysia Holdings Berhad (under the trade name of "7-Eleven"), All Happy Sdn Bhd (under the trade name of "Happy Mart"), Circle K (Malaysia) Sdn Bhd (under the trade name of "Circle K"), Point Convenience Shop Sdn Bhd (under the trade name of "Point") and TCT Trading Sdn Bhd (under the trade name of "Orange").

(Source: IMR Report)

(ii) We are also subject to competition from other retail format stores

Apart from competition within the retail convenience market, we also face competition from other retail format outlets including traditional retail outlets (e.g. independent small grocery retailers and specialist retailers) and large modern retail format outlets (e.g. hypermarkets and supermarkets). Most of these traditional retail format outlets are still thriving in rural areas and to a certain extent residential neighbourhoods in suburban areas, where they have built their loyal customer base through their long years of service to the local community. *(Source: IMR Report)*

Should we expand our network of outlets to these areas, we may compete with them for customers.

Large format retail outlets have greater capacity to carry higher volumes of inventories, thus garnering the ability to offer lower prices. While customers are willing to pay slightly higher prices for products from retail convenience stores in exchange for convenience, there is a possibility that retail convenience store industry players could lose out to large retail formats should there be a huge disparity in pricing. (*Source: IMR Report*)

As such, we may not be able to compete directly with larger retail formats which operate on a different business model as compared to retail convenience stores.

The IMR Report has identified several critical success factors in the retail convenience store market on which industry players' branding and market reputation are built on. These critical success factors include: (i) extensive store network in suitable and strategic store locations; (ii) successful and cost-effective management of inventory, warehousing and logistics; (iii) attractiveness of the store layout and outlet concept; (iv) responsiveness to market demands and consumer preferences in determining the suitable product mix and range; and (v) maintenance of customer service quality.

According to the IMR Report, we are the second largest retail convenience store industry player in Malaysia, with an estimated market share of 8.6% in terms of outlet numbers and 6.6% in terms of revenue in 2015.

Any failure on our part to build on the differentiating factors above as competitive advantages may cause us to lose sales revenue and a decline in customer loyalty to our brand, resulting in a subsequent loss of our market share. Although we will continue to take measures to maintain our competitiveness through our competitive advantages and key strengths set out in Section 7.3.3 of this Prospectus, there is no assurance that our business, performance and results of operations will not be materially and adversely affected if we are unable to do so.

5.2.2 Our financial performance is subject to regulatory changes in Malaysia

Our business, prospects, financial condition and results of operations may be affected by unfavourable changes in Government laws, regulations and policies (such as licensing regulations, wage requirements and changes to tobacco policies and taxes) that are beyond our control.

For instance, Thailand prohibits display of tobacco products at POS and Singapore is expected to introduce similar display ban measures in 2017. The implementation of such similar regulations or policies in Malaysia in particular towards restricting tobacco product display at POS will adversely affect our advertising and promotions revenue derived from tobacco principals, unless an alternative fee structure or arrangement is negotiated between us and the tobacco principals. Revenue from tobacco related advertising and promotions make up a substantial proportion of our Group's advertising and promotions revenue of RM18.53 million for the FYE 31 October 2015.

In addition, our income from retail sales of tobacco products may be adversely affected due to the above changes. For the FYE 31 October 2015, revenue from the sale of tobacco products was RM76.4 million or 35.1% of our Group's revenue.

As such, any unfavourable changes in Government laws, regulations and policies (such as licensing regulations, wage requirements and changes to tobacco policies and taxes) may have a material adverse effect on our business, financial performance and results of operations.

5.2.3 Our performance is dependent on the state of the Malaysian economy

As a press and convenience retailer, our sales and business performance is dependent on the state of Malaysia's economy. A growing economy indicates population growth with higher disposable income and as such greater spending power. This would in turn create demand for products and services sold in retail convenience stores. A decline in economic conditions in Malaysia may decrease consumers' spending power, which will in turn have a negative impact on the retail convenience store market.

Any decline in the economic conditions in Malaysia may cause a reduction in sales volumes, which could have a negative impact on the overall financial condition of retail industry players. Nevertheless, we believe that products sold in retail convenience stores are generally inelastic against the backdrop of an adverse economic decline and as compared to other forms or types of retail products since these products are generic, broad-based in nature, and accessible to consumers at affordable price points.

Although we will try to be sensitive to consumer preferences and sales trends, as well as increase our measures to ensure customer loyalty and brand recognition, and to improve our business operating efficiencies in order to maintain our competitiveness, we are unable to assure you that a decline in Malaysia's economy will not materially and adversely affect our sales, results of operations and financial condition.

5.2.4 We are subject to political, economic and social developments in Malaysia

Our business, prospects, financial condition and results of operations may be affected by political, economic and social developments that are beyond our control in Malaysia. Such developments include, but are not limited to, the risks of war, terrorism, riots, nationalisation, expropriation, renegotiation or nullification of contracts, changes in interest rates, economic recession, fiscal and monetary policies of the Government such as foreign exchange control regulations, inflation, deflation, methods of taxation and tax policy (including customs, excise, duties and tariffs), unemployment trends, deterioration of international bilateral relationships and other matters that influence consumer confidence and spending. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude. Negative developments in the socio-political environment in Malaysia such as minimum wage increases and/or restrictions on bringing in foreign workers may materially and adversely affect our business, financial conditions, results of operations and prospects.

Some types of losses such as from acts of war, terrorism and riots, may be either uninsurable or too prohibitive to justify insuring against. Should an uninsured loss or a loss in excess of incurred limits occur, our Group's business, prospects, financial conditions and results of operations may be materially and adversely affected.

There can be no assurance that adverse political, economic and social changes will not materially affect our Group's business.

5.3 Risks affecting our Shares

5.3.1 No prior market for our Shares and it is uncertain whether a sustainable market will ever develop

Prior to our IPO, there has been no public market for our Shares. Hence, there is no assurance that upon Listing, an active market for our Shares will develop, or if developed, that such a market can be sustained. There is also no assurance as to the liquidity of any market that may develop for our Shares, the ability of holders to sell our Shares or the prices at which holders would be able to sell our Shares. The Retail Price was determined after taking into consideration various factors and we believe that a variety of factors could cause our Share price to fluctuate which may adversely affect the market price of our Shares.

There can be no assurance that the Final Retail Price will correspond to the price at which our Shares will trade on the Main Market upon our Listing and the market price of our Shares will not decline below the Final Retail Price.

5.3.2 Investors in our IPO will suffer immediate dilution in NTA

The Retail Price is higher than the NTA value per Share by RM0.66 after adjusting for our IPO. Investors subscribing for Shares in our IPO will therefore incur immediate dilution on a NTA value per Share basis. The issuance of further Shares at prices lower than the then existing NTA value per Share would result in further dilution. Please refer to Section 4.6 of this Prospectus for further details on "Dilution".

5.3.3 Share price volatility and volume of our Shares

The performance of Bursa Securities is very much dependent on external factors such as the performance of the regional and global bourses and the inflow or outflow of foreign funds. Sentiment is also largely driven by internal factors such as economic and political conditions of the country as well as the growth potential of the various sectors of the economy. These factors invariably contribute to the volatility of trading volumes witnessed on Bursa Securities, thus adding risks to the market price of our Shares. Nevertheless, the profitability of our Group is not dependent on the performance of Bursa Securities as the business activities of our Group have no direct correlation with the performance of securities listed on Bursa Securities.

It is expected that there will be about 10 Market Days after the close of the Retail Offering before the trading of our Shares. We cannot assure you that there will be no event or occurrence that will have an adverse impact on the securities market, our industry or us specifically during this period that would adversely affect the market price of our Shares when they begin trading.

In addition, the market price of our Shares may be highly volatile and could fluctuate significantly and rapidly in response to, amongst others, the following factors, some of which are beyond our control:

(i) variations in our results and operations;

(ii) success or failure in our management team in implementing business and growth strategies;

(iii) changes in securities analysts' recommendations, perceptions or estimates of our financial performance;

(iv) changes in conditions affecting the industry, the general economic conditions or stock market sentiments or other events or factors;

(v) additions or departures of our key management personnel;

(vi) fluctuations in stock market prices and volumes; or

(vii) involvement in litigation.

5.3.4 The interest of our Promoters who control our Group may not be aligned with the interest of our shareholders

As disclosed in Section 9.2 of this Prospectus, our Promoters will collectively hold in aggregate 74.0% of our enlarged issued and paid-up share capital upon Listing. As a result, they will be able to, in the foreseeable future, effectively control the business direction and management of our Group including the election of directors, the timing and payment of dividends as well as having voting control over our Group and as such, will likely influence the outcome of certain matters requiring the vote of our shareholders, unless they are required to abstain from voting either by law and/or by the relevant guidelines or regulations. There can be no assurance that the interests of our Promoters will be aligned with those of our other shareholders.

5.3.5 Failure or delay in our Listing

The occurrence of any one or more of the following events, which is not exhaustive, may cause a delay in or cancellation of our Listing:

(i) our Managing Underwriter exercising their rights pursuant to the Retail Underwriting Agreement to discharge themselves from its obligations thereunder;

(ii) we are unable to meet the public shareholding spread requirement of the Listing Requirements, i.e. at least 25% of our issued and paid-up share capital for which listing is sought must be held by a minimum number of 1,000 public shareholders holding not less than 100 Shares each at the point of our Listing;

(iii) the revocation of approvals from the relevant authorities prior to our Listing and/or admission to the Official List for whatever reason other than the reasons specified in paragraph (iv) below; or

(iv) if the SC issues a stop order pursuant to section 245 of the CMSA prior to our Listing or if permission is not granted by Bursa Securities for our Listing before the expiration of 6 weeks from the date of issue of this Prospectus or such longer period as may be specified by the SC pursuant to section 243 of the CMSA.

If any event in paragraphs (i), (ii) or (iii) above occurs, investors will not receive any of our IPO Shares and we will return in full (without interest or any share of revenue or benefit arising therefrom) all monies paid in respect of any application for our IPO Shares in compliance with subsection 243(2) of the CMSA. However, if our IPO Shares have been issued and allotted to investors, we can only repay the monies paid in respect of our IPO Shares by a cancellation of our IPO Shares pursuant to a capital reduction exercise in accordance with section 64 of the Act. Such a capital reduction exercise, will require us to, amongst others, obtain our shareholders' sanction by special resolution, consent of our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and confirmation by the High Court of Malaya. Therefore, there can be no assurance that our IPO Shares can be cancelled or that such monies paid in respect of our IPO Shares can be recovered within a short period of time or at all.

If an event specified in paragraph (iv) above occurs, the issue of our IPO Shares shall be considered void and the investors will not receive any IPO Shares. In such event, we shall be liable to forthwith repay (without interest or any share of revenue or benefit arising therefrom) all monies received for our IPO Shares. If such monies are not repaid within 14 days after the date of the service of the stop order, then, pursuant to sub-sections 245(7) or 243(2) of the CMSA, as the case may be, we will be liable to repay the monies together with interest at the rate of 10% a year or such other rate as may be prescribed by the SC upon expiration of that period until full refund is made.

(The rest of this page has been intentionally left blank)

5.3.6 We cannot assure you that we will declare and distribute any amount of dividends in the future

Presently our Company does not have a formal dividend policy. Dividend payments are not guaranteed and our Board may decide, at its sole and absolute discretion, at any time and for any reason, not to pay dividends. However, it is the intention of our Board to allow our shareholders to participate in the profits of our Group and to propose to pay dividends out of cash generated by our operations after taking into account a number of factors, including our results of operations, financial conditions, the payment by our subsidiaries of cash dividends or other distributions to us, our future prospects and capital investments, any restrictive covenants that we are obliged to observe, where applicable, available reserves of our subsidiaries and other factors that our Board may consider important. Our ability to pay dividends is also subject to us having sufficient distributable reserves. In the case that we do not pay cash dividends on our Shares, you may not receive any return on an investment in our Shares unless you sell our Shares for a price greater than that which you paid for it.

Furthermore, payment of dividends may also be limited by restrictive covenants contained in our current and/or future financing agreements where consents may be required from the lender under certain circumstances before any declaration or payment of any dividend is made. Details of an existing restrictive covenant which our Group is subject to is set out in Section 12.5.3 of this Prospectus.

5.3.7 We are a holding company and, as a result, are dependent on the flow of dividends from our subsidiaries and our associate to meet our obligations and to provide funds for payment of dividends on our Shares

Our Company is a holding company and we conduct substantially all of our operations through our subsidiaries. Accordingly, an important source of our income, and subsequently an important factor in our ability to pay dividends on our Shares, is the amount of dividends and other distributions that our Company receives from our subsidiaries. The ability of our subsidiaries to pay dividends or make other distributions to our Company in the future will depend upon their operating results, earnings, capital requirements and general financial condition. In addition, changes in accounting standards may also affect the ability of our subsidiaries, and consequently, our ability to declare and pay dividends.

(The rest of this page has been intentionally left blank)

6. INFORMATION ON OUR GROUP

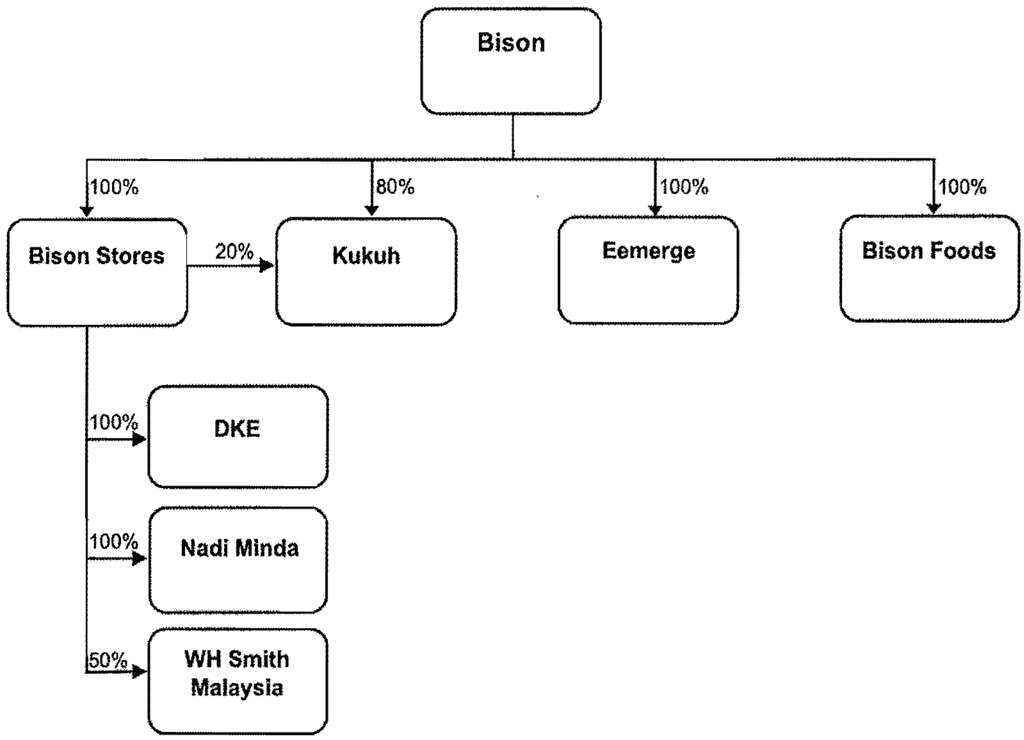
6.1 Our Company

Our Company was incorporated in Malaysia under the Act as a private limited company on 26 March 2013 under the name of Prempac Sdn Bhd. On 25 September 2014, our name was changed to Bison Consolidated Sdn Bhd and subsequently on 16 July 2015, our Company was converted into a public limited company and we assumed our present name of Bison Consolidated Berhad.

Our principal activity is investment holding, while our Group is principally involved in the business of press and convenience retailing, comprising the operations of a press and convenience retail chain in Malaysia under our main trade name of "myNEWS.com". Our Group also operates other outlets under the trade names of "newsplus", "MAGBIT" and "THE FRONT PAGE"; as well as under the trade name of "WHSmith" pursuant to our equal joint venture with WH Smith Travel. WH Smith Travel is an indirect wholly-owned subsidiary of WH Smith PLC (UK), one of UK's leading retailers.

6.2 Our Group

The structure of our Group is as follows:



(The rest of this page has been intentionally left blank)

Our Group was formed on 9 July 2015 when our Company acquired the entire issued and paid-up share capital of Bison Stores, Eemerge and Bison Foods and 80% of the issued and paid-up share capital of Kukuh, which collectively held all our business operations. These companies were acquired from their respective shareholders in consideration for the allotment of 229,449,989 Shares to our Promoters and Substantial Shareholders, the details of which are as follows:

Subsidiary	Total interests in subsidiary acquired (%)	Consideration Shares	(RM'000)
Bison Stores	100	204,449,989	40,890
Kukuh	*80	2,300,000	460
Eemerge	100	20,250,000	4,050
Bison Foods	100	2,450,000	490
		229,449,989	45,890

Note:

* Remaining 20% held by Bison Stores directly.

Following the completion of the Acquisitions, each subsidiary above became a 100%, direct and indirect, subsidiary of Bison. Prior to the formation of our Group, the shareholders of our subsidiaries above comprised of D&D Consolidated, DTL, DTH and DTW.

6.3 Share capital

6.3.1 Authorised, issued and fully paid-up share capital

Our authorised share capital as at the date of this Prospectus is RM500,000,000 comprising 2,500,000,000 Shares.

Our issued and paid-up share capital as at the date of this Prospectus is RM45,890,000 comprising 229,450,000 Shares.

6.3.2 Details of the issue and allotment of our Shares

There were no changes to our issued and paid-up share capital since our Company's incorporation date up to the date of this Prospectus, save as disclosed below:

Date of allotment / subdivision	No. of ordinary shares allotted	Par value (RM)	Consideration	Cumulative issued and paid-up share capital (RM)
26.03.2013	2	1.00	Cash (subscriber shares)	2.00
06.02.2015	10	0.20	Subdivision of shares	2.00
09.02.2015	1	0.20	Cash	2.20
09.07.2015	229,449,989	0.20	Pursuant to the Acquisitions	45,890,000.00

There were no outstanding warrants, options, convertible securities or uncalled capital in respect of the shares in our Company, subsidiaries and associate as at the date of this Prospectus.

6.4 Details of our subsidiaries and associate

The details of our subsidiaries and associate as at the LPD are as follows:

Name (Registration No.)	Date and country of incorporation	Issued and paid-up share capital (RM)	Our Company's effective interest (%)	Principal activities
Direct wholly-owned subsidiaries of Bison				
Bison Stores (306295-X)	05.07.1994 Malaysia	2,000,000	100	Retailer of print media and convenience items
Eemerge (628407-U)	17.09.2003 Malaysia	150,000	100	Retailer of print media and convenience items
Kukuh (667117-M)	24.09.2004 Malaysia	50,000	100	Retailer of print media and convenience items
Bison Foods (663941-P)	25.08.2004 Malaysia	3	100	Operator of a food and beverage restaurant
Wholly-owned subsidiaries of Bison Stores				
DKE (883165-X)	21.12.2009 Malaysia	100,000	100	Commercialisation of a publications and magazine distribution and POS software as well as the provision of implementation, maintenance and technical services relating to the software
Nadi Minda (593872-D)	26.09.2002 Malaysia	94,000	100	Provision of management services
Associate of Bison Stores				
WH Smith Malaysia (961910-P)	28.09.2011 Malaysia	1,000,000	50	Retailer of print media and convenience items

(i) Bison Stores

(a) History and business

Bison Stores was incorporated in Malaysia under the Act as a private limited company on 5 July 1994 under the name of Sepintas Sinar Sdn Bhd. On 6 November 1997, it assumed its present name. Bison Stores commenced business on 25 December 1996.

Bison Stores is principally engaged in the business as a retailer of print media and convenience items.

(b) Share capital

The authorised share capital of Bison Stores is RM5 million comprising 5 million ordinary shares of RM1.00 each, of which 2 million ordinary shares are issued and fully paid-up.

There have been no changes in the issued and paid-up share capital of Bison Stores for the past 3 years preceding the LPD.

(c) Shareholder

Bison Stores is our wholly-owned subsidiary following the completion of the Acquisitions.

(d) Subsidiary and associate

Save for DKE, Nadi Minda and WH Smith Malaysia, Bison Stores does not have any other subsidiary or associate.

(ii) Eemerge

(a) History and business

Eemerge was incorporated in Malaysia under the Act as a private limited company on 17 September 2003 under the name of Techprovider Sdn Bhd. On 18 August 2004, it assumed its present name. Eemerge commenced business on 10 January 2004.

Eemerge is principally engaged in the business as a retailer of print media and convenience items.

(b) Share capital

The authorised share capital of Eemerge is RM500,000 comprising 500,000 ordinary shares of RM1.00 each, of which 150,000 ordinary shares are issued and fully paid-up.

There have been no changes in the issued and paid-up share capital of Eemerge for the past 3 years preceding the LPD.

(c) Shareholder

Eemerge is our wholly-owned subsidiary following the completion of the Acquisitions.

(d) Subsidiary and associate

Eemerge does not have any subsidiary or associate.

(iii) Kukuh

(a) History and business

Kukuh was incorporated in Malaysia under the Act as a private limited company under its present name on 24 September 2004. Kukuh commenced business on 25 November 2004.

Kukuh is principally engaged in the business as a retailer of print media and convenience items.

(b) Share capital

The authorised share capital of Kukuh is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which 50,000 ordinary shares are issued and fully paid-up.

There has been no changes in the issued and paid-up share capital of Kukuh for the past 3 years preceding the LPD.

(c) Shareholder

Kukuh is our 80% owned subsidiary following the completion of the Acquisitions. The remaining 20% shareholding is held by Bison Stores.

(d) Subsidiary and associate

Kukuh does not have any subsidiary or associate.

(iv) Bison Foods

(a) History and business

Bison Foods was incorporated in Malaysia under the Act as a private limited company under its present name on 25 August 2004. Bison Foods commenced business on 25 August 2004.

Bison Foods is principally engaged as an operator of a food and beverage restaurant.

(b) Share capital

The authorised share capital of Bison Foods is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which 3 ordinary shares are issued and fully paid-up.

There has been no changes in the issued and paid-up share capital of Bison Foods for the past 3 years preceding the LPD.

(c) Shareholder

Bison Foods is our wholly-owned subsidiary following the completion of the Acquisitions.

(d) Subsidiary and associate

Bison Foods does not have any subsidiary or associate.

(v) DKE

(a) History and business

DKE was incorporated in Malaysia under the Act as a private limited company under its present name on 21 December 2009. DKE commenced business on 21 December 2009.

DKE is principally engaged in the commercialisation of a publications and magazine distribution and POS software as well as the provision of implementation, maintenance and technical services relating to the software.

DKE is an MSC Malaysia Status company ("**MSC Malaysia Status**") and has been accorded pioneer status in accordance with the Promotion of Investments Act 1986.

(b) Share capital

The authorised share capital of DKE is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which 100,000 ordinary shares are issued and fully paid-up.

There has been no changes in the issued and paid-up share capital of DKE for the past 3 years preceding the LPD.

(c) Shareholder

DKE is a wholly-owned subsidiary of Bison Stores.

(d) Subsidiary and associate

DKE does not have any subsidiary or associate.

(vi) Nadi Minda

(a) History and business

Nadi Minda was incorporated in Malaysia under the Act as a private limited company under its present name on 26 September 2002. Nadi Minda commenced business on 3 January 2004.

Nadi Minda is principally engaged in the provision of management services to WH Smith Malaysia.

(b) Share capital

The authorised share capital of Nadi Minda is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which 94,000 ordinary shares are issued and fully paid-up.

There has been no changes in the issued and paid-up share capital of Nadi Minda for the past 3 years preceding the LPD.

(c) Shareholder

Nadi Minda is a wholly-owned subsidiary of Bison Stores.

(d) Subsidiary and associate

Nadi Minda does not have any subsidiary or associate.

(vii) WH Smith Malaysia

(a) History and business

WH Smith Malaysia was incorporated in Malaysia under the Act as a private limited company on 28 September 2011 under the name of Ammolite Holdings Sdn Bhd and assumed its present name on 23 May 2012. WH Smith Malaysia commenced business on 27 August 2012.

WH Smith Malaysia is principally engaged in the business as a retailer of print media and convenience items.

(b) Share capital

The authorised share capital of WH Smith Malaysia is RM1 million comprising 1 million ordinary shares of RM1.00 each, of which 1 million ordinary shares are issued and fully paid-up.

Save as set out below, there have been no changes in the issued and paid-up share capital of WH Smith Malaysia since its incorporation date up to the LPD:

Date of allotment	**No. of ordinary shares allotted**	**Par value (RM)**	**Consideration**	**Cumulative issued and paid-up share capital (RM)**
28.09.2011	2	1.00	Cash	2.00
18.11.2014	999,998	1.00	Cash (Capitalisation of shareholders' advances)	1,000,000.00

(c) Shareholder

As at the LPD, WH Smith Malaysia is a 50% associate of Bison Stores. The remaining 50% shareholding is held by WH Smith Travel, an indirect wholly-owned subsidiary of WH Smith PLC (UK).

(d) Subsidiary and associate

As at the LPD, WH Smith Malaysia does not have any subsidiary or associate.

As at the LPD, neither Bison nor our subsidiaries and associate are involved in any bankruptcy, receivership or similar proceedings.

(The rest of this page has been intentionally left blank)

7. BUSINESS OVERVIEW

7.1 History and background

Our history can be traced back to 25 December 1996 when DTL, together with his wife, Ling Chao and his family, established our first newsstand outlet under the trade name "MAGBIT". This outlet is located on the lower ground floor of 1 Utama Shopping Complex in Petaling Jaya, Selangor, and started out as a newsstand offering newspapers, magazines, confectioneries, beverages and tobacco products within a limited retail space. At that point in time, there was more reliance on manual labour to control the business operations such as managing and tracking inventory levels (e.g. stock in and out, stocktake, return of SKUs to suppliers), price labelling (prior to the introduction of barcoding), and managing the cash register and sales counter. In 1997, shortly after the opening of our first outlet, we opened our second outlet at Jejantas Sungai Buloh, located along the Malaysian North-South Expressway under the same trade name "MAGBIT" (which was subsequently converted to "myNEWS.com" in 2002).

In 1997, when an opportunity arose to set up an outlet in Mid Valley Megamall, Kuala Lumpur, we decided to launch our third outlet under the trade name "myNEWS.com". This is the first "myNEWS.com" outlet opened with the aim to introduce our contemporary press and convenience outlet appearance and concept which was developed in-house from the learning cycles of the first two outlets. Today, we have 247 outlets nationwide under our own trade names, namely "myNEWS.com", "newsplus", "MAGBIT" and "THE FRONT PAGE". There is no significant differentiation in how we operate and manage our outlets across the 4 trade names as we continue to be a press and convenience retailer. Further details of the locations of our outlets can be found in Section 7.4 of this Prospectus.

Our trade name "myNEWS.com" was conceptualised in line with our aim to bring our customers an improved press and convenience shopping experience. The late Mr Dang Kai Ee, father of our Promoters, with his iron-works experience, constructed a prototype of the print media racks for our outlets which enabled magazines to be displayed in an easily accessible and attractive manner. With the combined effort and expertise of the Dang family, the unique contemporary "look and feel" of our outlets was created and today, our brand, trade name, customised outlet appearance and product display layout, is consistently visible in all our outlets and this clean and inviting concept has become synonymous with our trade names and brand.

As our outlets and business operations began to expand, in 1998, we established our present HQ at Kepong Industrial Park, Selangor which also served as our distribution centre then. In 1999, we saw the need to put in place improved business controls with the use of IT, to cater for more efficient business operations and to allow for scalability as we expanded further. At that point in time, we were already operating 10 outlets. DTL, drawing on his background in IT and leveraging on his direct hands-on experience in operating our early outlets, developed an in-house POS system for our business with functions such as sales tracking, control and monitoring of store performance. As our business grew, this in-house POS system was replaced with our present Bisonet System to cater for the demands of an ever-increasing number of product SKUs, outlets and employees. Today, our Bisonet System, together with our WMS, is integrated within our Group's business operations, allowing us to control, manage and monitor, amongst others, our retail and procurement activities and the capability to analyse sales data and trends in detail. Further details on the capabilities of our Bisonet System are set out in Section 7.7.1 of this Prospectus.

By 2007, we had increased our brand presence significantly with the opening of our 100th outlet. This was followed by the opening of our 150th outlet in 2012.

In 2009, under The BrandLaureate SMEs BestBrands Award 2009, "myNEWS.com" was accorded the "Most Promising Brand" in the sub-category of the SMEs Brand Specialty Awards, and also the "BestBrands in Retail - Press Retailer" in the sub-category of the SMEs Chapter Awards. Our Managing Director, DTL, was recognised with the Silver Award, Entrepreneur of the Year 2011 by The Star Outstanding Business Awards.

From 2009 to 2013, Bison Stores' performance has also been consistently recognised by SME & Entrepreneurship Magazine, Malaysia where we received the SME100 Awards - Malaysia's Fast Moving Companies for 5 consecutive years; in addition to attaining Top 10 Ranking in the SME100 Awards – Malaysia's Fast Moving Companies in 2014. Bison Stores was also awarded the Retail Excellence Award under the Sin Chew Business Excellence Awards 2015.

In 2012, we entered into an equal joint venture with WH Smith Travel to set up and operate "WHSmith" outlets within Malaysia's international airports. As at the LPD, the joint venture entity, WH Smith Malaysia, operates 8 "WHSmith" outlets in Malaysia consisting of 1 outlet at KLIA, 2 outlets at klia2, 2 outlets each at the Langkawi International Airport and Penang International Airport and 1 outlet at the Kota Kinabalu International Airport. In 2013, WH Smith Malaysia was awarded the Certificate of Recognition for Outstanding Brand Concept at klia2 by Malaysia Airports Holdings Berhad.

In February 2013, to cater for the demands of our growing business, we started operating our Bison DC at an industrial building, with approximately 125,000 sq. ft. in built-up area, located in Rawang Integrated Industrial Park, Selangor. In tandem with the establishment of our Bison DC, we upgraded our WMS using the Manhattan Warehouse Management System and integrated it with our Bisonet System. The introduction of an enhanced and integrated supply chain management system and POS system throughout our retail chain and our Bison DC enabled us to operate and monitor our business more efficiently. The capabilities of our WMS are set out in Section 7.7.2 of this Prospectus.

As at the LPD, we operate 255 outlets (including the 8 "WHSmith" outlets) which are present in all but 3 states of Malaysia. Our outlets are concentrated mainly in Kuala Lumpur and Selangor where 77.3% of our outlets are located. Our retail network covers a total of approximately 174,000 sq. ft. of retail space ranging from approximately 60 sq. ft. to 2,300 sq. ft. for each outlet. Out of our 255 outlets as at the LPD, 32 of these outlets have been in operations for more than a decade. Our total outlets have grown at a CAGR of 17.8% over the 3 FYEs from 31 October 2013 to 31 October 2015.

Throughout our past 19 years of operations, we have built a strong base for our press and convenience retail business founded on our established homegrown brand, our experienced management team, our long term relationship with our business partners and our in-house developed IT-based operations and distribution system.

7.2 Key achievements, milestones and awards

7.2.1 Achievements and milestones

Year	Achievements and milestones
1997	• We launched our trade name "myNEWS.com" and our first in-house developed contemporary press and convenience retail outlet.
1999	• Developed our first in-house POS system. • We opened our 10th outlet.
2007	• We opened our 100th outlet.
2011	• We acquired DKE, a MSC Malaysia Status company, to further develop and build on our Bisonet System. • We launched our "myNEWS.com Charity" corporate social responsibility programme.
2012	• We entered into an equal joint venture with WH Smith Travel to set up and operate "WHSmith" outlets within Malaysia's international airports. • We opened our 150th outlet.

Year	Achievements and milestones
2013	• We commenced operations of our Bison DC. • We launched our "myNEWS.com on Wheels" mobile truck store.
2014	• We opened our 200th outlet.
2016	• We opened our 250th outlet.

7.2.2 Awards

Our commitment to excellence is evidenced by the awards and certifications which we have received to-date. We set out below the awards, accolades and accreditations which we have received:

Year	Award / Certification	Awarding body
2009	• The BrandLaureate SMEs BestBrands Award: "Most Promising Brand" in the sub-category of SMEs Brand Specialty Awards for "myNEWS.com"	The BrandLaureate
	• The BrandLaureate SMEs BestBrands Award: "BestBrands in Retail – Press Retailer" in the sub-category of SMEs Chapter Awards for "myNEWS.com"	The BrandLaureate
2011	• The Silver Award as Entrepreneur of the Year awarded to our Managing Director, DTL	The Star Outstanding Business Awards
2009 to 2013	• SME100 Awards – Malaysia's Fast Moving Companies awarded to Bison Stores for 5 consecutive years	SME & Entrepreneurship Magazine, Malaysia
2013	• Certificate of Recognition for Outstanding Brand Concept at klia2 awarded to WH Smith Malaysia	Malaysia Airports Holdings Berhad
2014	• Top 10 Ranking in the SME100 Awards – Malaysia's Fast Moving Companies awarded to Bison Stores	SME & Entrepreneurship Magazine, Malaysia
2015	• Retail Excellence Award under the Sin Chew Business Excellence Awards	Sin Chew Daily and sinchew.com.my

7.3 Our business

7.3.1 Principal business activities

Our principal business activity is press and convenience retailing, which involves the conceptualisation, development, expansion, management and operations of a press and convenience retail chain throughout Malaysia under our homegrown trade names of "myNEWS.com", "newsplus", "MAGBIT", "THE FRONT PAGE"; as well as the trade name of "WHSmith" (under our equal joint venture with WH Smith Travel) that retail news, books and convenience products within international airports in Malaysia. Our business encapsulates not just press and convenience retailing but also complementary services such as advertising and promotional activities and distribution services through our Bison DC.

7.3.2 Business model

(i) Business and core revenue stream

Our press and convenience outlets are typically located at shopping malls, hypermarkets, high street locations (being primary business or commercial street(s) within an urbanised or suburban area), office spaces, transportation hubs, resorts, hospitals and medical centres. These are localities which are urbanised and with high foot traffic. Presently, our growing network of outlets is mainly concentrated in Kuala Lumpur and Selangor where 77.3% of outlets are located. The growth of our outlets achieved a CAGR of 17.8% during the past 3 FYEs up to 31 October 2015. Please refer to Section 7.4 of this Prospectus for further details of our outlet locations.

The core of our press and convenience retail business operations includes outlet assessment and acquisition, merchandising and procurement, centralised distribution and warehousing, IT hardware and software support, advertising and marketing, point of sale and service to the end customer.

Most of our Group's total consolidated revenue is derived from retail sales (being the over-the-counter sales to our end customers at our outlets) which is derived from 5 general categories of products and services described below:

- tobacco products such as cigarettes;
- food and beverage products such as pre-packaged bakery products, drinks, dairy products, confectioneries and snacks, and alcoholic beverages (at selected outlets) as well as in-store self-served convenience food and beverages such as hot beverages, fresh bakery products and selected hot food;
- print media such as periodicals, newspapers, magazines and books;
- non-food products such as batteries, stationery, personal health care products, toys, accessories and other non-food related merchandise; and
- consumer services comprising commissions from electronic payment services (such as top-up/reloads for mobile service providers and selected bill payments), photocopying services and at selected outlets, money remittance services.

Print media is sourced on a consignment basis while consumer services income is recognised from the commissions generated. The other products are purchased from suppliers and sold to our customers at a margin.

In addition to retail sales, our Group also generates revenue from advertising and promotions. Such revenue is derived from a range of sources which is related mainly to the prominent placement and/or display of products within our outlets for the purpose of promoting or advertising such products to our customers. Examples of such prominent areas include:

(a) the facing or slot display area behind the cashier for tobacco products;

(b) eye-level retail shelving space or the ends of the shelving space facing the entrance of the outlet where products like confectioneries and snacks are placed to optimise sales of such products;

(c) dedicated space within chillers for the placement and display of various chilled products from a single supplier; or

(d) the placement of light box displays over the counter or on the counter to advertise mobile telecommunication products or the placement of product standees (standing either from the floor or the counter) that display and carry products such as toys, candy, phone cards or novelty items such as balloons or cards.

Advertising and promotions fees are paid by product principals or suppliers and can be in the form of fixed fees per outlet, fees based on the number of products carried on the shelf per outlet or a fee based on the volume or expected volume of products sold through the outlet.

We also recognise other advertising related income paid to our Group that is related to ad-hoc advertising and promotional activities such as placement of advertisement on our delivery trucks, special sales campaigns or promotions at our outlets or suppliers' anniversary sales. The fee from this other advertising related income is determined on a case-by-case basis taking into account the nature of the advertising and promotional activity.

A majority of our advertising and promotions revenue is derived from tobacco principals representing approximately 70.6% of our advertising and promotions revenue for the FYE 31 October 2015.

Our Group also generates other revenue in the form of sales incentives, rebates, distribution centre charges, sales from our Bison Café and management services charged to WH Smith Malaysia.

The products offered through our outlets are third party consumer brand products. Please refer to Section 7.5 of this Prospectus for further details of the types of products and services offered by us.

(ii) Target market and locality

Our target market is the end consumers who are walk-in customers. Our focus is on consumers in typically urban and suburban areas who lead fast-paced lifestyles and who favour the convenience of contemporary retail outlets.

As at the LPD, 78.8% and 9.8% of our outlets are located in Malaysia's central region (comprising Kuala Lumpur, Selangor and Negeri Sembilan) and southern region (comprising Melaka and Johor) respectively, which are regions that are relatively urbanised.

As a press and convenience retailer, the focus of our retail points are mainly high foot traffic retail locations such as shopping malls, hypermarkets, transportation hubs, office spaces, high street locations, resorts and hospitals or medical centres. These are strategically placed locations to provide convenience and to cater for "on-the-go" and impulse purchases to all types of end consumers.

At present, a majority of our outlets are located in shopping malls while our remaining outlets are mostly spread out amongst hypermarkets, transportation hubs, high street locations and office buildings.

Please refer to Section 7.4 of this Prospectus for further details of our outlets.

7.3.3 Competitive advantages and key strengths

(i) We own our trade names and have full autonomy over our trade names and brand

We have been actively involved in the business of press and convenience retailing since 1997 when we introduced our first "myNEWS.com" outlet. With a continuous operating history of 19 years, we believe that we have built up significant brand equity for our own homegrown trade name and brand of "myNEWS.com" which has 223 outlets carrying this trade name as at the LPD. We have also developed other trade names, i.e. "newsplus", "MAGBIT", and "THE FRONT PAGE"; which we use across 24 outlets. As such, we are not reliant on any third party brand, franchising or licensing relationships or arrangements, nor are we subject to the ensuing obligations, restrictions or terms and conditions arising from such relationships or arrangements.

Having full autonomy over our own trade names and brand, our business and operational systems, as well as control over the efficiency across our retail operations (from our procurement and merchandising, retail management and operations, human resources management, logistics and warehouse management, and to our front end over-the-counter POS) allow us to stay competitive. This autonomy further enables us to respond to market demands and consumer preferences in a fast and timely manner. For example, we are able to customise our outlet layout and storefront design, product and merchandise mix, and Merchandise Planogram to suit specific retail locations and demographic patterns. We also have our own Bison DC equipped with an integrated logistics and distribution system which allows us greater control over SKU movements and monitoring of in-store performance. Please see sub-paragraph (iv) below for further discussion on this competitive factor.

Our brand equity is built on several key factors such as our clean and inviting outlet concept, quality of customer service, and product mix of press and convenience retail items. We believe that our brand has become synonymous with contemporary press and convenience shopping experience in Malaysia.

The consistency in presenting our outlet appearance and concept throughout our retail network as well as the careful management of our "myNEWS.com" brand reputation, gives us a competitive edge in gaining traction with our customers, maintaining customer loyalty and enhancing brand recognition. Trade name strength and brand recognition also lend us a competitive advantage in securing optimal retail locations as property owners are more likely to rent their premises to tenants who have established and easily recognisable brands.

(ii) We have an experienced management team

Our Executive Directors have been instrumental in our growth and strategy since our Group's formative years. Our Executive Directors are assisted by our other Key Management who have extensive knowledge and experience in retail and retail operations. Specifically, DTL's and DTW's long service with us, their in-depth knowledge on all aspects of our Group's operations, as well as their retail sector experience (19 years for DTL and 17 years for DTW) are invaluable to our Group and our Group's future plans. A majority of our Key Management have been with our Group for more than 5 years. It is our belief that with the continued growth of our Group, despite the origins of our business as a family entrepreneurship, a culture of professional management is encouraged and cultivated amongst our Key Management.

Our management team is organised along functional lines where department managers are responsible for the execution of their duties and the team is led by our Managing Director, DTL. We have in place a flat organisation structure, which we believe is conducive for operational efficiency and agile business decision-making. Our flat organisation structure also enables knowledge transfer through on-the-job training and provides us with a platform to identify high performing employees for management succession planning. Our Executive Directors, who are also our Promoters, play an active role in the management and operations of our Group and have been responsible for the strategic business direction and growth of our Group.

We also have in place employee retention measures such as providing competitive remuneration packages, benefits, incentives, training and development programmes at various levels from our outlet staff to our management personnel, as well as rewarding our employees for their loyalty and contribution towards our success.

We believe that our Key Management's collective experience in site acquisition, merchandising, supply chain management, outlet conceptualisation and IT will serve us well in our future growth plans as they are familiar with our branding and corporate objectives and they have also been part of our growth in the past.

(iii) We use a comprehensive and integrated retail management and control system throughout our retail network

We use IT as a platform to place effective business controls for our retail business. We have in place an integrated IT system encompassing our Bisonet System and WMS which are interfaced to our accounting system. The application and interaction of this IT system spans across most facets of our business operations from our back-end operations to our front-end over the counter POS. The details of the technologies used in our retail management and control system are set out in Section 7.7 of this Prospectus.

The usage of IT allows us to increase accuracy, transparency and accountability in our operations flow, providing us with a competitive advantage to optimise efficiency in our operations. Our ability to leverage on and optimise the use of IT in our business operations enables us to effectively track and manage our SKU movements across our operations and monitor in-store performance on an on-demand basis.

The usage of IT together with the integration of our WMS and Bisonet System has enabled us to have access to detailed and customisable sales data and allows us to analyse sales trends. This ability gives us a competitive edge in our business relations with publishers, product principals and suppliers as we are able to use such information and analysis to negotiate competitive pricing and product margins, provide feedback to publishers, product principals and suppliers on product sales performances and ensure better efficiency in advertising and promotional strategies.

(iv) Our Bison DC and logistics team

As at the LPD, approximately 86.7% of our SKUs received from our suppliers, managed and distributed to our network of outlets are from our Bison DC. Our Bison DC has approximately 125,000 sq. ft. built-up area and 122,601 sq. ft. of storage capacity. As at the LPD, our in-house logistics team consists of 13 delivery trucks which are owned by us, 85 employees who are located on-site and we also have the option to use third party transport service providers, when needed, to service our nationwide retail network.

Having our own Bison DC as well as our own logistics team gives us a competitive advantage as it provides us with greater control over merchandise and retail planning, in particular allocation of SKUs according to their sales trends at our respective outlets. We are also better able to manage and control merchandise handling during the warehousing and distribution process, ensuring that the merchandise arrive at our outlets in good condition and satisfactory quality.

This level of control also ensures timely and orderly delivery of inventory to our network of outlets so that inventory is maintained optimally at our outlets. Centralised distribution also allows us to enjoy certain supplier rebates and trading terms with our suppliers as products and merchandise are supplied to a centralised receiving point, thereby enabling us to ultimately price our products more competitively.

(v) Our products and services mix focuses on convenience or "on-the-go" merchandise which are general and broad-based in nature and accessible to consumers at affordable price points

We believe that our products and services mix focusing on convenience or "on-the-go" merchandise, allows us a competitive advantage to gain traction amongst a diverse range of consumer groups. Due to the general and broad-based nature of our products and services, they appeal to a wide variety of end consumers and are not dependent on any one specific target consumer group such as age or income.

In addition, a large proportion of our products and merchandise offered at our outlets are at affordable price points, and we focus on "on-the-go" convenience products such as print media, tobacco, snacks and confectionery.

Other than these consumer products, we also offer a variety of consumer services as an added convenience to customers such as electronic payment services (e.g. prepaid top-up for mobile service providers and Touch'nGO reloads), photocopying services, money remittance, and ATM services at selected outlets. These services increase convenience for the consumers by complementing sales of products available at the outlet and also enable us to attract more foot traffic at our outlets.

We believe that the demand for our "on-the-go" products and services mix is generally inelastic against the backdrop of an adverse economic decline and as compared with other forms or types of retail products, since these products are accessible to consumers at affordable price points.

(vi) As the largest homegrown retail convenience store player, we are well positioned to take advantage of the growth prospects of the retail convenience store market

The retail convenience store market has been the fastest growing sub-segment of the grocery retail market in Malaysia with a market size of RM1.2 billion in terms of retail sales in 2007, which more than doubled to reach an estimated RM3.3 billion in 2015, representing a CAGR of 13.5%. The number of retail convenience store outlets has also more than doubled, increasing from 1,054 outlets in 2007 to an estimated 2,776 outlets in 2015, which translates to a CAGR of 12.9%.

In addition, Malaysia's retail convenience store penetration rate is significantly lower than other more developed countries in the Asian region such as Singapore, Hong Kong, Japan, South Korea and Taiwan, as well as other developed countries such as the United States of America, UK and Germany. As Malaysia progresses towards a developed nation status, and as long term economic growth prospects in Malaysia continues to be positive with increases in GDP and disposable income, retail expenditure will continue to grow and this will have a positive impact on the growth in the retail convenience store market. Given the higher convenience store penetration rate seen in the developed countries, Malaysia's retail convenience store penetration rate is expected to increase as overall income rises, in line with global trends.

Moving forward, the number of retail convenience stores in Malaysia is forecast to grow at a CAGR of 9.5%, from an estimated 2,776 outlets in 2015 to 3,327 outlets in 2017. Accordingly, the retail convenience store market size is forecast to grow, in terms of retail sales, from an estimated RM3.3 billion in 2015 to RM4.2 billion in 2017, registering a CAGR of 12.8% during this period.

(*Source: IMR Report*)

The increasing number of retail convenience stores and the growing retail convenience store market size in Malaysia illustrates the growth in demand for retail convenience stores in the country. Malaysia's lower retail convenience store penetration rate in comparison to other developed countries signifies that the retail convenience store market in Malaysia has potential for growth in the country.

As the second largest retail convenience store operator and the largest homegrown retail convenience store player in Malaysia, the Group is well-positioned to capitalise on this growth potential.

7.3.4 Future plans and strategies

The future plans and strategies of our Group focus on the objective to grow our revenue, optimise margins as well as to improve our business functions and back-end operations to meet the demands of our future growth.

(i) Growing our business revenue and optimising our margins

(a) Expansion of our network of outlets

We plan to continue with the expansion of our network of outlets which would include the setting up of new outlets and may include strategic investments in or acquisitions of existing retail chains or outlets to grow our network of outlets. However, at this point in time, we have not identified any such strategic investments or acquisitions that meet such requirements.

We plan to continue expanding our network of outlets to enlarge our customer reach. As at the LPD, we operate 255 outlets (including "WHSmith" outlets). We intend to open at least another 115 new outlets by the FYE 31 October 2017. As at the LPD, our business development team is currently assessing the feasibility of opening 32 new outlets in various high foot traffic locations throughout Malaysia. Since the end of our last FYE 31 October 2015 up to the LPD, our Group opened 20 new outlets. Our plan is to prioritise our expansion of outlets in major urban areas such as the Klang Valley, Johor Bahru and Penang, followed by other parts of Malaysia. We will continually assess the feasibility of opening additional "WHSmith" outlets where opportunities arise.

In addition, to further accelerate our reach to our customers by increasing our number of outlets, we have through our subsidiary, Kukuh, submitted an application to MDTCC on 26 March 2015 for the registration of a franchise under the Franchise Act 1998 with a view to expand our network of outlets by way of franchising "myNEWS.com". The franchising of "myNEWS.com" outlets will be implemented through Kukuh.

This plan to establish a registered franchise is subject to us obtaining the relevant licensing and registration approvals pursuant to the Franchise Act 1998 and the relevant regulations pertaining thereto. As at the LPD, this application is pending approval. In addition to the relevant regulatory approvals, the launch or opening of any "myNEWS.com" franchised outlets is also subject to us identifying and evaluating suitable franchisee candidate(s), both in terms of the candidate's capabilities and whether the location of the franchise outlet is suitable. Such evaluation processes will assist our Group to mitigate the risks of our "myNEWS.com" brand equity from being affected as a result of errant franchisee(s) and to ensure that any franchise outlet is beneficial to our Group's overall objectives for sustainable growth.

The increase in our number of retail outlets would result in an increase of advertising space and product display rental capacity which we will be able to offer to our suppliers and product principals. As such, in addition to the increase in retail sales due to the larger number of outlets, we also anticipate a corresponding increase in revenue from advertising and promotional activities.

(b) Continued enhancement, diversification and improvement of our product and service offerings

As a press and convenience retailer, we believe that a key factor to our sustainability and performance is our product and service offerings. It is our strategy to continue to enhance, diversify and improve the selection of convenience products, print media, food, beverages, snacks and consumer services in order to meet consumer needs and market demands in a timely and orderly manner.

In particular, we plan to expand the selection of self-served convenience food and beverages at outlets where there is such demand in order to provide added convenience to consumers. For example, we plan to expand the range of fresh food and ready-to-eat food such as sandwiches, wraps, cut fruits, convenience food and hot beverages, which we have progressively introduced to our chain of outlets.

(ii) Improving our business functions and back-end operations

In order to support our growing network of outlets and product base, it is also part of our plans and strategies to improve and establish nationwide logistics and IT capabilities in the following manner:

(a) to establish an additional distribution centre and/or warehouse in our prioritised expansion areas of either Johor Bahru or Penang;

(b) to establish a food preparation and packaging facility that would also include cold storage facilities;

(c) to improve our current logistics capabilities by acquiring additional transport equipment to cater for our growing network; and

(d) to improve our IT software and capabilities to ensure improved connectivity by way of:

- additional servers for our WMS to cater for the additional number of outlets, the new distribution centre and/or warehouse as well as the food preparation and packaging facility; and
- the installation of business intelligence software to improve our reporting requirements to enable further automation of data collation and trend analysis in anticipation of servicing a larger network of outlets.

In line with our proposed outlet expansion plans described above, having an additional distribution centre and/or warehouse would enable us to better service our existing and new outlets beyond Kuala Lumpur and Selangor where our Bison DC is located. The improvements to our IT software and capabilities, for example the improved connectivity for our WMS required for our additional distribution centre, will assist us in monitoring and controlling SKU movements and the efficiency of our operations as we continue to expand our network of outlets nationwide. In addition, better control over supply chains such as by having in-house food preparation and packaging capabilities will allow us greater control over the quality of convenience food products offered as part of our continued efforts to diversify our product and service offerings. As at the LPD, no particular land or properties have been identified for the additional distribution centre and/or warehouse or facilities mentioned above.

(The rest of this page has been intentionally left blank)

7.4 Our outlets

We operate, as at the LPD, 255 outlets (including "WHSmith" outlets) in Malaysia. The table below sets out the distribution of our outlets by each state in Malaysia as at the LPD.

Region	Total outlets	myNEWS.com	newsplus	MAGBIT	THE FRONT PAGE	WHSmith
Northern region						
Perak	10	10	-	-	-	-
Pulau Pinang	11	9	-	-	-	2
Kedah	4	2	-	-	-	2
Pahang	1	1	-	-	-	-
	26	22	-	-	-	4
Central region						
Kuala Lumpur	98	87	10	1	-	-
Selangor	99	89	5	1	1	3
Negeri Sembilan	4	3	1	-	-	-
	201	179	16	2	1	3
Southern region						
Johor	17	14	2	1	-	-
Melaka	8	6	2	-	-	-
	25	20	4	1	-	-
East Malaysia						
Sabah	1	-	-	-	-	1
Sarawak	2	2	-	-	-	-
	3	2	-	-	-	1
Total	**255**	**223**	**20**	**3**	**1**	**8**

Our retail network covers a total of approximately 174,000 sq. ft. of retail space with outlets ranging from approximately 60 sq. ft. to 2,300 sq. ft. in retail space. As at the LPD, 223 of our outlets operate under the trade name of "myNEWS.com", 20 outlets under the trade name of "newsplus", 3 outlets under the trade name of "MAGBIT" and 1 outlet under the trade name of "THE FRONT PAGE".

There is no significant differentiation in terms of how we operate and manage our outlets across the 4 trade names used by our Group as we have maintained as a press and convenience retailer since the introduction of our first "myNEWS.com" outlet in 1997. Since we are able to customise our product mix for each outlet to cater to our customers' preferences in different locations, the product mix and SKU allocations for each outlet may vary based on factors such as locality, demography and available retail space.

Typically, the location of outlets will determine the nature of the product mix as follows:

No.	Typical locations	Product mix
1.	• Shopping malls • Hypermarkets	• Higher proportion of retail space dedicated for print media • Selected convenience products and consumer services
2.	• Hospitals or medical centres • High street (including highway locations) • Offices • Resorts	• Higher proportion of retail space dedicated to convenience products and consumer services • Only carries a selected range of print media
3.	• Transportation hubs • Shopping malls where small floor spaces are tenanted	• Offers only bestselling SKUs for optimal stocking and turnover • Minimal range of print media

In addition to our outlets carrying our in-house developed trade names, we have 8 outlets that operate under the trade name "WHSmith" under our equal joint venture with WH Smith Travel which generally retail news, books and convenience products within international airports in Malaysia.

We also operate 1 mobile truck store known as "myNEWS.com on Wheels" which is typically stationed at major sporting or entertainment events or launches that have wider visibility and advertising exposure. At these locations, our "myNEWS.com on Wheels" truck retails tobacco products, fresh food, snacks and beverages as there is generally a higher demand for convenience retail products at these locations as compared to print media.

In the course of opening new outlets, our Group's priority has been to use our main trade name of "myNEWS.com", as it is our most easily recognisable trade name. The "newsplus" trade name was initially introduced in 2004 to serve transportation hubs but over the years, it has also been used for non-transportation locations. The last "newsplus" outlet was opened in 2011. Having an additional trade name other than "myNEWS.com" allows us the flexibility to strategically use a different trade name, if required.

The "MAGBIT" trade name was the first trade name used by our Group in 1996 for the opening of our first outlet, as well as our second outlet in 1997 (which has since been converted into a "myNEWS.com" outlet). An additional 2 "MAGBIT" outlets were opened in 2005 and 2006. Our sole "THE FRONT PAGE" outlet was opened in 2004. Although the "MAGBIT" and "THE FRONT PAGE" outlets continue to operate as at the LPD, they do so only in respect of these 4 outlets and the trade names have not been used for any new outlets since then.

We do not foresee that we will open any further new outlets with our "MAGBIT" or "THE FRONT PAGE" trade names and our "newsplus" trade name would only be used if there is a strategic reason to do so. Since 2011, all of our Group's new outlets have been opened under the "myNEWS.com" trade name and we have also converted a total of 11 "newsplus" outlets into "myNEWS.com" outlets. This is consistent with our strategy in focusing on "myNEWS.com" as our main trade name.

Some of our outlets offer a sit-in area with complimentary Wi-Fi and power points for the use of our customers. As at LPD, we offer this service at 40 of our outlets, typically located in high streets, to complement our product offering of self-serve fresh food, snacks and hot beverages.

The opening hours of our outlets differ depending on locality. Most of our outlets, which are located at shopping malls and hypermarkets, have operating hours from 10 a.m. to 10 p.m., following the respective opening hours of these locations. However, as at LPD, we have 40 high street outlets which operate 24-hours, and 41 mainly high street and transportation hub outlets that operate extended opening hours from 7 a.m. to 11 p.m. or beyond 16 hours.

7.5 Our products and services

7.5.1 Product and service offerings

As at the LPD, our Group carries a total of 5,561 SKUs. The types of products and services offered at our press and convenience outlets may be generally categorised as follows:

(i) Print media

We carry a wide range of print media which comprise of periodicals, newspapers, magazines and books. As at the LPD, print media accounted for approximately 26.3% of our total SKUs, consisting of approximately 43 newspaper titles, 660 magazine titles and 760 book titles.

The range of magazines which we offer span across a vast variety of topics and include but are not limited to, aviation, automobile, comic and cartoon periodicals, computing and IT, food and culinary, gardening and household, hobbies, arts and craft, photography, leisure, travel and living, sports, health and fitness, society, current affairs, politics, economics, finance and business, wealth management, entertainment, fashion and lifestyle and geography. A large proportion of our books consists of children storybooks and novels, education reference books and materials. We also carry a wide range of both domestic and international daily and weekly newspapers.

(ii) Convenience retail products

We have a diverse mix of convenience retail products such as:

(a) food and beverages including pre-packaged bakery products, drinks, dairy products, confectioneries and snacks;

(b) self-served convenience food and beverages including hot beverages, fresh bakery products and selected hot food;

(c) general groceries and household products;

(d) personal hygiene products;

(e) selected pharmaceutical products;

(f) stationery;

(g) children toys;

(h) tobacco products such as cigarettes, loose tobacco and other related paraphernalia; and

(i) mobile prepaid starter packs.

The merchandise and product mix varies depending on locality of the outlet and its demographic pattern. As at the LPD, convenience retail products account for approximately 71.2% of our total SKUs.

(iii) Consumer services

To provide added convenience to our customers, we also offer various consumer services such as:

(a) electronic payment services of prepaid top-up for mobile service providers and Touch'nGo, bill payments and the sale of gaming vouchers for online games and related content which is available at all of our outlets save for 9 outlets which do not provide bill payments;

(b) money remittance services (3 outlets);

(c) ATM services (4 outlets); and

(d) photocopying services (40 outlets).

As at the LPD, consumer services account for approximately 2.5% of our total SKUs.

Most of our Group's total consolidated revenue is derived from retail sales (being the over-the-counter sales to our end customers at our outlets).

7.5.2 Advertising and promotional activities

As a supporting activity to our press and convenience retailing business, we also undertake advertising and promotional activities for several of our product principals and suppliers where we receive, amongst others, placement and advertising fees.

The advertising and promotional activities that we carry out with our product principals and suppliers include:

(i) in-store product highlights and in-store advertising space;

(ii) collaborating with product principals and suppliers for sales campaigns or promotions exclusive to our press and convenience outlets;

(iii) monthly thematic promotions to introduce value buy items and new listing of merchandise across all categories of products;

(iv) seasonal and festive promotional campaigns at our outlets;

(v) periodical contests and competitions carried out in collaboration with product principals or suppliers for our customers to participate;

(vi) participating in the sales campaigns and promotions of our product principals and/or suppliers; and

(vii) initiating other promotional modes such as corporate social responsibility fund raising.

7.5.3 Distribution services

Another source of our Group's revenue is derived from distribution services for our product principals and suppliers. As at the LPD, approximately 86.7% of our SKUs received from our suppliers, managed and distributed to our network of outlets are from our Bison DC. Income derived from our distribution services provided to these suppliers, instead of the suppliers distributing directly or through third parties to our network of outlets, accounted for approximately 0.2%, 0.6%, and 0.7% of our total Group revenue for each of the respective FYEs 31 October 2013 to 31 October 2015.

7.6 Operational processes and facilities

7.6.1 Outlet opening process

The table below sets out a general overview of the process flow for the opening of each of our outlets.

Business Development	• Identifying potential sites • Feasibility studies
Approval by Chief Operating Officer and Finance Department	• Submission of site assessment results for consideration
Store Development	• Negotiation and formalisation of tenancy arrangements • Planning and developing outlet layout
Fit-Out Stage	• Securing necessary expenditure for outlet purchases and operations • Renovation • Setting up IT hardware and POS integration to Bisonet System
Administration and Licensing	• Identifying and applying for regulatory approvals and licences such as business and signage licences
Operations	• Assigning and scheduling manpower
Stock Up	• HQ issues stock orders to deliver merchandise for outlet • Bison DC delivers merchandise to outlet
Outlet Opening	
Continuous Management Review and Monitoring	• Monitoring sales performance / operation costs of outlet • New merchandising listings, revamp or closure

The identification and acquisition of outlet locations are conducted through our business development team (consisting 9 personnel as at the LPD) that focuses on outlet acquisition and development to, amongst others, study outlet locations and identify optimal retail locations with high foot traffic. Our branding, trade names and image, which we believe have come to be associated with bringing contemporary press and convenience shopping experience to consumers, provides us with a wider pool of high foot traffic locations.

Our business development team is tasked to source for potential sites and carry out feasibility studies on such potential sites. Sources of potential sites come from, amongst others, scouting for new sites, invitations from owners of shopping malls, residential or commercial developments, as well as references from real estate brokers and property developers. Factors that we take into consideration when assessing the feasibility of a new site include the location of the site, location features and surrounding profile, tenancy costs and terms and conditions of renting the site, demographics and consumer group profile, buying behaviour as well as competitors and traffic flow at the said location. We will also evaluate and carry out financial feasibility studies such as estimates of investment costs and returns. The site evaluation results are then submitted for review and approval by our Chief Operating Officer and the Finance Department.

Once the decision to acquire the new site is made, we will proceed to negotiate with the site owner to secure a formal tenancy arrangement. Most of our tenancies do not exceed 3 years. Once finalised, all relevant departments are notified of the new outlet opening to support the process flow of setting up and opening of the outlet.

One of the more important stages of this process is the designing and planning of the outlet layout. This involves designing the schematics of the outlet and storefront, flow and space planning, merchandise and services mix to be offered at the new outlet as well as designing the Merchandise Planogram, based on the available floor space and retail space. At this stage, we will apply our location-specific strategy to determine the allocation of retail space and the appropriate products and services mix for the new outlet following our Merchandise Planogram. Once all these are completed, renovations will be carried out at the new outlet based on the final and approved specifications upon obtaining vacant possession.

The outfitting of the new outlet is carried out by our operations team, who will take necessary steps to outfit the new outlet by way of supervising the renovation and installation of furniture and fittings, equipment, as well as scheduling and providing the manpower to operate the new outlet. Our IT team will also set up our Bisonet System and necessary POS and IT hardware (including installation of CCTV system) at the new outlet to complete the outfitting process.

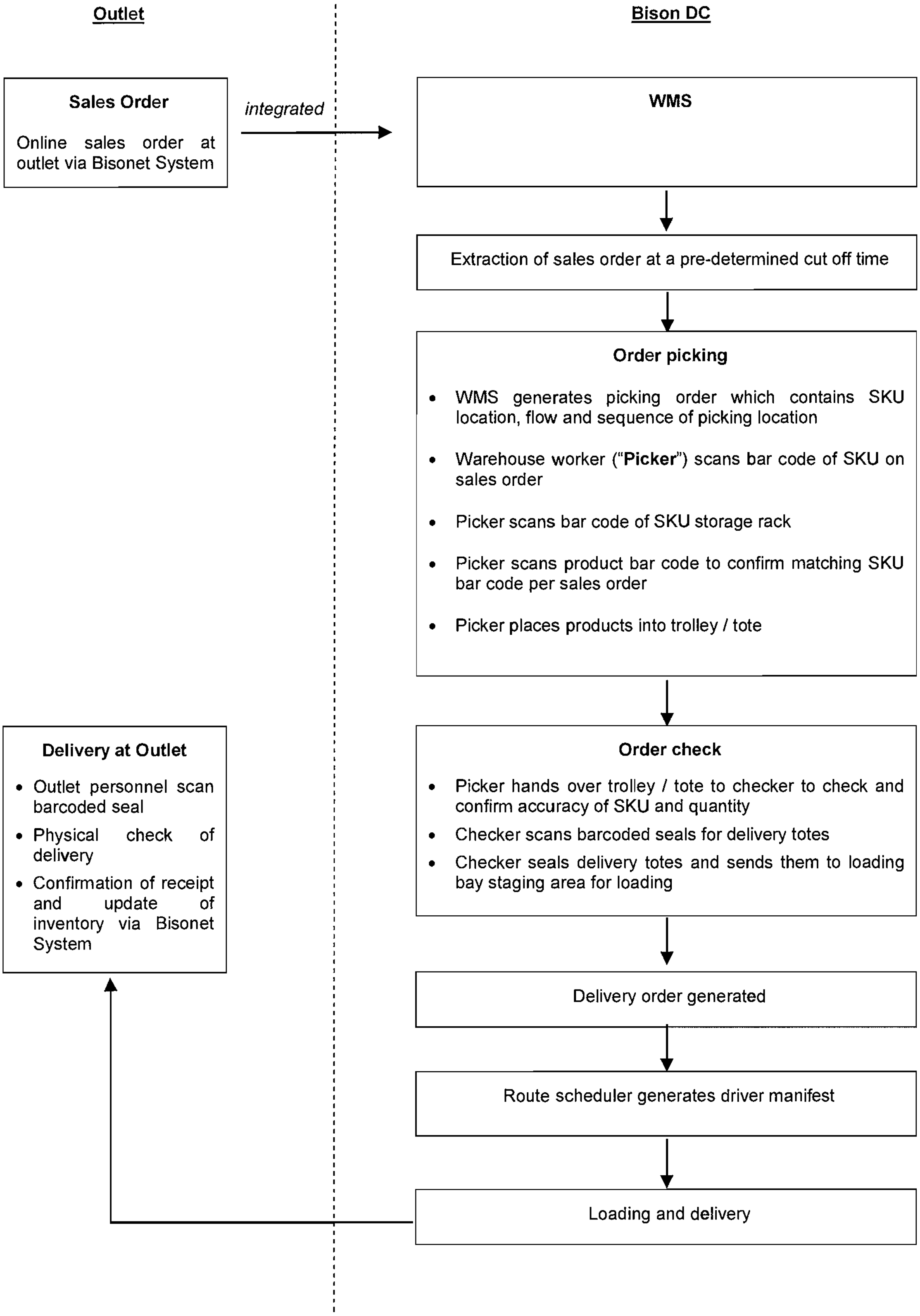
Necessary regulatory approvals and licences are then applied for and obtained for the new outlet.

Upon the completion of the outlet's refurbishment, our merchandising team will then proceed to issue stock orders to our Bison DC or suppliers, where necessary, in the case of direct delivery from suppliers to our outlets, for the delivery of merchandise to the new outlet and stocking for sale. Finally, as a control measure, our internal control team will inspect the new outlet to ensure all merchandise is displayed in accordance with the prescribed Merchandise Planogram. The new outlet will then be opened for business.

Upon opening, we practise continuous monitoring and review of the financial and operational performance of each new outlet. We also carry out a review of the products and services mix at the new outlet on a quarterly basis or more frequently as and when considered necessary. Subject to the results of such monitoring, we may implement certain strategies like introducing new merchandise listings and/or phasing out of slow moving inventory to optimise the outlet's performance. This process allows us to take appropriate measures as and when required in order to remain responsive to market needs and demands.

We also undertake refurbishments of our outlets on an on-going basis as and when required, typically once in every 5 to 8 years to address wear and tear as well as to improve, update or change storefront appearance which may have become outdated.

7.6.2 Warehousing and distribution process



Our warehousing and distribution facilities and capabilities to service our retail network is made up of our Bison DC with its 122,601 sq. ft. storage capacity, delivery trucks and on-site warehouse employees. Together with our WMS and Bisonet System, Bison DC provides us with control over merchandise and retail planning, in particular allocation of SKUs according to their sales trends at our respective outlets.

The WMS assists us to manage and control merchandise handling during the warehousing and distribution process. This control feature also allows for timely and orderly delivery of inventory to our network of outlets so that inventory is maintained optimally at our outlets. To mitigate the risks of delay or disruption to our delivery system, we regularly maintain our delivery trucks and have in place a vehicle monitoring system to ensure timely delivery. We also secure alternative third party logistics providers to ensure that any delay or disruption in our distribution systems is addressed or to manage any increased distribution requirements during festive and peak periods when inventory turnover is at its highest.

We also strive to minimise variances and errors in fulfilling sales orders raised by our respective outlets, through the use of our WMS. Our WMS is integrated with our Bisonet System and is programmed to, amongst others, use barcoding technology to manage placement and storage of our inventory taking into account product life cycle and sequencing of stock picking. In addition, all our delivery totes or bundles are sealed with barcoded security seals to control product damage as well as to avoid pilferage and discrepancies in the delivery process.

Throughout our years of operations, we have established a reliable network of suppliers, thereby minimising the risk of insufficient or delayed supply of products. We also use our Bisonet System to track and monitor our inventory levels and sales at each outlet. With regards to placing of stock orders by our outlets, it is also monitored by our field managers. Data compiled by our Bisonet System enables us to anticipate future demands and evaluate our customers' purchasing patterns and trends through the movement of inventory at our outlets. With this information, it allows us to respond in a timely manner to maintain optimal level and range of inventory at each particular outlet to minimise obsolete or slow-moving SKUs.

Other than the above, in respect of certain SKUs, the product principals or suppliers deliver the products or merchandise directly to our outlets. Such SKUs include newspapers, dairy and bakery products.

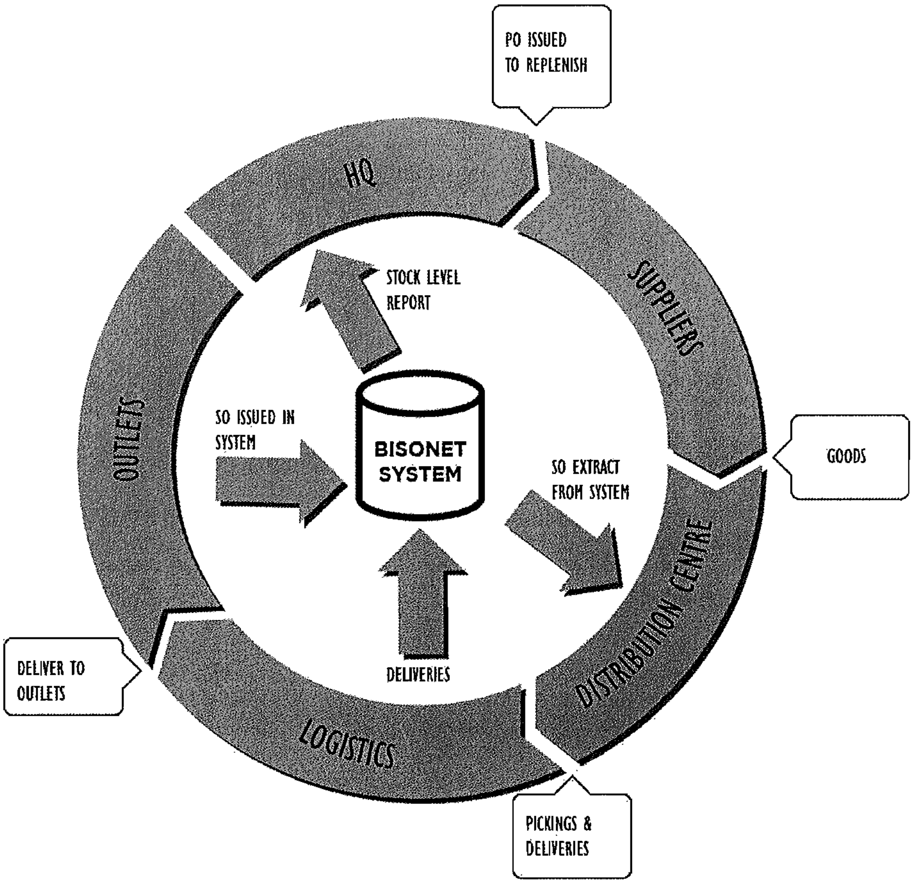
7.7 Technologies

We have in place an integrated retail management and control system that spans from our procurement and merchandising activities, retail management and operations, human resources management, logistics and warehouse management to our front-end over-the-counter POS. We use barcoding for all our inventories and SKUs to track our SKU movements throughout our warehousing and distribution operations process, retail operations as well as to monitor sales performance, our outlets' daily operations, pilferage and security risks.

Our retail management and control system encompasses our Bisonet System and WMS.

(The rest of this page has been intentionally left blank)

The relationship of our retail management and control system with our key operational processes is highlighted in the chart below.



Legend:
- *SO : Stock order*
- *PO : Purchase order*

7.7.1 Bisonet System

Our Bisonet System is a customised retail outlet operations system developed by us, housed under and maintained by our MSC Malaysia Status subsidiary, DKE. This system is critical to our Group's business as we use it to carry out, amongst others, the following functions:

Description	Key functions
BisonPOS (outlet) – our POS system to capture sales and stock transactions	• online stock orders to our Bison DC • capturing payment modes (via cash; debit or credit card; voucher; multicurrency in respect of the "WHSmith" outlets) • inventory monitoring for all SKUs at outlets • audit trail reports • cash management monitoring
BisonPOS (HQ) – centralised control settings and report viewing at our HQ	• merchandising and supply procurement management • sales orders monitoring • sales and costs of sales consolidation reports • review of operational compliance, sales performance reporting and variance reporting

Description	Key functions
BisonPOS (Bison DC) - handling and management of print media	• tracking receipt and returns of print media SKUs at Bison DC • tracking delivery and returns of print media SKUs to and from outlets
Second screen advertising attached with POS	• serves as a display to customers with scan item pricing detail and display of images, video or advertising centrally controlled from HQ
Mobility solution - mobile scanning of print media and merchandise	• capturing stock count figures and reconciliation for outlet stocktake
Memorandum broadcasting	• paperless broadcasting of internal memoranda from HQ to outlet POS terminals
Bison electronic PunchCard	• monitoring and control over the operations of the POS terminals • logging staff working hours and overtime timing calculation • monitoring of outlet visitation and inspection • cash declarations by outlet staff for control purposes

7.7.2 WMS

We use our WMS to track and manage SKU movements and our distribution logistics. The system enables us to:

(i) track and trace SKUs in our Bison DC;

(ii) fulfil outlet stock orders and record them throughout the inventory picking process chain at our Bison DC, verify checks before delivery, as well as actual delivery and receipt of SKUs at our outlets by the use of real-time barcode retrieval and matching;

(iii) manage use of space for inventory within our Bison DC;

(iv) manage and optimise storage of inventory according to their product life cycles;

(v) control and optimise inventory holding;

(vi) record and to track returns to suppliers; and

(vii) generate productivity reports for our logistics and deliveries such as punctuality of delivery and variances of inventory in transition.

7.7.3 Safeguards for our IT system

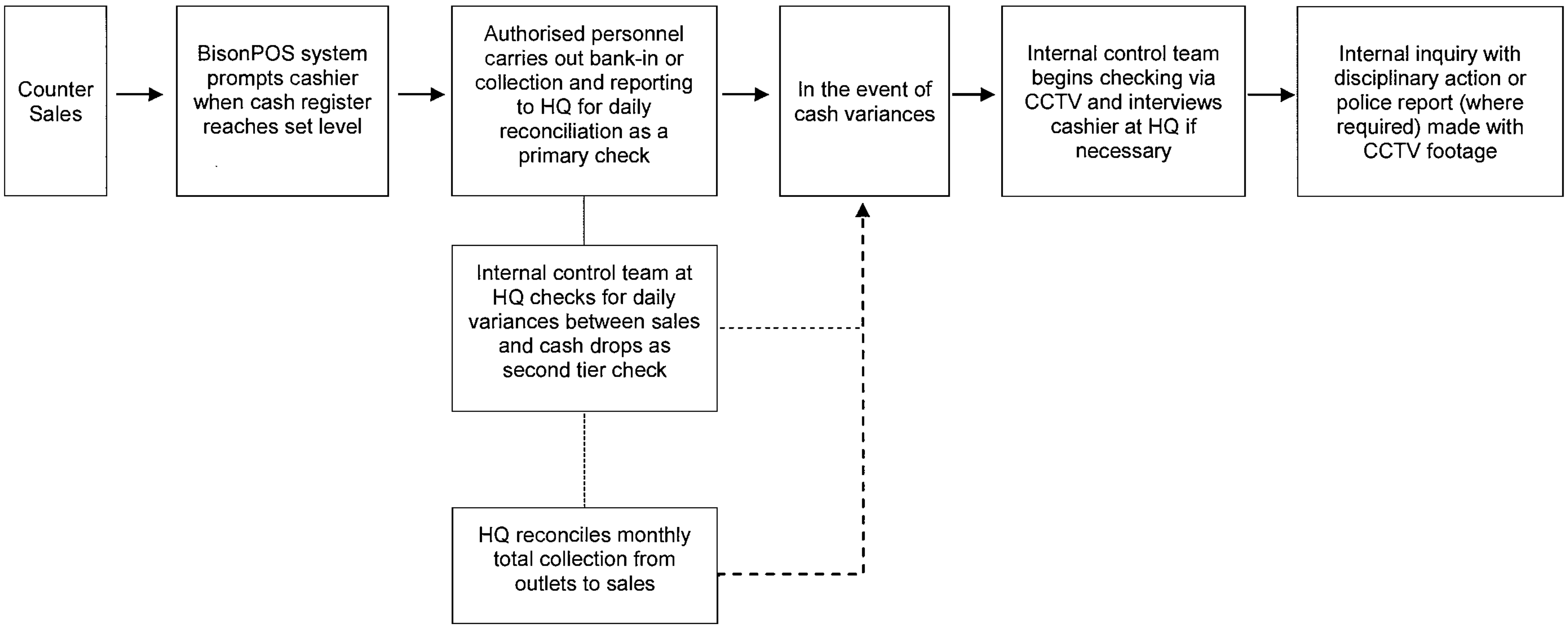
Our IT system is safeguarded by two alternate servers including an on-site backup server and an external remote server located off-site. In addition to our IT personnel who are on standby to support any system failures or malfunctions, we also train our outlet personnel to carry out basic repair and recovery measures to minimise outlet downtime. Furthermore, as a preventive measure, we regularly conduct scheduled tests of our IT disaster recovery system.

7.8 Cash management

As a retail business, cash payment constitutes a significant proportion of our sales transactions. In the course of our outlet operations, we process a large volume of cash daily. We try to minimise any fraud, mismanagement or mishandling of cash by implementing standardised cash management practices.

For accountability and safety purposes, our control measures include designating authorised personnel to handle cash at the outlet and strict cash bank-in or cash collection procedures. We also put in place several tiers of check and balance measures at different levels of our operations for the purpose of detecting possible variances in our cash management process flow, as described in the diagram below. This is achieved through reconciliation and cross-checking procedures at our HQ level as well as through our internal control team. In the event of fraud, mismanagement or mishandling of cash, we will take appropriate actions such as internal inquiry with disciplinary action or report such incidences to the police, where required.

The diagram below outlines our cash management practices and control measures:



7.9 Security and loss prevention

In the course of the operations of our outlets, some of which operate 24 hours, we are susceptible to pilferage, shoplifting, theft and robbery.

As preventive measures to deter pilferage and robbery, all our outlets are installed with alarm systems, security cameras and safes.

We also have in place our internal control team that is responsible for, amongst others, monitoring and investigating pilferage, cash variances and random outlet spot checks. To minimise losses from pilferage, shoplifting and theft, our Bisonet System serves as a centralised platform to automate routine stocktake instructions to our outlet personnel, to track and record sales and inventory movement and to detect and report variances to our HQ, including the use of CCTV footage. This allows us to investigate, trace and resolve incidences of pilferage, shoplifting and theft in a timely manner.

Our Bison DC is patrolled 24 hours by third party security services provider and monitored by CCTV. To minimise loss of merchandise in transit, our delivery totes or bundles are all sealed with barcoded seals. We also closely monitor our delivery trucks by GPS tracking and their compliance with the assigned drivers' manifests. Please refer to Section 7.6.2 of this Prospectus for details of our distribution process flow.

7.10 Insurance

We purchase insurance policies for fire, burglary, money in transit, public liability, fidelity and product liability insurance for consumables sold by us to defray our exposure to numerous risks arising from the operations of our press and convenience retailing business, covering our central HQ functions, warehousing and distribution processes to the operations of our outlets and Bison Café. Please refer to Section 5 of this Prospectus which sets out a discussion of the risk factors which we are susceptible to. We believe our current insurance coverage undertaken is adequate for our business and current level of operations.

7.11 Corporate social responsibility

In 2011, we established our "myNEWS.com Charity" programme with an aim to run a sustainable platform for donation drives. To maximise our fundraising efforts, we leverage on our extensive network of outlets to organise donation drives. The size of our retail chain with 255 outlets across Malaysia assists us to achieve a wide reach for our donation drives and allows willing customers convenient access to contribute by donating at strategically placed donation boxes. We also encourage our suppliers to participate in the donation drives. Since initiating the "myNEWS.com Charity" programme in 2011, we have successfully raised an aggregate in excess of RM370,000 towards various social and charitable causes as part of our corporate social responsibility efforts.

7.12 Marketing activities

7.12.1 Modes of marketing

Marketing plays a key role in generating traction amongst end consumers and to build our trade names and brand reputation as one of Malaysia's leading press and convenience retail chain. As a press and convenience retailer, we believe that our brand presence, through our network of outlets, is crucial to the success of our business and financial performance. It is our strategy to upkeep and enhance the value of our homegrown trade names, in particular "myNEWS.com" in line with our objective to bring contemporary press and convenience experience to our customers.

We also undertake marketing measures through:

(i) our actual network of outlets and the marketing of our trade names and brands from our signages throughout Malaysia that will continue to grow as our reach expands since our outlets are well placed in generally high foot traffic localities;

(ii) the association of our trade names and branding with consumer product brands which we carry, via advertising and promotional activities conducted for our selected product principals and suppliers. Please refer to Section 7.5.2 for further details of our advertising and promotional activities;

(iii) advertising and to promote consumer awareness of our branding via our "myNEWS.com on Wheels" mobile truck store which is typically stationed at major sporting events, entertainment events and launches; and

(iv) initiating other promotional modes such as corporate social responsibility fund raising and through online presence and social media.

7.12.2 Distribution channel

Our distribution channel is direct from our outlets to our customers.

7.13 Seasonality

Our Group typically experiences a reduction in sales revenue in February due to the shorter month, which thereafter normalises until the Ramadhan fasting month when sales revenue experience a reduction again.

Save for the above, our Group does not experience any other material seasonality in sales.

7.14 Major customers

We have no individual customer who account for 10% or more of our Group's total revenue for the 3 FYEs 31 October 2013, 31 October 2014 and 31 October 2015. Our Group is not dependent on any single customer for business.

7.15 Major suppliers

The value of purchases from our suppliers that accounted for more than 10% of our Group's total purchases during the 3 FYEs 31 October 2013, 31 October 2014 and 31 October 2015 are as follows:

Supplier	Length of relationship as at the LPD / Country of incorporation	Value of purchases FYE 31 October					
		2013		2014		2015	
		(RM'000)	%[1]	(RM'000)	%[1]	(RM'000)	%[1]
New Foo Hing Tobacco Sdn Bhd (**"New Foo Hing"**)	4 years 5 months / Malaysia	17,799	16.7	18,594	14.7	24,997	16.8
Lein Hing Enterprise Sdn Bhd (**"Lein Hing"**)	18 years 8 months / Malaysia	13,726	12.9	14,527	11.5	22,858	15.3
CSS Tobacco Sdn Bhd (**"CSS"**)	8 years 6 months / Malaysia	9,260	8.7	10,889	8.6	16,386	11.0

Note:

(1) Represents the percentage of total purchases for the respective year.

We purchase "British American Tobacco" products from New Foo Hing, "Phillip Morris International" products from Lein Hing, and "Japan Tobacco International" products from CSS. We maintain good relationships with these major suppliers and their respective product principals whom they distribute tobacco products for, namely New Foo Hing for British American Tobacco (Malaysia) Berhad ("**BAT**"), Lein Hing for Godfrey Phillips (Malaysia) Sdn Bhd ("**PMI**") and CSS for JT International Trading Sdn Bhd ("**JTI**").

Our retail outlets have historically been carrying British American Tobacco products for the past 19 years and in respect of the past 4 years and 5 months through New Foo Hing as a BAT-appointed distributor. Prior to that, our purchases of British American Tobacco products were conducted directly with the product principal, BAT. We also have had 18 years and 8 months of continuous business relationship with Lein Hing as distributor and PMI as product principal. We have been carrying "Japan Tobacco International" products for the past 19 years, and in the past 8 years and 6 months we have dealt directly with JTI's appointed distributor, CSS. We believe that this indicates a stable and good business relationship with our major suppliers and associated product principals.

A discussion on our dependence on our major suppliers is set out in Section 5.1.8 of this Prospectus.

7.16 Approvals, major licences and permits obtained

Details of the approvals, major licences and permits obtained by our Group for the operation of our business and the status of compliance are as set out below:

7.16.1 Business and signage licences for our outlets

Prior to commencing operations for each of our outlets, we are required in accordance with the Local Government Act 1976, Local Authorities Ordinance 1996 of Sarawak, Trades Licensing Ordinance 1949 of Sabah and the by-laws of the respective local councils and authorities to obtain business and signage licences for each of our outlets. The business licence is a licence granted to the outlet to undertake business operations within the outlet premises whereas the signage licence is granted to enable the outlet to display its signboard and advertisements on the premises. These business and signage licences are renewable typically on a yearly basis.

Pursuant to subsection 107(6) of the Local Government Act 1976, any person who fails to exhibit or produce his licences on the premises shall be liable to a fine not exceeding RM500 or to imprisonment for a term not exceeding 6 months or to both. In addition, as a general penalty, a fine of not exceeding RM2,000 or a term of imprisonment not exceeding 1 year or both will be imposed on anyone who is guilty of any offence against the Local Government Act 1976 or any by-law, rule or regulation for which no penalty is expressly provided. A similar penalty provision can also be found in the Local Authorities Ordinance 1996 of Sarawak save and except that in Sarawak an absolute fine of RM2,000 will be imposed on those who are found guilty of such offence. In Sabah, the Trades Licensing Ordinance 1949 of Sabah imposes on persons who carry on any business without a valid licence a fine of four times the amount of the licence fee and a further fine of RM10 for each day or part of a day during which the contravention continues.

Based on our Group's experience, the abovementioned business and signage licences are typically obtained within 3 months after the opening of the outlets. Applications for the business and signage licences can only be made after the outlets have been fitted-out and stocked-up as verification to the local councils and authorities that the outlets are ready for opening. For this reason, in most cases such licences remain pending at the time of outlet opening. This situation affects only the opening of new outlets.

With the new outlets being fitted-out and stocked-up already at the point of the application for the licences, it would be impractical for our Group to allow the affected outlet(s) to be left idle and to continue to incur rental expenses while awaiting the issuance of the business and signage licences. Furthermore, there may also be situations where property owners require our Group to open the outlets by certain pre-determined dates, for example, in conjunction with the opening of a shopping mall. Our Group foresees that this situation will continue to arise as and when our Group opens new outlets in Malaysia. Additionally, delays in the granting of business and/or signage licenses may also occur due to administrative and/or out of the ordinary situations.

For existing outlets, the yearly renewal process for the business and signage licences is done procedurally once a year prior to their expiry, and as such the timing for a renewal application can be anticipated and planned ahead.

However, despite the risk of penalties imposed by the local councils and authorities for non-compliance of business and signage licences, the day-to-day operations of those outlets are not affected, including that of our Group's applicable insurance coverage.

As at the LPD, our Group has experienced delay in obtaining the business and signage licences in respect of 11 outlets ("**Outstanding Licences**").

Save for the above, our Group's 244 remaining outlets as at the LPD have obtained their respective business and signage licences from their respective local councils and authorities, all of which are valid and in force as at the LPD. Our Group will continue to actively liaise with the relevant councils and authorities to speed up the progress of the Outstanding Licences.

Although our Board expects to obtain the Outstanding Licences and any other future applications for new outlets within the typical timeframe, if such timeframe becomes protracted, our Board will take such action as it considers necessary if such licences are not forthcoming.

(The rest of this page has been intentionally left blank)

7.16.2 MSC Malaysia Status and pioneer status certification

Company	Approving authority / issuer	Description of licence / approval / permit	Licence/ Reference no.	Date of issuance / Validity	Major conditions imposed	Status of compliance
DKE	Government of Malaysia – MDeC	MSC Malaysia Status granted for DKE to enjoy the incentives, rights and privileges provided for under the Bill of Guarantee • To provide a world-class physical and information infrastructure; • To allow unrestricted employment of local and foreign knowledge workers; • To ensure freedom of ownership by exempting companies with MSC Malaysia Status from local ownership requirements; • To give the freedom to source capital globally for MSC Malaysia infrastructure, and the right to borrow funds globally; • To provide competitive financial incentives, including Pioneer Status (100 percent tax exemption) for up to 10 years or an Investment Tax Allowance for up to 5 years and no duties on the importation of multimedia equipment; • To become a regional leader in Intellectual Property Protection and Cyberlaws; • To ensure no censorship of the internet; • To provide globally competitive telecommunications tariffs; • To tender key MSC Malaysia infrastructure contracts to leading companies willing to use the MSC Malaysia as their regional hub; and • To provide a high-powered implementation agency to act as an effective one-stop super shop.	2431	Effective Date: 1 April 2010 Validity: Valid until and unless revoked	The major conditions imposed by MDeC vide its letter dated 1 April 2010 in respect of DKE's MSC Malaysia Status are as follows: DKE hereby agrees to: (i) complete business registration of the proposed entity as a locally incorporated company under the Companies Act 1965 within one (1) month from the date of the approval letter, commence operations of the proposed entity within six (6) months from the date of the approval letter, and undertake such activities specified in DKE's business plan ("**Business Plan**") as approved by MDeC below ("**MSC Malaysia Qualifying Activities**") within six (6) months from the date of the approval letter or by such date(s) as may be specified in the Business Plan (which date(s) may be extended or modified with the written consent of MDeC) and thereafter continue with such business and activities unless otherwise approved by MDeC. The MSC Malaysia Qualifying Activities are as follows: (a) Research, development and commercialization of the following software: • DKE Publications and Magazine Distribution Software (b) Provision of implementation, maintenance and technical services related to the above software. Any changes proposed to the above MSC Malaysia Qualifying Activities as detailed in the Business Plan must receive the prior written consent of MDeC;	Complied

Company	Approving Authority / issuer	Description of licence / approval / permit	Licence/ Reference no.	Date of issuance / Validity	Major conditions imposed	Status of compliance
					(ii) locate the implementation and operation of the MSC Malaysia Qualifying Activities in a Designated Premises in an MSC Malaysia Cybercentre with minimum office space of 1,200 sq ft, within six (6) months from the date of the approval letter. DKE shall obtain MDeC's prior written approval in the event of any changes in the location or address of the company;	Complied
					(iii) ensure that at all times at least fifteen percent (15%) of the total number of employees (excluding support staff) of DKE shall be "knowledge workers" (as defined by MDeC). "Knowledge workers" shall be recruited, employed and/or appointed solely for the purpose of undertaking the MSC Malaysia Qualifying Activities. The recruitment, employment and/or appointment of foreign "knowledge workers" (if any) shall be the sole responsibility of DKE and MDeC shall not be held responsible for any liability arising from such recruitment, employment and/or appointment;	Complied
					(iv) ensure that any products produced pursuant to the MSC Malaysia Qualifying Activities are original, and that no part or portion of such product is an infringement or violation of any intellectual property or any proprietary rights of any third party, or constitutes a misappropriation of know-how belonging to any third party;	Complied
					(v) submit to MDeC a copy of DKE's Annual Report and Audited Statements in parallel with submission to the Companies Commission of Malaysia;	Complied
					(vi) ensure that all information and/or documents furnished by DKE to MDeC or any other authority or agency do not contain any false, untrue or inaccurate statements or omit to state any facts, the omission of which would make any statements made therein in the light of the circumstances under which they are made, misleading;	Compiled
					(vii) inform and obtain the prior approval of MDeC for any proposed change in the name of DKE;	Complied

Company	Approving Authority / issuer	Description of licence / approval / permit	Licence/ Reference no.	Date of issuance / Validity	Major conditions imposed	Status of compliance
					(viii) inform MDeC of any change in the equity structure or shareholding structure of DKE, or such other changes that may affect the direction or operation of DKE. MDeC must be informed of any change before steps are taken to effect such change; and	Complied
					(ix) comply with all such statutory, regulatory and/or licensing requirements as may be applicable, including but not limited to the Transfer Pricing Guidelines issued by the Inland Revenue Board of Malaysia on 2 July 2003, and such other amendments as may be applicable from time to time.	Complied
					The MSC Malaysia Status granted to DKE shall not be transferable or assignable in any way whatsoever without the prior written consent of MDeC.	
DKE	MITI	Pioneer certificate and extension approval for pioneer status in accordance with Promotion of Investments Act 1986.	Certificate No. 3681 Extension approval letter : 020/B18/000027/2/MSC/2	28 August 2015/ 16 August 2015 to 15 August 2020	The pioneer status is subject to DKE's compliance with the conditions imposed by MDeC vide its letter dated 1 April 2010 in respect of DKE's MSC Malaysia Status, details of which have been set out above in this Section 7.16.2.	Noted

(The rest of this page has been intentionally left blank)

7.16.3 Other operational licences / approvals

Company	Approving authority / Issuer	Description of licence / approval / permit	Licence/ Reference no.	Date of issuance / Validity	Major conditions imposed	Status of compliance
Bison Stores	WU Malaysia	Certificate of appointment as money services business agent to conduct remittance business in accordance with section 43(1) of the Money Services Business Act 2011 at the following premises: (i) Lot G98B & G98C, Ground Floor, The Curve, Mutiara Damansara, Jalan PJU 7/3, Mutiara Damansara, 47800 Petaling Jaya, Selangor; (ii) Lot G30, Ground Floor, Centrepoint, No. 3, Lebuh Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor; and (iii) No. 40, Jalan SS21/58, Damansara Utama, 47400, Petaling Jaya, Selangor.	00032-002	Validity: 20 September 2015 to 19 September 2018	(i) Ensure that Bison Stores complies with the requirements of the Money Services Business Act 2011 and other terms set by BNM; (ii) Bison Stores is fully responsible towards all money services business transactions and activities carried out on behalf of WU Malaysia; (iii) Ensure Bison Stores displays the certificate of appointment in a conspicuous position at the premises for customer verification that Bison Stores is an agent to WU Malaysia;and (iv) Ensure that Bison Stores properly display on all its signage the information indicating that the company is the agent to WU Malaysia. The signage should include WU Malaysia's name, address and details on how to contact WU Malaysia.	Complied
Bison Stores	Department of Occupational Safety and Health, Selangor	Certificate of fitness of cargo lift with registration no. SL PMA 1519 in accordance with the Factories and Machinery Act 1967 ("**FMA**") and Regulation 10(2) of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations 1970 Location of the machine: Lot 142, Jalan Industri 2/4, Rawang Integrated Industrial Park, 48000 Rawang, Selangor	PMA-SL 211174	6 August 2015/ Until 6 October 2016	This certificate is valid until the date stated in the certificate, unless suspended, revoked or otherwise terminated earlier under the FMA and provided that the provisions of the FMA and the regulations in respect of hoisting machine shall not be violated.	Complied
Bison Stores	Department of Occupational Safety and Health, Selangor	Certificate of fitness of cargo lift with registration no. SL PMA 1520 in accordance with the FMA and Regulation 10(2) of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations 1970 Location of the machine: Lot 142, Jalan Industri 2/4, Rawang Integrated Industrial Park, 48000 Rawang, Selangor	PMA-SL 211175	6 August 2015 / Until 6 October 2016	This certificate is valid until the date stated in the certificate, unless suspended, revoked or otherwise terminated earlier under the FMA and provided that the provisions of the FMA and the regulations in respect of hoisting machine shall not be violated.	Complied

7. BUSINESS OVERVIEW *(cont'd)*

Company	Approving authority / Issuer	Description of licence / approval / permit	Licence/ Reference no.	Date of issuance / Validity	Major conditions imposed	Status of compliance
Bison Stores	Land Public Transport Commission ("**SPAD**")	Operator licence including vehicle permit, service level requirements and permit for service over the Peninsular Malaysia in accordance with Land Public Transport Act 2010	306295X (LC)	22 May 2013 / 22 May 2013 to 21 May 2018	(i) The renewal must be made at least 90 days before the expiration; (ii) Any changes to the permit for service must obtain the prior written consent from SPAD through application for changing the requirements and to be recorded in the special conditions of this vehicle permit; and (iii) Loss of this special conditions permit for service should be reported immediately to the nearest SPAD offices.	Complied
Bison Stores	Majlis Perbandaran Selayang	Licence for Lot 142 (Pechan Lot 1289), Jalan Industri 2/4, Rawang Integrated Industrial Park, 48000 Rawang, Selangor • Alat tulis (membuat / memproses) <500m^2 *Memproses buku, alat tulis, makanan ringan* • Alat tulis (memborong / menyimpan) <501m^2 *Menyimpan buku, alat tulis, makanan ringan & barangan runcit* • Pelekat lesen • Menggiling & mengisar bhn makanan, herba, rempah ratus, bahan-bahan yang dikisar DSB (membuat / memproses) < 20 *Memproses barang runcit dan makanan* • Iklan tidak bercahaya tidak melebihi 8m^2 *Bison DC / Logo* • Iklan tidak bercahaya tidak melebihi 8m^2 *Bison DC / Logo*	Account No: L-52241	Valid until 30 June 2016	Nil	Not applicable
DKE	Majlis Bandaraya Petaling Jaya	Licence for Lot 3.01, Level 3, First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor • Pejabat urusan • Bayaran pelekat premis	L9500001 73533	Valid until 31 December 2016	Nil	Not applicable
Bison Stores	Majlis Perbandaran Selayang	Licences for Lot 258 – 259, Jalan KIP 4, KIP Industrial Park, 52200 Kepong, Kuala Lumpur • Pejabat Urusan – melebihi 120MP • Iklan tidak bercahaya tidak melebihi 8m^2 MYNEWS.COM • Iklan tidak bercahaya tidak melebihi 8m^2 Bison Cafe • Iklan tidak bercahaya tidak melebihi 8m^2 WHSMITH	Account No: L-55926	Valid until 30 June 2016	Nil	Not applicable

7. BUSINESS OVERVIEW *(cont'd)*

Company	Approving authority / Issuer	Description of licence / approval / permit	Licence/ Reference no.	Date of issuance / Validity	Major conditions imposed	Status of compliance
		• Iklan tidak bercahaya tidak melebihi $8m^2$ Bison Stores • Iklan tidak bercahaya tidak melebihi $8m^2$ MYNEWS.COM				
Bison Stores	Majlis Perbandaran Selayang	Licence for Lot 260, Jalan KIP 4, KIP Industrial Park, 52200 Kepong, Kuala Lumpur • Pejabat Urusan – melebihi 120MP • Iklan tidak bercahaya tidak melebihi 8m2 Bison Stores • Iklan tidak bercahaya tidak melebihi 8m2 MYNEWS.COM	Account No: L-57998	Valid until 30 June 2016	Nil	Not applicable.

(The rest of this page has been intentionally left blank)

7.17 Quality control procedures

Our quality control approaches and measures are carried out with an overall objective to monitor and maintain the quality and condition of our SKUs at all stages of our retail operations from warehousing to over-the-counter point of sales, as well as the quality of consumer services we offer to our customers. Amongst others, our Group adopts the following approaches and measures in our operations:

(i) central distribution of a large proportion of our SKUs to our network of outlets to effectively control quality and condition as well as for accountability in inventory management;

(ii) inspection of incoming products supplied and tracking of product cycles, in particular, expiry dates of food and beverage items;

(iii) the continuous training of our employees to ensure operational efficiency, productivity throughout all stages of our operations and in particular, level of customer service at our outlets;

(iv) standardisation of product display guidelines and prescribed Merchandise Planograms; and

(v) uniform attire and name tags for our personnel to maintain a standard brand image.

In addition to the above measures, we have an internal control team comprising 21 employees as at the LPD, tasked to undertake internal audit and investigative functions.

Our internal control team essentially carries out the following functions to ensure that quality standards are maintained:

(i) quality checks and quality assurance controls such as internal store audit for expired products, stock availabilities, stocktake, the condition and upkeep of the outlets, compliance with standardised product display guidelines and Merchandise Planograms;

(ii) central monitoring of daily operations from our HQ via real-time CCTV footage and random inspection of real-time corresponding screenshots of the cash register at POS terminals for verification of sale transactions; and

(iii) investigative functions in cases of pilferage, loss or theft.

(The rest of this page has been intentionally left blank)

7.18 Licences, patents, trade marks, brand names, technical assistance agreements, franchises and other intellectual property rights

Save as disclosed below, our Group does not have any other licences, patents, trade marks, brand names, technical assistance agreements, franchises and other intellectual property rights:

7.18.1 Trade mark registrations

No.	Trade mark	Issuing authority	Name of applicant	Application or registration no. / Class	Description	Status / Registration validity
1.	myNEWScafe	IPC Malaysia	Bison Stores	05018333 / Class 16	Proprietor of the said trade mark for a period of 10 years in respect of the following goods: Advertisement material of paper or cardboard; banners and signboards of paper and cardboard; paper bags; brochures; bags envelopes or pouches of paper or plastic for packaging; booklets; boxes of cardboard or paper; bottle envelopes and wrappers of cardboard or paper; bubble packs of plastic for wrapping or packaging; credit card imprinters, non-electronic; magazines; newsletters; handbooks; packing paper; pamphlets; paper and paper articles; cardboard and cardboard articles; cards; forms; labels; manuals; office requisites except furniture; pamphlets; paperweights; pen and pencils; pen and pencils cases and holders; periodicals; photographs; printed matter and publications; postcards; posters; signs; stationery; stickers; wrapping materials; writing materials; writing paper; writing pads; all included in Class 16.	Registered / 27 October 2015 to 27 October 2025 Certificate issuance date : 15 October 2015
2.	myNEWS.com	IPC Malaysia	Bison Stores	05018329 / Class 16	Proprietor of the said trade mark for a period of 10 years in respect of the following goods: Advertisement material of paper or cardboard; banners and signboards of paper and cardboard; paper bags; brochures; bags envelopes or pouches of paper or plastic for packaging; booklets; boxes of cardboard or paper; bottle envelopes and wrappers of cardboard or paper; bubble packs of plastic for wrapping or packaging; credit card imprinters, non-electronic; magazines; newsletters; handbooks; packing paper; pamphlets; paper and paper articles; cardboard and cardboard articles; cards; forms; labels; manuals; office requisites except furniture; pamphlets; paperweights; pen and pencils; pen and pencils cases and holders; periodicals; photographs; printed matter and publications; postcards; posters; signs; stationery; stickers; wrapping materials; writing materials; writing paper; writing pads; all included in Class 16.	Registered / 27 October 2015 to 27 October 2025 Certificate issuance date : 15 October 2015

7. BUSINESS OVERVIEW *(cont'd)*

No.	Trade mark	Issuing authority	Name of applicant	Application or registration no. / Class	Description	Status / Registration validity
3.	myNEWS com	IPC Malaysia	Bison Stores	05018330 / Class 35	Proprietor of the said trade mark for a period of 10 years in respect of the following services: Retail services and retail store services relating to / in the field of / dealing with newsstand selling newspapers, books, magazines, stationeries, cigarettes, smoker's articles and anything related to the aforesaid goods; stationeries, phone cards and anything related to the aforesaid goods; magazine reservation services, photo developing and anything related to the aforesaid photo developing; bill payments service, pharmaceutical products and anything related to the aforesaid goods; all included in Class 35.	Registered / 27 October 2015 to 27 October 2025 Certificate issuance date : 15 October 2015
4.	myNEWS.com	IPC Malaysia	Bison Stores	01016209 / Class 35	Proprietor of the said trade mark for a period of 10 years in respect of the following services with conditions: Retail newsagent services featuring books, magazines, newspapers, food and beverages, tobacco, cigarettes, cigars, smoker's articles, matches, films, batteries, pharmaceuticals, stationeries, phone cards, magazine reservation service, courier service, photo developing, laundry and bill payments service; all included in Class 35. Registration of this trade mark shall give no right to the exclusive use of the word '.com'.	Registered / 20 December 2011 to 20 December 2021 Certificate issuance date : 13 July 2012
5.	M G B I T	IPC Malaysia	Bison Stores	05018331 / Class 16	Proprietor of the said trade mark for a period of 10 years in respect of the following goods with condition: Advertisement material of paper or cardboard; banners and signboards of paper and cardboard; paper bags; brochures; bags envelopes or pouches of paper or plastic for packaging; booklets; boxes of cardboard or paper; bottle envelopes and wrappers of cardboard or paper; bubble packs of plastic for wrapping or packaging; credit card imprinters, non-electronic; magazines; newsletters; handbooks; packing paper; pamphlets; paper and paper articles; cardboard and cardboard articles; cards; forms; labels; manuals; office requisites (except furniture); pamphlets; paperweights; pen and pencils; pen and pencils cases and holders; periodicals; photographs; printed matter and publications; postcards; posters; signs; stationery; stickers; wrapping materials; writing materials; writing paper; writing pads; all included in Class 16.	Registered / 27 October 2015 to 27 October 2025 Certificate issuance date : 15 October 2015

7. BUSINESS OVERVIEW *(cont'd)*

No.	Trade mark	Issuing authority	Name of applicant	Application or registration no. / Class	Description	Status / Registration validity
6.		IPC Malaysia	Bison Stores	05018332 / Class 35	Proprietor of the said trade mark for a period of 10 years in respect of the following services: Retail services and retail store services relating to or in the field of or dealing with newsstand selling newspapers, books, magazines, stationeries, cigarettes, smoker's articles and anything related to the aforesaid goods; stationeries, phone cards and anything related to the aforesaid goods; magazine reservation services, bill payments service, pharmaceutical products and anything related to the aforesaid goods; all included in Class 35.	Registered / 27 October 2015 to 27 October 2025 Certificate issuance date : 15 October 2015
7.		IPC Malaysia	Bison Stores	2014001168 / Class 16	Proprietor of the said trade mark for a period of 10 years in respect of the following goods: Advertisement material of paper or cardboard; banners and signboards of paper and cardboard; paper bags; brochures; bags envelopes or pouches of paper or plastic for packaging; booklets; boxes of cardboard or paper; bottle envelopes and wrappers of cardboard or paper; bubble packs of plastic for wrapping or packaging; credit card imprinters, non-electronic; magazines; newsletters; handbooks; packing paper; pamphlets; paper and paper articles; cardboard and cardboard articles; cards; forms; labels; manuals; office requisites except furniture; pamphlets; paperweights; pen and pencils; pen and pencils cases and holders; periodicals; photographs; printed matter and publications; postcards; posters; signs; stationery; stickers; wrapping materials; writing materials; writing paper; writing pads; all included in Class 16.	Registered / 27 January 2014 to 27 January 2024 Certificate issuance date : 25 August 2015
8.		IPC Malaysia	Bison Stores	2014001169 / Class 43	Proprietor of the said trade mark for a period of 10 years in respect of the following services: Cafes in bookstores, cafeterias in bookstores, snack bars in bookstores, self service cafes, cafeterias and snack bars, food and drink kiosks or bars selling cigarettes and anything related to products, sweets and candles and anything related to the aforesaid goods; all included in Class 43.	Registered / 27 January 2014 to 27 January 2024 Certificate issuance date : 17 August 2015

7.18.2 Trade mark applications

No.	Trade mark	Issuing Authority	Name of applicant	Application no./ Class / Application date	Description	Status / Registration validity
1.		Intellectual Property Office of Singapore	Bison Stores	T1411181E / Classes 16 and 35 / 16 July 2014	Class 16 Advertisement material of paper or cardboard; banners and signboards of paper and cardboard; paper bags; brochures; bags envelopes or pouches of paper or plastic for packaging; booklets; boxes of cardboard or paper; bottle envelopes and wrappers of cardboard or paper; bubble packs of plastic for wrapping or packaging; credit card imprinters, non-electronic; magazines; newsletters; handbooks; packing paper; pamphlets; paper and paper articles; cardboard and cardboard articles; cards; forms; labels; manuals; office requisites except furniture; pamphlets; paperweights; pen and pencils; pen and pencils cases and holders; periodicals; photographs; printed matter and publications; postcards; posters; signs; stationery; stickers; wrapping materials; writing materials; writing paper; writing pads; all included in Class 16. Class 35 Retail services and retail store services relating to/in the field of/dealing with newsstand selling newspapers, books, magazines, stationeries, cigarettes, smoker's articles and anything related to the aforesaid goods; stationeries, phone cards and anything related to the aforesaid goods; magazine reservation services, photo developing and anything related to the aforesaid photo developing; bill payments service, pharmaceutical products and anything related to the aforesaid goods; all included in Class 35.	Application for registration of the trade mark has been filed on 16 July 2014. Pending registration.
2.		Directorate General of Intellectual Property Rights, Indonesia	Bison Stores	D00.2014.033963 / Class 16 / 18 July 2014	Paper, cardboard and articles made from such materials; printed matter; paper and plastic materials for packaging; magazines; newsletters; stationery; wrapping materials.	Application for registration of the trade mark has been filed on 18 July 2014. Pending registration.
3.		Directorate General of Intellectual Property Rights, Indonesia	Bison Stores	J00.2014.033965 / Class 35 / 18 July 2014	Retail services and retail store services; newsstand and bookstore services, stationery store services; convenience store services.	Application for registration of the trade mark has been filed on 18 July 2014. Pending registration.

7. BUSINESS OVERVIEW *(cont'd)*

No.	Trade mark	Issuing Authority	Name of applicant	Application no./ Class / Application date	Description	Status / Registration validity
4.		IPC Malaysia	Bison Stores	2015065442 / Class 16	List of goods or services: Book marks; book ends; paper, cardboard and goods made from these materials, not included in other classes; printed matter; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); calendars; greeting cards; cards; advertising material expressed in card form; cards (stationery); business cards; gift cards; invitation cards; menu cards; printed matter in the form of cards; writing cards; name cards; magazines (periodicals); manuals (handbooks); cookbooks; newsletters; newspapers; pamphlets; periodicals; postcards; posters; printed publications; tickets; seal (stamps); address stamps; rubber stamps; self-inking stamps, for office use; catalogues; paper coasters; place mats of paper; paper placemats; drawing or writing pads; envelopes; notebooks; pen or pencil holders or cases; photograph stands; placards; prints; rulers; erasers; scrap books; stamp pads; stickers; wrapping paper; all included in Class 16.	Application for registration of the trade mark has been filed on 17 September 2015. Pending registration.
5.		IPC Malaysia	Bison Stores	2015065443 / Class 43	List of goods or services: Services for providing food and drink; restaurant services, café and cafeteria services, canteen services; catering services, bistro, snack bar and bar services; coffee shop services; bakery services; services rendered or associated with operating restaurants and other establishment or facilities engaged in providing food and drink prepared for consumption; preparation services of food and drink for sale; preparation services of carry-out foods and drinks; kitchen services for preparation of food and beverage; kitchen services, services rendered or associated with operating kitchen for preparation of food and beverage; establishment and facility services engaged in providing kitchen services for preparation of food and beverage; preparation services of food and beverage for sale; preparation services of carry-out foods and beverage; provision of food and beverage services through an on-line computer network, provision of food and beverage services through telephone call-in or hotline, related services thereof; all included in Class 43.	Application for registration of the trade mark has been filed on 17 September 2015. Pending registration.

7.18.3 Licence of intellectual property rights granted to WH Smith Malaysia

Pursuant to our equal joint venture with WH Smith Travel, WH Smith Retail Holdings Limited had via a Licence of Intellectual Property Rights dated 12 May 2015 (**"WHS IPR Licence"**) granted our associate, WH Smith Malaysia, a non-exclusive, non-transferable, revocable, royalty-free licence to use several registered trade marks associated with the "WHSmith" brand (which may be varied by WH Smith Retail Holdings Limited from time to time) to operate "WHSmith" outlets in Malaysia. The WHS IPR Licence is effective from 23 May 2012 and shall terminate upon termination of our equal joint venture with WH Smith Travel. The WHS IPR Licence is governed by the laws of England and Wales; and WH Smith Malaysia shall only use such intellectual property rights in accordance with the manner as set out in the WHS IPR Licence.

7.19 Research and development

Product research and development is not a requirement for our Group as our Group is primarily engaged in press and convenience retailing. As such, our Group does not carry out any specific research and development activities and therefore has not formed any research and development policy. As a result of this, our Group did not incur any expenditure or capitalise any development cost that was specific to research and development activities during the 3 FYEs 31 October 2013, 31 October 2014 and 31 October 2015.

7.20 Interruptions to the business for the past 12 months

We have not experienced any interruptions to our business having a significant effect on our Group's operation for the past 12 months prior to the LPD.

7.21 Employees

7.21.1 Number of employees

As at the LPD, our Group has a total workforce of 991 employees of whom 527 are permanent employees and 464 are contractual foreign workers. We pay social insurance for our employees, including, medical, personal accident and work injury insurance in compliance with applicable local laws and regulations concerning social insurance. None of our employees belong to any trade unions and there has been no industrial dispute since we commenced operations.

A summary of our Group's total workforce by job functions for the past 3 FYEs up to 31 October 2015 as well as at the LPD are set out below:

	Number of employees			
	FYE 31 October			**As at the**
Categories	**2013**	**2014**	**2015**	**LPD**
Management	33	45	45	45
Administration[1]	62	76	83	82
Operations[2]				
- HQ / Bison DC	57	92	111	104
- Outlets[3]	590	691	749	760
	647	783	860	864
Total workforce	**742**	**904**	**988**	**991**

Notes:

(1) Includes personnel from the finance department, merchandising, marketing, human resources, purchasing and internal control.

(2) Includes operational support personnel and operational internal control team based in HQ, as well as personnel based in Bison DC.

(3) Includes area managers and retail personnel based at our outlets, WH Smith Malaysia personnel and Bison Café staff.

The increase in the total workforce over the past 3 FYEs up to 31 October 2015 is due to our expanding retail chain and growing business operations since each additional outlet would require additional outlet supervisors, area managers and retail personnel to operate such outlets.

Our retail staff increased by 17.1% in 31 October 2014 and 8.4% in 31 October 2015. As at the LPD, it grew a further 1.5% from 31 October 2015.

Our foreign workers are sourced from the following countries and their job functions as at the LPD are as follows:

	Number of foreign workers as at the LPD				
			Operations		
Location	**Management**	**Administration**	**HQ/Bison DC**	**Outlets**	**Total**
Nepal	-	15	36	321	372
Philippines	-	5	-	83	88
Bangladesh	-	-	2	-	2
Indonesia	-	-	1	1	2
Total	**-**	**20**	**39**	**405**	**464**

All the foreign workers employed by us have valid working permits and are not in breach of any immigration laws.

7.21.2 Training and development

Our Company believes that the ability to retain quality employees is instrumental to our success. Hence, we emphasise the importance of training and development programmes as a continuing process for our employees at all levels from our outlet staff to our management personnel. These programmes relate to in-house workshops and external training programmes to update our employees on the latest developments within our Group and the industry that we are involved in and to enhance productivity.

We have in place a training centre at Bandar Utama, Selangor to provide basic operation training, customer satisfaction training and store management skill courses to our existing and new employees. Practical training is also conducted at our outlets. All new employees are required to undergo induction training programmes to familiarise themselves with their job scope and responsibilities, our working environment, products and services, operations, safety and emergency policies and procedures.

These training programmes also provide us with an avenue to identify high performing employees to fill in roles of our outlet managers.

A discussion on the human resource challenges that we face is set out in Section 5.1.10 of this Prospectus.

7.21.3 Management succession plan

Our business is organised along functional lines where heads of departments are responsible for the execution of their duties. This allows our Managing Director and Chief Operating Officer to focus on strategic matters and on further developing the business for growth and success.

In order to ensure business continuity, we strive to execute good succession planning through the following measures which includes amongst others:

(i) identifying key competencies and requirements for managers and higher positions. Job and candidate profiles are developed for management position in line with the business goals, strategies and culture of our Group;

(ii) taking a positive approach towards addressing talent management to ensure the organisation has talent readily available from a capability perspective to undertake leadership positions throughout the organisation; and

(iii) having in place employee retention measures and human resources development such as competitive remuneration packages, benefits, incentives and training and development programmes.

In addition, our flat organisation structure is conducive for knowledge transfer through on-the-job training and provides us with a platform to identify high performing employees for management succession planning. Our middle management are constantly exposed to various aspects of our business activities in order to ensure that they have a full understanding of the responsibilities and the decision-making process and are equipped with the knowledge necessary for them to succeed to senior management positions.

Furthermore, we also have in place our Nominating Committee whose responsibilities include, amongst others, reviewing the Board's succession planning, recommending candidates for appointment to our Board and board committees. Please refer to Section 9.1.9 of this Prospectus for further details of our Nominating Committee and their scope of responsibilities.

7.22 Dependency on contracts, agreements, documents or other arrangements

As at the LPD, our Group is not highly dependent on any material contracts or agreements including patents or licences, industrial, commercial or financial contracts which are material to our Group's business or profitability.

(The rest of this page has been intentionally left blank)

7.23 Material properties, plant, machinery and equipment

7.23.1 Material properties owned by our Group

The material properties owned by our Group are as follows:

No.	Location / Postal address	Registered / Beneficial owner	Description / Existing use	Express conditions of land use / Category of land use	Encumbrances	Land / Built-up area (sq. ft.)	Tenure / Date of expiry of lease	Date of issuance of CF / CCC	NBV as at 31 October 2015 (RM)
1.	Geran 212277, Lot 21191, Mukim Rawang, Daerah Gombak, Negeri Selangor bearing postal address of Lot 142, Jalan Industri 2/4, Rawang Integrated Industrial Park, 48000 Rawang, Selangor	Bison Stores	A double-storey detached warehouse with two units of guard houses / Warehouse	Industrial / Industrial	United Overseas Bank (Malaysia) Berhad	Land area: 108,715 (equivalent to 10,100 sq. m.) Built-up area: 125,270 (equivalent to 11,638 sq. m.)	Freehold / Perpetuity	14 January 2004	18,059,000
2.	Geran 213977, Lot 2801, Bandar Kepong, Daerah Gombak, Negeri Selangor bearing postal address of 258, Jalan KIP 4, Taman Perindustrian KIP, 52200 Kuala Lumpur	Bison Stores	A 1 ½ storey terrace factory lot / Office premises	Industrial / Industrial	United Overseas Bank (Malaysia) Berhad	Land area: 2,002 (equivalent to 186 sq. m.) Built-up area: 2,750 (equivalent to 255.47 sq. m.)	Freehold / Perpetuity	24 April 1999	1,606,458
3.	Geran 213978, Lot 2802, Bandar Kepong, Daerah Gombak, Negeri Selangor bearing postal address of 259, Jalan KIP 4, Taman Perindustrian KIP, 52200 Kuala Lumpur	Bison Stores	A 1 ½ storey terrace factory lot / Office premises	Industrial / Industrial	United Overseas Bank (Malaysia) Berhad	Land area: 2,002 (equivalent to 186 sq. m.) Built-up area: 2,750 (equivalent to 255.47 sq. m.)	Freehold / Perpetuity	24 April 1999	1,606,458

7. BUSINESS OVERVIEW *(cont'd)*

No.	Location / Postal address	Registered / Beneficial owner	Description / Existing use	Express conditions of land use / Category of land use	Encumbrances	Land / Built-up area (sq. ft.)	Tenure / Date of expiry of lease	Date of issuance of CF / CCC	NBV as at 31 October 2015 (RM)
4.	HS(D) 158129, PT 41071, Mukim Sungai Buloh, Daerah Petaling, Negeri Selangor bearing postal address of No. 48, Jalan Nova K U5/K, Seksyen U5, 40150 Shah Alam, Selangor	Bison Stores	5 storey terraced shop office / Vacant	Commercial Building / Building	CIMB Bank Berhad	Land area: 2,433 (equivalent to 226 sq. m.) Built-up area: 12,163 (equivalent to 1,129.97 sq. m.)	99 years, expired on 22 May 2095	25 June 2014	3,745,831
5.	HS(D) 296565, PT 36936 (previously held under HS(D) 264383), PT 26534, Mukim Bukit Raja, District of Petaling, State of Selangor identified as Parcel No. B-30-15, Storey No. 30, Type A1-Trefoil, Block No. Tower B, Accessory Parcel No. L4-305, Project Trefoil located at Shah Alam, Selangor bearing postal address of B-30-15, Trefoil @ Setia City, No. 2, Jalan Setia Dagang AH U13/AH, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor	Bandar Setia Alam Sdn Bhd (as developer) / Bison Stores (as purchaser)	1 unit of Parcel No. B-30-15 in 1 multi-storey building comprising of 3 office towers (Tower B - 36 storeys) / Vacant	Commercial Building / Building	Public Bank Berhad	Built-up area: 486 (equivalent to 45.15 sq. m.)	Freehold / Perpetuity	11 August 2015	280,304
6.	HS(D) 296565, PT 36936 (previously held under HS(D) 264383, PT 26534), Mukim Bukit Raja, District of Petaling, State of Selangor identified as Parcel No. B-30-16, Storey No. 30, Type A1-Trefoil, Block No. Tower B, Accessory Parcel No. L4-304, Project Trefoil located at Shah Alam, Selangor bearing postal address of B-30-16, Trefoil @ Setia City, No. 2, Jalan Setia Dagang AH U13/AH, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor-	Bandar Setia Alam Sdn Bhd (as developer) / Bison Stores (as purchaser)	1 unit of Parcel No. B-30-16 in 1 multi-storey building comprising of 3 office towers (Tower B - 36 storeys) / Vacant	Commercial Building / Building	Public Bank Berhad	Built-up area: 486 (equivalent to 45.15 sq. m.)	Freehold / Perpetuity	11 August 2015	280,304

7.23.2 Material properties rented by our Group

The material properties rented by our Group are as follows:

(i) Our retail outlets

We do not own the properties on which our outlets and café operate from. All of our outlets are rented from third parties. Most of our tenancies are for terms not exceeding 3 years.

The total tenanted area for our outlets is approximately 176,000 sq. ft, ranging from approximately 60 sq. ft. to 2,300 sq. ft. for each outlet as at the LPD. The distribution of our outlets by each state of Malaysia as at the LPD is set out in Section 7.4 of this Prospectus. The total rental paid by our Group for the FYEs 31 October 2013, 31 October 2014 and 31 October 2015 for our rented outlets is approximately RM12.40 million, RM15.29 million and RM18.87 million respectively.

In Peninsular Malaysia, any occupation or granting of permission to occupy any building or part thereof without a CF/CCC will render the registered proprietor or occupier liable to a fine and/or imprisonment of persons such as directors, company secretary or similar officers within our Group. The Street, Drainage and Building Act 1974 provides that any person who occupies or permits to be occupied any building or any part thereof without a CCC, shall be liable on conviction to a fine not exceeding RM250,000 or to imprisonment for a term not exceeding 10 years or to both.

In addition, any usage of land that our Group occupies that is inconsistent with the category of land use and/or express condition as set out in the title or any use of a building or part thereof for a purpose other than that for which it was originally constructed, could subject the affected land to forfeiture by the Land Administrator, pursuant to the National Land Code 1965 and expose our Group to fines and/or imprisonment of persons such as directors, company secretary or similar officers within our Group.

In East Malaysia, where matters in relation to administration of land in Sabah and Sarawak are governed by the Sabah Land Ordinance 1930 and the Sarawak Land Code 1958 respectively; any usage of land that is inconsistent with the condition set out in the title or occupation of any building or any part thereof without a valid occupation certificate will render the registered proprietor or occupier liable to a fine and/or imprisonment, which varies depending on the district and location in the 2 states.

As at the LPD, all of our tenanted properties have their respective CF/CCC save for 13 tenanted properties for which the status of their CF/CCC is uncertain or that no CF/CCC has been issued (**"Outstanding CF/CCC"**). These 13 tenanted properties which comprise our outlets only represent 5.1% of our total 255 outlets as at the LPD.

Our Group will continue to work with the property owners to obtain the CF/CCC in respect of those CF/CCC which have not been provided to us, and to assist the property owners, to the extent possible, to apply and obtain the CF/CCC, failing which our Board will take such action as it considers necessary, including to reassess and to reconsider the operations of the affected outlet such as either temporarily ceasing operations pending resolution of the CF/CCC or permanently ceasing operations in the event the CF/CCC is not forthcoming.

Our Board anticipates a timeframe of 12 months from the date of the SC's approval for our IPO to rectify the above non-compliance.

(ii) Our office premises

Company (Tenant)	Landlord	Postal address	Description / Existing use	Tenure of tenancy/ Expiry date of tenancy	Land/ Built-up area (sq. ft.)	Date of issuance of CF/CCC	Rental a year (RM)
Bison Stores	Ling Chao and Wong Siew Na[(1)]	260, Jalan KIP 4, KIP Industrial Park, 52200 Kuala Lumpur	A 1 ½ storey terrace factory lot / Office premises	2 years 1 November 2015 to 30 October 2017	Land area: 3,154 (equivalent to 293 sq. m.)	24 April 1999	72,000
DKE	Bandar Utama City Sdn Bhd	Lot 3.01 Level 3 First Avenue, Bandar Utama 47800 Petaling Jaya Selangor	Office unit / Management office for DKE	3 years 1 September 2013 to 31 August 2016	Built-up area: 1,436	28 April 2010	86,160

Note:

(1) This tenancy is a related party transaction between Bison Stores, Ling Chao (spouse of DTL) and Wong Siew Na (spouse of DTH), who are persons connected to our Executive Directors and Substantial Shareholders. Please refer to Section 11.1.2 of this Prospectus for further details of this related party transaction.

Save as set out in Section 7.23.2(i) of this Prospectus in respect for our tenanted properties, the properties stated in Sections 7.23.1 and 7.23.2 above have not breached any of the land use conditions / permissible land use; and where buildings are involved, we are in compliance with applicable laws, rules and building regulations.

7.23.3 Material plant, machinery and equipment

As at the LPD, our Group does not own any material plant, machinery and equipment.

7.24 Governing laws and regulations including environmental concerns

7.24.1 Government laws and regulations

Our Group's retail operations are subject to the following governing laws and regulations:

(i) the Goods and Services Tax Act 2014 which governs the imposition and collection of goods and services tax and for matters connected therewith;

(ii) the Local Government Act 1976, Local Authorities Ordinance 1996 of Sarawak, Trades Licensing Ordinance 1949 of Sabah and the by-laws of the respective local councils and authorities setting out the requirements to obtain business and signage licences;

(iii) the Sale of Goods Act 1957 governing the sales of goods;

(iv) the Price Control and Anti-Profiteering Act 2011 which serves to control prices of goods and charges for services and to prohibit profiteering;

(v) the Money Services Business Act 2011 which governs the licensing, regulation and supervision of money services business and to provide for related matters;

(vi) the National Land Code 1965, Sabah Land Ordinance 1930 and Sarawak Land Code 1958 governing the administration of land matters in Peninsular Malaysia, Sabah and Sarawak respectively;

(vii) the Street, Drainage and Building Act 1974, Sabah Building Ordinance 1994, Sarawak Local Government Ordinance 1961 and the relevant by-laws issued pursuant thereto regulating, amongst others, the occupation of buildings; and

(viii) the Food Act 1983 and the Control of Tobacco Product Regulations 2004 regulating, amongst others, control of sale of tobacco products and tobacco product advertisement.

As at the LPD, save as those set out in Sections 7.16.1 and 7.23.2(i) of this Prospectus, we are not in breach of laws and regulations governing our business that may have a material adverse impact on our retail operations.

7.24.2 Environmental regulations

During the normal course of our business operations, our Group does not generate any waste that is classified as a Scheduled Waste under the Environmental Quality (Scheduled Waste) Regulations 2005 and as such our Group is not subject to any environmental regulations.

(The rest of this page has been intentionally left blank)

SMITH ZANDER INTERNATIONAL SDN BHD (1058128-V)
Suite 23-3, Level 23, Office Suite, Menara 1MK,
1 Jalan Kiara, Mont' Kiara,
50480 Kuala Lumpur, Malaysia.
T +603 6211 2121

SMITH ZANDER

2 2 FEB 2016

The Board of Directors

BISON CONSOLIDATED BERHAD
Unit 07-02, Level 7, Persoft Tower,
6B Persiaran Tropicana,
Tropicana Golf & Country Resort,
47410 Petaling Jaya,
Selangor Darul Ehsan,
Malaysia.

Dear Sirs/Madam,

Executive Summary of the Independent Market Research Report dated February 2016

This Executive Summary of the Independent Market Research Report has been prepared by SMITH ZANDER INTERNATIONAL SDN BHD ("SMITH ZANDER") for inclusion in the Prospectus in conjunction with the initial public offering and the listing of Bison Consolidated Berhad on the Main Market of Bursa Malaysia Securities Berhad.

SMITH ZANDER has prepared this report in an independent and objective manner and has taken adequate care to ensure the accuracy and completeness of the report. We believe that this report presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and does not purport to be exhaustive. Our research has been conducted with an "overall industry" perspective and may not necessarily reflect the performance of individual companies in the industry. SMITH ZANDER shall not be held responsible for the decisions and/or actions of the readers of this report. This report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in this report or otherwise.

We acknowledge that this report will be included in the Prospectus and we further confirm that we are aware of our responsibilities under Section 215 of the Capital Markets and Services Act 2007. We further acknowledge that if we are aware of any significant changes to the adequacy of the information in this report between the date of this report and the issue date of the Prospectus, or after the issue of the Prospectus and before the issue of securities, we have an ongoing obligation to either cause this report to be updated so as to correct any inaccuracies and where applicable, cause Bison Consolidated Berhad to issue a supplemental prospectus, or should they fail to do so, withdraw our consent to the inclusion of this report in the Prospectus.

For and on behalf of SMITH ZANDER:

DENNIS TAN
MANAGING PARTNER

SMITH ZANDER

Table of Contents

1 ECONOMIC OVERVIEW

The Malaysian economy registered a growth of 4.5% in the fourth quarter of 2015 (3Q 2015: 4.7%), supported mainly by the private sector demand. On the supply side, growth was underpinned by the major economic sectors. On a quarter-on-quarter seasonally adjusted basis, the economy grew by 1.5% (3Q 2015: 0.7%). For the year 2015, the Malaysian economy expanded by 5.0%.

Despite the challenging economic environment during the quarter, the private sector continued to be the key driver of growth. Private consumption grew by 4.9% (3Q 2015: 4.1%), supported by stable wage growth and labour market conditions. Private investment expanded by 5.0% (3Q 2015: 5.5%), driven by capital spending in the manufacturing and services sectors. Public investment growth moderated in the fourth quarter (0.4%; 3Q 2015: 1.8%), following lower growth in fixed assets spending by the Federal Government. Meanwhile, public consumption growth registered sustained growth of 3.3% (3Q 2015: 3.5%) as the stronger growth in emoluments was offset by slower growth in supplies and services expenditure.

On the supply side, growth in the fourth quarter was supported by the major economic sectors. Growth in the services sector was underpinned by the consumption and trade-related activities. The manufacturing sector recorded a marginally higher growth, supported mainly by domestic-oriented industries. In the construction sector, growth was supported by the civil engineering and residential subsectors. Meanwhile, growth in the agriculture sector moderated, reflecting lower production of palm oil. The mining sector, however, registered a contraction arising from the lower production of both crude oil and natural gas.

Inflation, as measured by the annual change in the Consumer Price Index ("CPI")[1], was lower at 2.6% in the fourth quarter of 2015 due to the lower domestic fuel prices. However, this was partly offset by the higher inflation for food and cigarettes.

The RM, along with other regional currencies, did not face significant volatility during the quarter despite uncertainties over global growth prospects and declining global energy prices. Overall, the RM appreciated by 3.6% against the USD during the quarter. The RM also appreciated against the Euro (6.7%), the pound sterling (6.0%), and the Japanese yen (4.0%), but depreciated against the Australian dollar (-0.5%). The RM also appreciated against all regional currencies, by between 2.4% and 5.8%, with the exception of the Indonesian rupiah (-2.4%). Between 1 January and 16 February 2016, the RM appreciated against the US dollar (3.5%). The RM also appreciated against the pound sterling (6.3%), the Australian dollar (5.4%), and the Euro (1.4%), but depreciated against the Japanese yen (-1.3%). The RM appreciated against most regional currencies.

The Malaysian economy is expected to face a challenging operating environment in the immediate future. Growth will continue to be driven by domestic demand, with some support from net exports. Nevertheless, the pace of domestic demand expansion is projected to moderate. While the growth in income and employment continues to support private consumption, it is expected to moderate as households continue to adjust to the higher cost of living. Meanwhile, private investment is projected to moderate to below its long term trend but will nevertheless be supported by the capital expenditure in the manufacturing and services sectors, as well as the implementation of infrastructure projects. The downside risks to growth will however remain, given the continued uncertainty in the external environment and the on-going reforms in the domestic economy.

Source: Extracted from the Independent Market Research ("IMR") report by SMITH ZANDER

[1] CPI examines the weighted average price changes of a basket of consumer goods and services. It measures the changes in the purchasing power of a currency and the inflation rate.

2 DEFINITIONS AND SEGMENTATION

Segmentation of the Retail Market

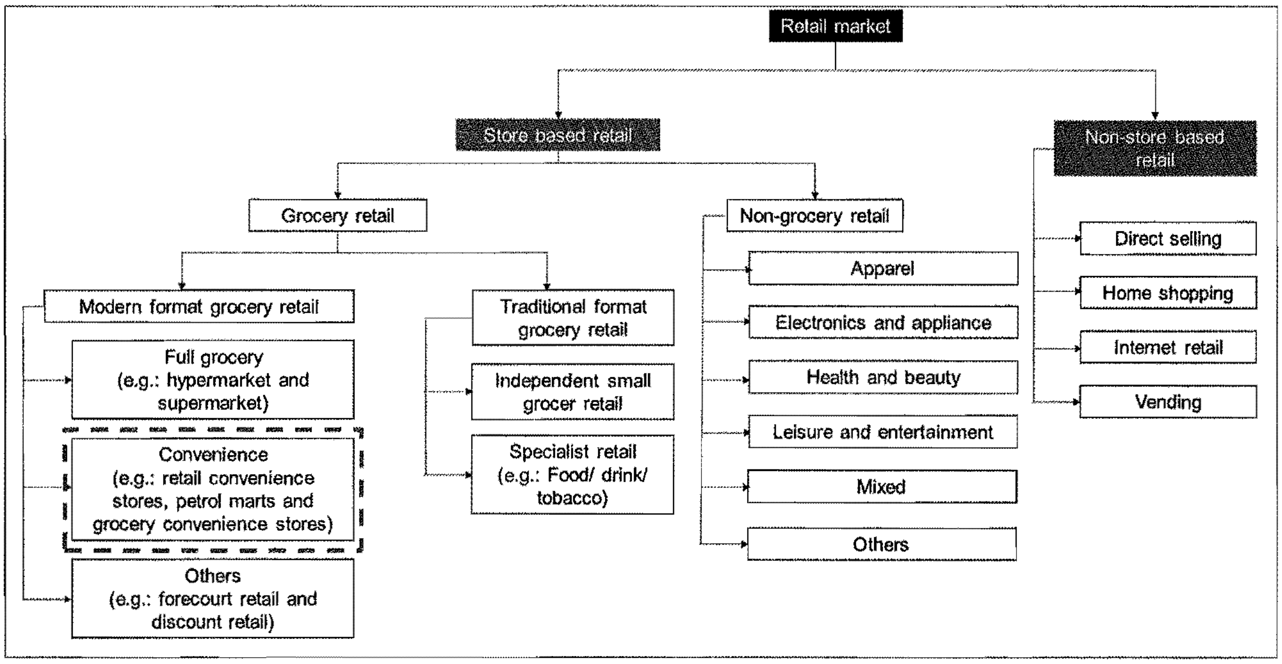
The retail market in Malaysia comprises store-based retail and non-store retail. Store-based retail comprises grocery and non-grocery retailers. On the other hand, non-store retail consists of direct selling, internet retailing, home shopping and vending businesses.

Grocery retailers include retailers which market and sell food and beverage, and non-food products. Major non-grocery retailers refer to mixed retailers and specialists providing only non-food products such as fashion apparel, electronics and appliance, apparel, health and beauty, and leisure and personal products.

There are generally two (2) types of grocery retailers, namely traditional and modern format grocery retailers. Traditional format grocery retailers include independent small grocery retailers and specialist retailers. Modern format grocery retailers include convenience market (which includes retail convenience stores, petrol marts, and grocery convenience stores), discount outlets, forecourt retail market (which includes kiosks or carts), hypermarkets, and supermarkets.

Both supermarkets and hypermarkets sell a variety of food and non-food grocery products, particularly household products, though hypermarkets sell a relatively more extensive assortment of consumer products, including apparels. On the other hand, the convenience market has relatively smaller retail spaces as compared to supermarkets and hypermarkets, and these stores sell a selected range of convenience food and non-food products, which are set out in the ensuing sections of this chapter.

Retail market in Malaysia – Market segmentation



Note:
Market segment where Bison Consolidated Berhad is principally involved in.

Source: Extracted from the IMR report by SMITH ZANDER

The segment within the retail market that is of interest in this IMR report is the convenience market, a sub-segment of the grocery retail market, which is the segment in which Bison Consolidated Berhad is principally involved in.

Overview of the Grocery Retail Market

Malaysia's grocery retail market began with traditional format grocery retailers in the past, largely consisting of wet markets and family-owned and operated independent small grocery retail stores, otherwise known colloquially as "sundry shops" or "provision shops". The wet markets served as a source of fresh meat and produce (i.e. perishable products), while the sundry shops were the primary avenues for non-perishable products, snacks and beverages. These retailers were generally small and independent markets and shops established to serve the surrounding neighborhoods, and as such were common all over the country. Up until around the late 1980s to early 1990s, these wet markets and sundry shops were the mainstay of the grocery retail business in Malaysia.

In the mid-1980s, modern format grocery retailers began to emerge, introducing newer and more modern store concepts and layouts. These consisted largely of two (2) types of retailers, the large format supermarkets and hypermarkets, and the modern format retail convenience store industry players. Many of these modern format grocery retailers quickly became chains, with multiple outlets or branches across the country.

Following the removal of certain restrictions on foreign retailers in the grocery retail business in Malaysia in 1995, foreign multinational grocery retailers began to penetrate the Malaysian market. Some of these foreign multinationals acquired local grocery companies and transformed these traditional format independent small grocery retailers into modern format retail chains. Notwithstanding the presence of foreign retailers in the market, there were also local independent small grocery retailers who converted their traditional format retail outlets into modern format retail outlets in order to remain competitive in the market.

Almost simultaneously, modern format retail convenience stores also began to emerge to complement the existence of the large, modern format grocery retailers and grocery convenience stores. While consumers patronised the large grocery retailers for their major grocery needs, the retail and grocery convenience stores became the alternative avenue for quick, ad-hoc shopping needs and hassle-free source of small-item purchases, such as snacks, beverages, tobacco products and newspapers. "7-Eleven" was one of the earlier modern format convenience retailers to open their stores in Malaysia, having been granted the rights to develop and operate "7-Eleven" stores in Malaysia and Brunei in 1986. Bison Consolidated Berhad opened its first modern format retail convenience store in 1997.

These modern format grocery retailers are able to offer consumers relatively lower prices and fresher products due to the large volumes they sell and the quicker turnover of products. Furthermore, with new modern store concepts and layouts, consumers are also presented with a more comfortable shopping experience. Typically, modern format grocery retailers have inventory management systems which enables cost efficiency and scalability, thus allowing these modern format grocery retailers to expand their network of store chains. As a result, the retail landscape in Malaysia has transformed in the last two (2) decades with modern retail formats increasing in dominance over traditional, family-owned and operated shops.

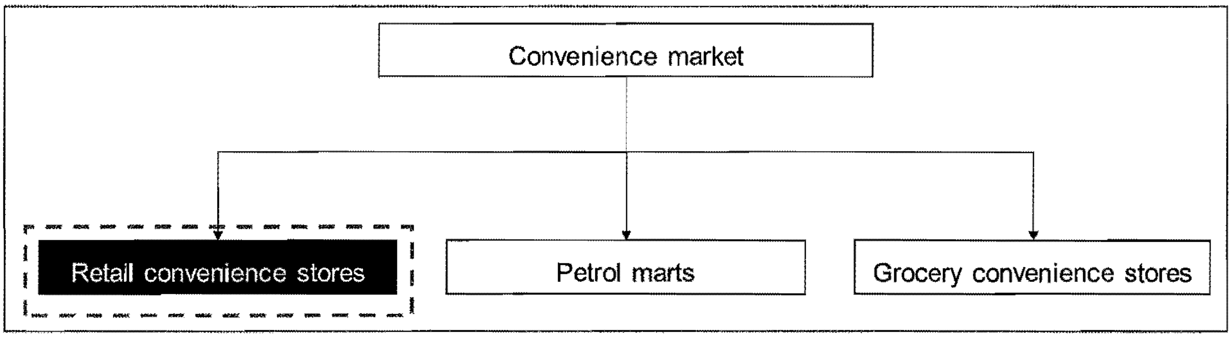
[The rest of this page is intentionally left blank]

The Convenience Market

The convenience market encompasses modern format stores that offer a range of fast moving consumer goods ("FMCG") and convenience products and services. The convenience market emerged to complement the large format grocery retailers (i.e. hypermarkets and supermarkets), offering food products such as snacks and confectioneries, beverages, tobacco products, magazines and newspapers, stationery, basic over-the-counter pharmaceutical products, bakery products and grocery products as well as offer consumer services such as automated teller machines ("ATM"), money remittance and currency exchange services, photocopying services, pre-paid card top-ups and bill payment services, as a fast, alternative and convenient mode of shopping.

Typically, these stores have longer operating hours as compared to the normal operating hours of traditional format stores such as independent small grocery retailers. Stores located in shopping centres, transportation hubs and commercial centres operate during the opening hours of the premises, e.g. 10am to 10pm, while others, especially those located on high streets, may operate 24 hours.

The convenience market can be broadly categorised into the following three (3) categories:



Note:
Market segment where Bison Consolidated Berhad is principally involved in.

Source: Extracted from the IMR report by SMITH ZANDER

(i) Retail convenience stores

SMITH ZANDER defines retail convenience stores as stores which sell FMCG and convenience products, and have relatively smaller retail spaces (i.e. typically not more than 2,500 square feet) as compared to hypermarkets and supermarkets. These outlets typically focus on selling food products such as snacks and confectioneries, beverages (e.g.: packaged or ready-to-go beverages), tobacco products, stationery and basic over-the-counter pharmaceutical products. Some of these stores also sell print published materials (e.g.: magazines and newspapers), as well as offer bakery products (e.g.: pastries, sandwiches and hotdogs) and instant food products (e.g.: instant noodles). In addition, retail convenience stores may also offer consumer services such as ATM, money remittance and currency exchange services, photocopying services, pre-paid card top-ups and bill payment services, as a fast, alternative and convenient mode of shopping.

Retail convenience stores are commonly found in convenient and accessible locations such as shopping centres, transportation hubs, high streets, residential and commercial areas. In line with the growing café-lifestyle in Malaysia, seating areas are also increasingly provided in some retail convenience stores.

Examples of major retail convenience store industry players are set out in **Chapter 3 - Market Size and Performance (Competitive Landscape)** of this IMR report.

(ii) Petrol marts

Petrol marts are exclusively located in petrol stations, while retail convenience stores can be located in any public and convenient location. Retail convenience stores and petrol marts have similar product offerings, except that petrol marts also carry automotive products and accessories in their stores.

Petrol marts can be operated in three (3) forms, either on a "company-owned, retailer-operated" business model (where the store is owned by the respective oil and gas company but is operated by the designated retailer) or on a "retailer-owned, retailer-operated" business model (where the store is owned and operated by the designated retailer) or a "company-owned, company-operated" business model (where the store is owned and operated by the respective oil and gas company).

Among some of the petrol mart industry players include Boustead Petroleum Marketing Sdn Bhd (under the tradename "BHPetrolmart"), Chevron Malaysia Limited (under the tradenames "Star Mart" and "Xpress Point"), Petron Malaysia Refining and Marketing Berhad (under the tradename "Treats"), Petronas Dagangan Berhad (under the tradename "Kedai Mesra") and Shell Malaysia Trading Sdn Bhd (under the tradename "Select").

(iii) Grocery convenience stores

Grocery convenience stores have relatively wider product ranges as compared to retail convenience stores and petrol marts, offering grocery products such as fresh meats and produce (albeit with much smaller selections compared to supermarkets and hypermarkets), dry and canned foods, and household products, as well as similar products types as retail convenience stores and petrol marts such as snacks and confectioneries, beverages, tobacco products, stationery, basic over-the-counter pharmaceutical products, print published materials, bakery products and instant food products.

These stores are also usually relatively larger in terms of retail space size as compared to retail convenience stores and petrol marts. Retail space size for grocery convenience stores vary according to its location, though it is typically more than approximately 1,000 square feet. In addition, the locations of grocery convenience stores typically differ from retail convenience stores and petrol marts, as they are largely found in commercial centres and shoplots located close to residential areas.

Among some of the major grocery convenience industry players include 99 Speed Mart Sdn Bhd (under the tradename "99 Speed Mart"), KK Supermart & Superstore Sdn Bhd (under the tradename "KK Super Mart"), MRT Retail Sdn Bhd (under the tradename "Kedai Rakyat 1 Malaysia") and Mydin Mohamed Holdings Bhd (under the tradename "MyMart" and "MyMydin").

The store category within the convenience market that is of interest in this report is the retail convenience store segment, which is the segment in which Bison Consolidated Berhad is principally involved in.

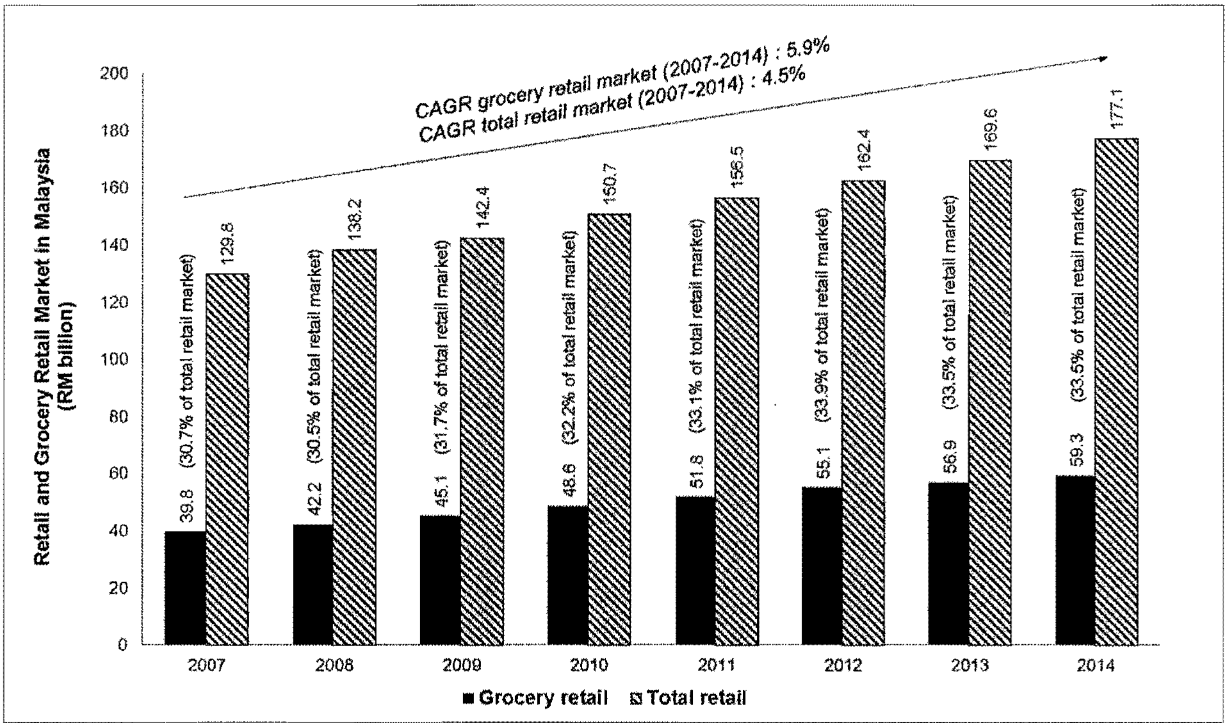
[The rest of this page is intentionally left blank]

3 MARKET SIZE AND PERFORMANCE

The Retail Market and Grocery Retail Market

The retail market in Malaysia, of which the retail convenience store market is a subset, grew from RM129.8 billion in 2007 to RM177.1 billion in 2014 at a compound annual growth rate ("CAGR") of 4.5%, based on retail sales value. The grocery retail market comprised about 33.5% of total retail sales in 2014, and is growing faster than other retail sub-segments, having recorded a CAGR of 5.9%, from RM39.8 billion to RM59.3 billion between 2007 and 2014. In comparison, other retail sales, comprising non-grocery retailers and non-store retailers, grew at a relatively slower CAGR of 3.9%, from RM90.0 billion in 2007 to RM117.8 billion in 2014.

Retail market and grocery retail market size (Malaysia), 2007-2014



Note:
2014 is the latest year in which data for the retail and grocery retail markets are available.

Source: Extracted from the IMR report by SMITH ZANDER

The grocery retail market in Malaysia is fragmented, with over 167 hypermarkets, 1,298 supermarkets, and 2,547 convenience stores owned by local and foreign companies located nationwide in Malaysia in 2014.[3] Traditional format grocery retail channels such as independent small grocery retailers are largely located in suburban, residential neighbourhoods and rural areas, while modern format grocery retail channels such as retail convenience stores, hypermarkets and supermarkets are more dominant in urban and commercial areas. However, this is gradually changing as a result of urbanisation, with retailers opening modern format grocery retail outlets including retail convenience stores, hypermarkets and supermarkets on the fringes of city centres in a bid to widen their customer reach and respond to the increased demand for convenience by consumers. This is largely a result of globalisation and the liberalised business policies which have brought foreign players, franchises and new retail formats into the grocery retail market in Malaysia.

[3] *Latest available data is as at 2014.*

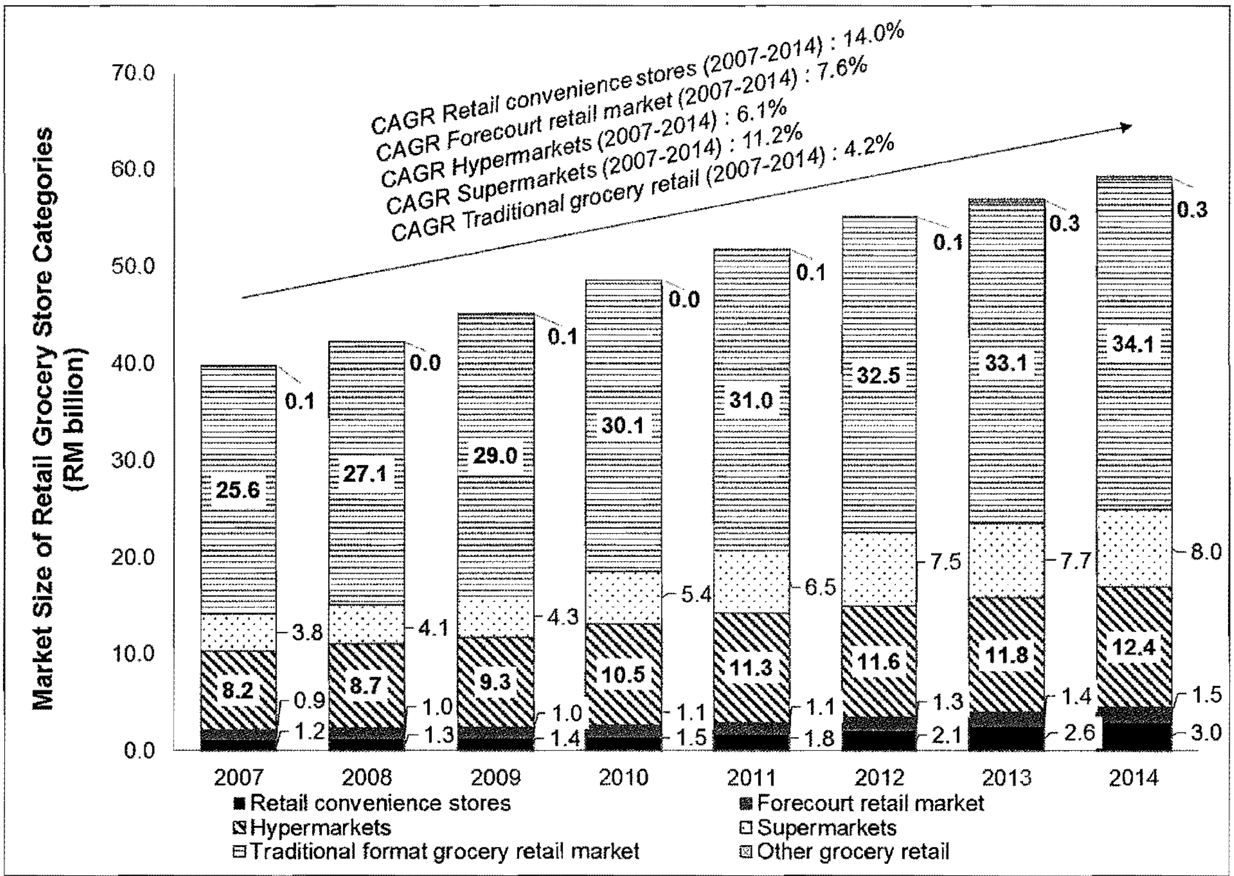
SMITH ZANDER

The Retail Convenience Store Market

Over the last two (2) decades, the grocery retail landscape in Malaysia has transformed with modern format grocery retail outlets (i.e. retail convenience stores, forecourt retail market, hypermarkets and supermarkets) increasing in dominance over traditional format grocery retail outlets (i.e. wet markets and family-owned and independently operated small grocery retailers). The increasing consumer preference towards modern format grocery retail outlets, particularly in the major urban areas, is evidently illustrated by the strong growth of the modern format grocery retail market over the years.

The modern format grocery retail market comprising retail convenience stores, forecourt retail market, hypermarkets and supermarkets grew, in terms of market size, from RM14.1 billion in 2007 to reach approximately RM24.9 billion in 2014, at a CAGR of 8.5%. On the other hand, the traditional format grocery retail market, comprising largely small, independently-owned businesses, experienced a slower CAGR of 4.2%, in terms of market size, from RM25.6 billion in 2007 to RM34.1 billion in 2014.

Traditional and modern format grocery retail market size (Malaysia), 2007-2014



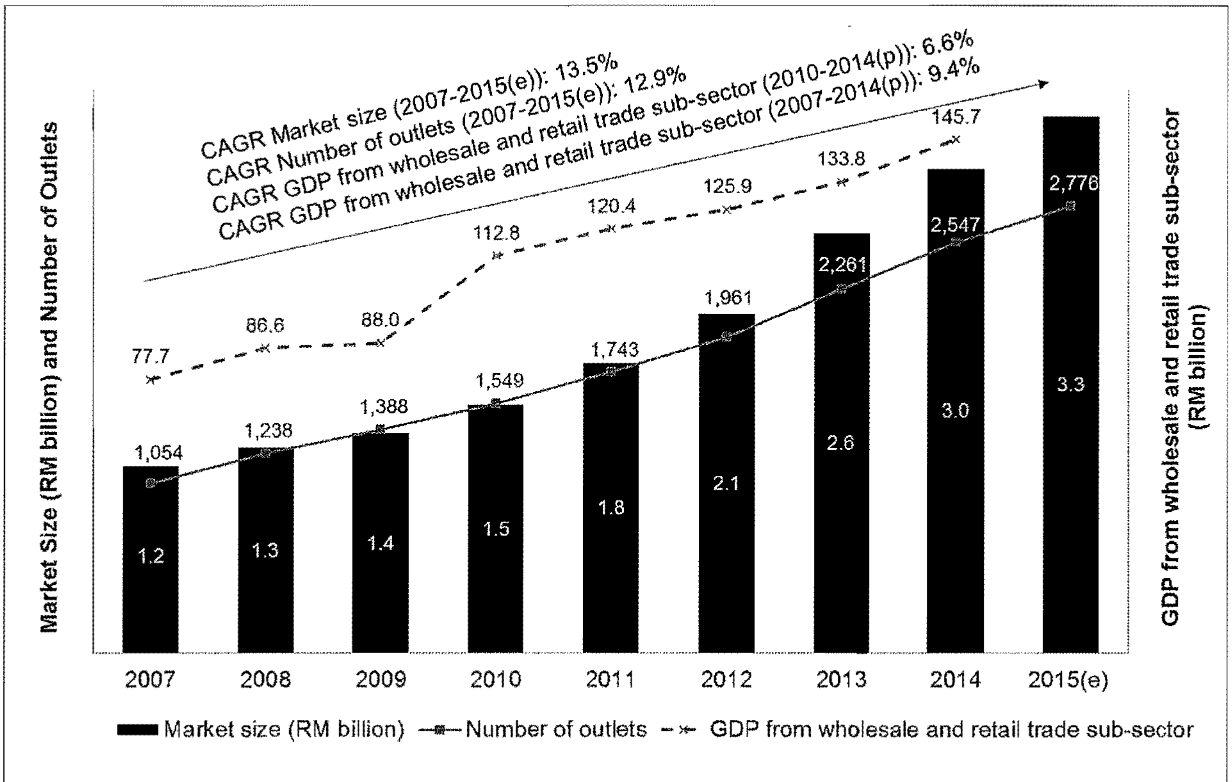
Note:
2014 is the latest year in which data for the retail and grocery retail markets are available.

Source: Extracted from the IMR report by SMITH ZANDER

The retail convenience store market has been the fastest growing sub-segment of the grocery retail market in Malaysia, outpacing all other sub-segments. In 2007, the retail convenience store market recorded a market size, in terms of retail sales, of RM1.2 billion, and this more than doubled to reach RM3.0 billion in 2014, at a CAGR of 14.0%. Taking into account the estimated market size of RM3.3 billion in 2015, the retail convenience store market is then expected to grow at a CAGR of 13.5% between 2007 and 2015. Meanwhile, supermarkets grew at a CAGR of 11.2%, while forecourt retail market and hypermarkets grew at CAGRs of 7.6% and 6.1% respectively, between 2007 and 2014. Traditional format grocery retail grew at 4.2% during the same period. The retail convenience store market also grew significantly higher as compared to the growth of gross domestic product ("GDP") from the entire wholesale and retail trade sub-sector, which grew at a CAGR of 6.6% between 2010 and 2014.

In line with this growth, the number of retail convenience store outlets has also more than doubled, increasing from 1,054 outlets in 2007 to an estimated 2,776 outlets in 2015, which translates to a CAGR of 12.9%. These 2,776 retail convenience store outlets are mostly made up of several prominent convenience store chains, of which some of the larger convenience store retailers include 7-Eleven Malaysia Holdings Berhad and Bison Consolidated Berhad. Further details of the competitive landscape of the retail convenience store market is illustrated in the ensuing sections of this chapter.

Retail convenience store market size and number of outlets (Malaysia), 2007-2015(e)



Notes:
GDP from wholesale and retail trade sub-sector for the years 2007 to 2009 are at constant 2005 prices.
GDP from wholesale and retail trade sub-sector for the years 2010 to 2014 are at constant 2010 prices.
2014 is the latest year in which data for the retail and grocery retail markets are available.
(e) SMITH ZANDER's estimate based on historical market performance and research on prevailing market drivers.

Source: Extracted from the IMR report by SMITH ZANDER

[The rest of this page is intentionally left blank]

Competitive Landscape

Key industry players

The retail convenience store market in Malaysia consists of established industry players and several other smaller industry players. Some of these are foreign brands with operations in multiple countries worldwide, while a majority of industry players are homegrown companies. In the context of this report, homegrown companies refer to companies which originated from Malaysia, and have built and established their market reputation and branding in Malaysia.

Retail convenience stores typically focus on selling food products such as snacks and confectioneries, beverages, tobacco products, stationery, basic over-the-counter pharmaceutical products, as well as print published materials, bakery products and instant food products. Retail convenience stores may also offer consumer services.

Below are examples of major retail convenience store industry players and their details, listed in alphabetical order:

Industry Player	Trade Name	Number of stores	Latest Financial Year Ending[1]	Revenue (RM 'million)
7-Eleven Malaysia Holdings Berhad	7-Eleven	1,883[2]	31 December 2014	1,893.1
All Happy Sdn Bhd	Happy Mart	N/A	31 March 2015	47.5
Bison Consolidated Berhad	• myNEWS.com • newsplus • MAGBIT • THE FRONT PAGE	238[3, 4]	31 October 2015	217.5
Circle K (Malaysia) Sdn Bhd	Circle K	14[5]	N/A	N/A
Point Convenience Shop Sdn Bhd	Point	N/A	31 December 2013	15.2
TCT Trading Sdn Bhd	Orange	8[5]	31 March 2011	Undisclosed[6]

Notes:
The table above includes key identified retail convenience store industry players, and may not be exhaustive.
N/A denotes that information for the company is not publicly available.
[1] Latest financial information available from SSM as of 8 January 2016.
[2] Number of stores are as at 30 September 2015.
[3] Number of stores exclude WH Smith stores.
[4] Number of stores are as at 31 December 2015.
[5] Number of stores are based on latest publicly available information as at 8 January 2016.
[6] Segmental revenue of the retail convenience business is not publicly available.

Source: Extracted from the IMR report by SMITH ZANDER

[The rest of this page is intentionally left blank]

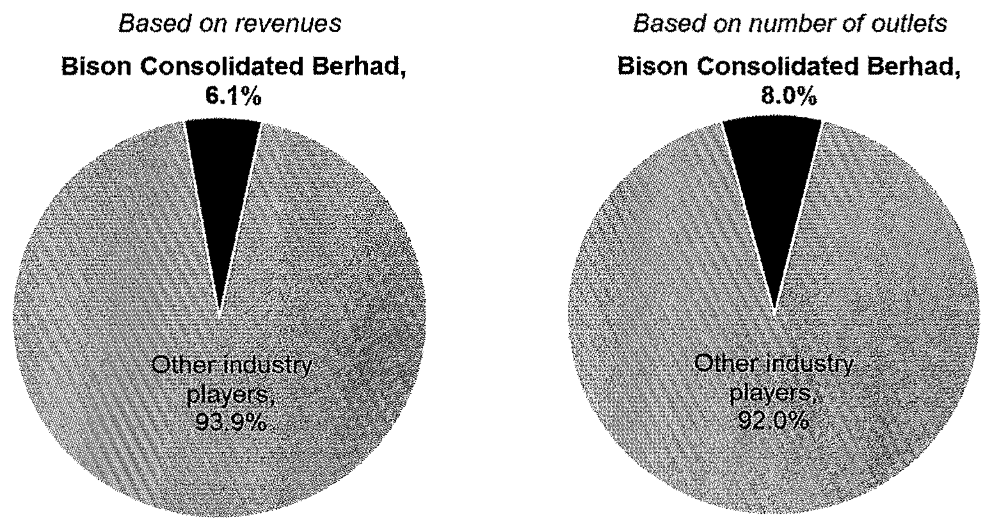
Market Share

Bison Consolidated Berhad's positioning within the retail convenience store market in Malaysia can be determined based on revenues and number of outlets. Bison Consolidated Berhad registered a market share of 6.1% in the retail convenience store market in 2014, based on its revenue of RM182.4 million in the FYE 31 Oct 2014 as compared to Malaysia's retail convenience store market size of RM3.0 billion in 2014. Bison Consolidated Berhad's market share, in terms of revenues, is estimated to have increased to 6.6% in 2015, based on its revenue of RM217.5 million in the FYE 31 Oct 2015 as compared to Malaysia's estimated retail convenience store market size of RM3.3 billion in 2015.

As at 2014, the total number of retail convenience stores in Malaysia was 2,547. Based on Bison Consolidated Berhad's total number of stores of 205 as at 31 December 2014, Bison Consolidated Berhad garnered a market share of 8.0% in terms of the number of retail convenience store outlets. In 2015, Bison Consolidated Berhad's market share, in terms of number of retail convenience store outlets, is estimated to have increased to 8.6% based on Bison Consolidated Berhad's total number of stores of 238 as at 31 December 2015, and an estimated total number of retail convenience stores in Malaysia of 2,776 in 2015.

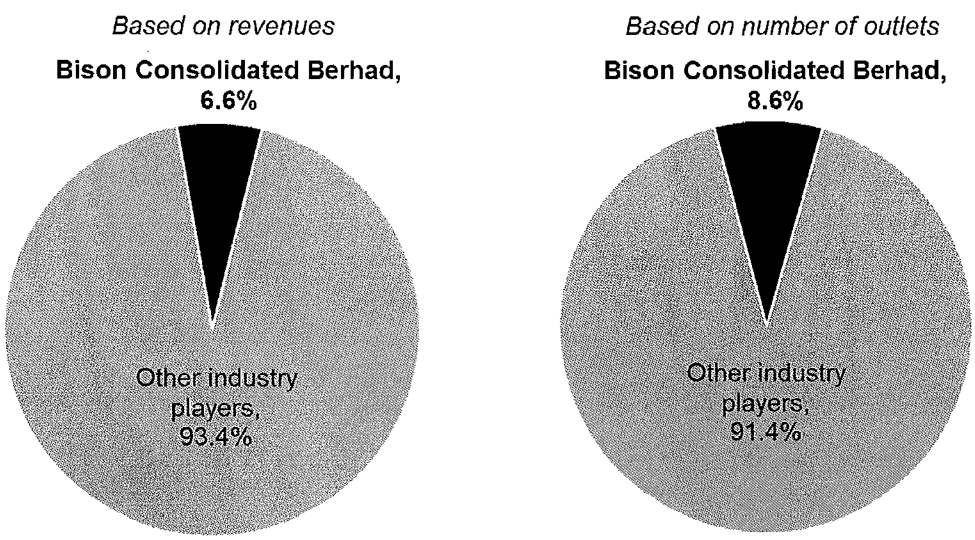
With a market share of 6.1% in terms of its revenues, and 8.0% in terms of number of outlets in 2014, and an estimated market share of 6.6% in terms of its revenues and 8.6% in terms of number of outlets in 2015, Bison Consolidated Berhad is the second largest retail convenience store industry player in Malaysia, and the largest homegrown retail convenience store industry player in Malaysia.

Retail convenience store market – Market share (Malaysia), 2014



[The rest of this page is intentionally left blank]

Retail convenience store market – Estimated market share (Malaysia), 2015



Source: Extracted from the IMR report by SMITH ZANDER

Product/ Service Substitution

Retail convenience stores emerged to complement the large format grocery retailers such as hypermarkets and supermarkets. Retail convenience stores are typically located in accessible, high foot traffic locations in order to appeal to consumers seeking "on-the-go" or impulse purchases. Thus, while consumers are able to procure the same FMCG (such as snacks and confectioneries, beverages, tobacco products, stationery, basic over-the-counter pharmaceutical products and bakery products) and print media (such as magazines and newspapers) at large format grocery retailers, it is the convenience that appeals to consumers, as these are often small items purchased on an unplanned or impulsive basis. As such, large format grocery retailers are not substitutes to retail convenience stores, as long as convenience is a factor for purchases.

However to a certain extent, retail convenience stores can be substituted with grocery convenience stores, petrol marts and traditional format independent small grocery retailers, particularly in locations such as high street, residential and commercial areas, and petrol stations. Nevertheless it is important to note that grocery convenience stores, petrol marts and traditional format independent small grocery retailers are typically only situated in such locations, and thus will not be able to substitute retail convenience stores situated in locations such as shopping centres and commercial centres.

[The rest of this page is intentionally left blank]

Reliance and Vulnerability to Imports

The retail convenience store market in Malaysia, similar to the overall retail market, is made up of both locally-produced and imported products. Products such as snacks and confectioneries, beverages, tobacco products, stationery, basic over-the-counter pharmaceutical products and print published materials comprise both local products as well as imported ones, while bakery products are typically all locally produced as they are supplied on a daily basis.

The presence of imported products essentially complement locally-produced products, which offers consumers a greater variety and choice of products. The nature of the retail market is such that local and imported products have different price points and target markets, and thus would cater to a wide range of customer segments. As such, similar to the overall retail market, the retail convenience store market in Malaysia is not reliant nor vulnerable to imports.

[The rest of this page is intentionally left blank]

4 DEMAND AND SUPPLY CONDITIONS

Key Drivers: Demand and Supply Conditions

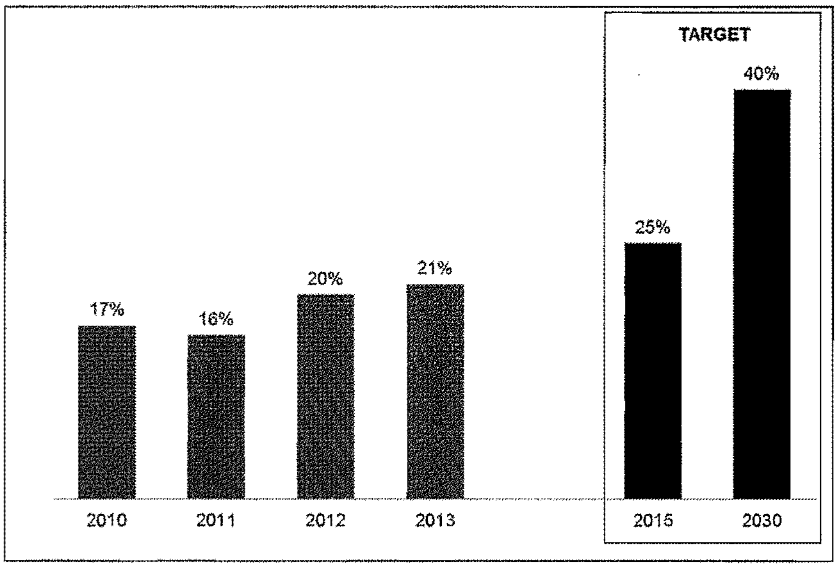
Increasing number of transportation hubs and growth in public transport riderships in Malaysia

Transportation hubs have high foot traffic, and consumers in these areas tend to seek convenience in purchasing FMCG and print media as they are typically travelling or commuting. Hence retail convenience stores in Malaysia are expected to benefit from the growth in transportation hubs and increase in public transportation passengers, as this not only indicates the availability of more suitable locations for expansion, it also exposes the retail convenience stores to a larger target market.

Through the 11th Malaysia Plan, Economic Transformation Programme ("ETP") and Budget 2016, initiatives to improve and enhance public transportation in Malaysia in order to increase public transportation ridership have been implemented and are on-going. Some of these initiatives include the implementation of the Urban Public Transport National Key Results Areas which aims to improve city rail network for better connectivity and integration as well as emerging demand lending to opportunities for high density mixed developments and new suburban townships. This includes the development of the Klang Valley Mass Rapid Transit System ("MRT") which comprises 31 stations, and the extension of the Light Rail Transit lines ("LRT") comprising 25 new stations. In addition, further developments in public transportation in Malaysia includes the construction of the 56-km Second MRT Line from Sungai Buloh to Putrajaya and the LRT 3 Project which will link Bandar Utama to Klang under the Budget 2016, which will significantly add more stations, and thus more suitable locations for retail convenience stores throughout the Klang Valley.

Furthermore, under the Comprehensive Development Plan in Johor, transportation hubs including the rapid transit system linking Johor Bahru to Singapore will also be constructed. The State Government of Penang also intends to implement the Penang Integrated Transport Masterplan, with the aim of developing an integrated public transportation and road system for the whole of Penang. In Kedah, intentions to construct Kulim Airport, an international airport, was also announced by the respective state Governments in January 2015.

Public transport mode share (Malaysia), 2010-2013, 2015 and 2030



Note:
Only publicly available data are in 2010-2013, 2015 and 2030.

Source: Extracted from the IMR report by SMITH ZANDER

In 2013, the public transport mode share was 21%, which indicates that 21% of commuters were using public transportation. The Government expects to have reached 25% of public transport mode share in 2015, whereby a targeted 750,000 daily public transport riderships during peak hours is expected in the same year. The Government has also targeted for 75% of the population to reside within 400 metres of public transportation nodes by 2015. According to the National Land Public Transport Master Plan, the Government aims to reach 40% of public transport mode share by 2030 in urban areas.

These national initiatives create opportunities for expansion for retail convenience stores, thus promoting the growth of the retail convenience store market in Malaysia.

Increasing preference for modern format over traditional format

Consumers in Malaysia, particularly in the urban and suburban areas, have established a greater preference for modern format retail outlets. Traditional format grocery retail outlets are losing ground as modern format grocery retail outlets continue to proliferate in the urban and suburban areas. The traditional format retail grocery market size grew at a CAGR of 4.2% between 2007 and 2014, from RM25.6 billion in 2007 to RM34.1 billion in 2014. Meanwhile modern format grocery retail market size grew at a higher CAGR of 8.5% during the same period, from RM14.1 billion in 2007 to reach approximately RM24.9 billion in 2014. The retail convenience store market, in particular, has been the fastest growing sub-segment of the modern format grocery retail market in Malaysia, in terms of its market size, with a CAGR of 14.0% during the same period. Taking into account the estimated market size of RM3.3 billion in 2015, the retail convenience store market is then expected to grow at a CAGR of 13.5% between 2007 and 2015.

The evolution in the grocery retail competitive landscape is largely due to consumer preference for a reliable, clean and comfortable shopping environment. With the growing affluence of consumers and their increasing sophistication in shopping behaviour, the store concepts and layouts of retail convenience stores appeal highly to these consumers. The modern store concepts and layouts of retail convenience stores also accords it with the opportunity to be present in shopping centres, transportation hubs and commercial centres. Securing such store locations increases the exposure to consumers seeking convenience-based or impulse purchases as these locations have higher foot traffic.

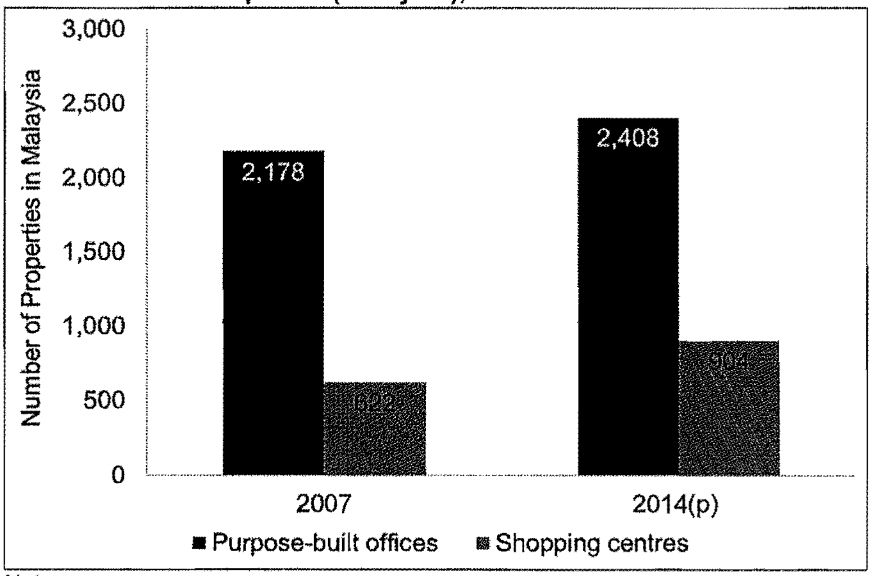
Moreover, some major modern format retail convenience store retailers have multiple outlets or branches, operating as retail convenience store chains. With their scale and size of operations, they often have greater bargaining power with their suppliers, effectively allowing them to negotiate and enjoy better pricing for their products as compared to independently operated outlets. As such, consumers will likewise benefit as they are able to purchase these products at comparatively lower prices, thereby increasing their preference for modern format retail convenience stores over traditional format sundry shops or provision shops.

Rise in the number of commercial developments in Malaysia

Shopping centres and commercial centres are also strategic locations for retail convenience stores as it allows for accessibility to a large target market of consumers that are seeking convenience in purchasing FMCG and print media.

Commercial development in Malaysia, comprising shops, shopping complexes, purpose-built offices and hotels, registered positive growth between 2007 and 2014. In 2014, there were 904 shopping complexes in Malaysia, up from 622 in 2007. The number of purpose-built private and government office buildings in Malaysia also

Commercial development (Malaysia), 2007 and 2014



Note:
(p) preliminary

Source: Extracted from the IMR report by SMITH ZANDER registered growth from 2,178 buildings in 2007 to 2,408 buildings in 2014.

In particular, commercial development in the Central region (comprising Kuala Lumpur, Selangor and Negeri Sembilan) is expected to be driven by national plans to transform Malaysia into a high-income nation by 2020 such as the Greater Kuala Lumpur/Klang Valley module of the ETP. Some of the upcoming commercial development projects in the Central region include the development of three (3) KLCC towers for additional office, hotel and retail space, Bukit Bintang Commercial Centre, and KL118 Tower.

Property development in the Southern region (comprising Malacca and Johor) is also expected to grow in line with the implementation of the second phase of the Iskandar Malaysia Masterplan. Development activities in Iskandar Malaysia will continue to be focused within the city centre, Danga Bay and the Nusajaya locality within Flagship A and Flagship B development zones. In 2013, several integrated developments incorporating purpose-built office building space were announced including Medini Empire, Zikay @ Medini, D'Pristine@Medini, Southkey, Vantage Bay, 18@Medini, Meridin@Senibong, Sunway Medini, Medini Lakeside and The Suasana. Several of these announced integrated developments in 2013 are also expected to carry retail components.

In addition, upcoming commercial property development projects in the North region (comprising Penang, Kedah and Perak) are driven by the Government's promotion of Kedah and Perak as tourist destinations. Commercial developments in Perak are expected to see a rise in light of the launching of Perak's transformation plan, Perak Amanjaya, in 2016, with five (5) key economic zones identified, i.e. Hulu Perak, Beriah Valley, Manjung, Ulu Bernam and Lembah Kinta. Perak has already experienced major growth in its commercial developments, where some of the major commercial centres include Taipan @ Ipoh CyberCentre and Taipan Festival Mall in Bandar Meru Raya; Taipan @ Slim River shopping centre in Tanjung Malim; Jelapang Square in Western Ipoh; Movie Animation Park Studios in Meru Raya which is an animation theme park; University Square @ Kampar in Kampar which comprises The Pavilion shop offices and The Disney concept retail shop lots, as well as the anticipated upcoming three-star hotel, a college, an office tower, 24-hour food and beverage outlets and Disneyland Castle. Kedah also sees growth in commercial development with new shopping centres currently under construction, such as Aman Central in Alor Setar (which is an eight (8)-storey development, and is presently the largest shopping centre in Kedah) which is expected to be opened by end of 2015. Commercial developments in Penang are expected to continue, and the Second Penang Bridge which was opened in 2014 is promoting property development in both landing sites of the bridge, i.e. Batu Kawan and Batu Maung. Some of the proposed developments in these areas include a theme park; IKEA store, IKANO Shopping mall and mixed development of offices and residences; and Penang Premium Outlet.

These development plans create opportunities for expansion for retail convenience stores, thus promoting the growth of the retail convenience store market in Malaysia.

In line with the slower economic growth in 2015, the commercial property development sector is expected to experience a decline in commercial property transactions. Nevertheless, any adverse impact on the commercial property development sector arising from the slower economic growth is expected to be short-term, and the sector is expected to rebound in following years as economic conditions improve in the country.

Government-driven initiatives to support the growth of the retail market in Malaysia and boost retail expenditure

The wholesale and retail sub-sector is a major contributor to Malaysia's gross national income ("GNI") and thus has been identified as one (1) of the 12 key economic focus areas under the ETP. The ETP (2011-2020) was launched in 2010 with the goal of promoting Malaysia into an inclusive and sustainable high-income country by the year 2020. The ETP is a comprehensive initiative comprising 131 high impact projects under 12 economic focus areas that have the potential to stimulate economic growth. The retail sector is a key driver of domestic consumption and plays a significant role in promoting economic growth.

Despite recent developments in the retail market, annual retail expenditure per capita in Malaysia (RM3,154 or USD812[4]) is lower compared to that in more developed countries such as South Korea (USD2,995), Taiwan (USD3,115) and Singapore (USD3,423). While this disparity can be partially attributed to differing income levels, the Government of Malaysia intends to drive retail spending in achieving the targets under ETP. In achieving the GNI targets for the retail sector, the Government intends to liberalise the retail sector through streamlining set-up and expansion requirements, upgrading transportation infrastructure and growing human capital. These initiatives taken by the Government of Malaysia via various economic plans and policies to boost the retail market in Malaysia will inadvertently contribute to the growth of the retail convenience store market.

The growing need for convenience is increasing market preference for retail convenience stores

Rapid urbanisation has led to a change in lifestyle of the population in Malaysia. As such, convenience has become essential in the lifestyle of Malaysian society, particularly in the urban and suburban areas, leading to an increasing need for retail formats which promotes convenience. Over the years, the rate of urbanisation grew with Malaysia's growing economy, rising from 32.4% of total population in 1980 to 73.5% of total population in 2012.[5] This increasing urbanisation rate illustrates that the need for convenience in consumer lifestyle today has been, and will continue to be, a growing trend.

The greater need for convenience increases market preferences for retail convenience stores over larger retail formats such as hypermarkets and supermarkets, as retail convenience stores cater for this specific need. As consumers lead a fast-paced lifestyle, they tend to have, or want to spend, less time searching for FMCG and print media while they are travelling or commuting, or while they are purchasing food and beverage products in between meals. This results in consumers seeking FMCG and print media from smaller retail stores where they will save time retrieving these products and queueing for payment. Furthermore, some retail convenience stores also offer additional consumer services. This allows consumers to perform multiple tasks at a single retail convenience store, once again offering consumers greater convenience and helping them save time. In addition, the extended operating hours of retail convenience stores also caters for consumers who work longer hours or have busy schedules. The location of retail convenience stores also play an important role in attracting consumers seeking convenience, as these stores are typically located in accessible locations in shopping centres, transportation hubs, high streets, residential and commercial areas.

With continuing urbanisation and the prevalence of fast-paced urban living in Malaysia, consumers are expected to increase their acceptance and to develop market preference towards purchasing FMCG and print media from retail convenience stores.

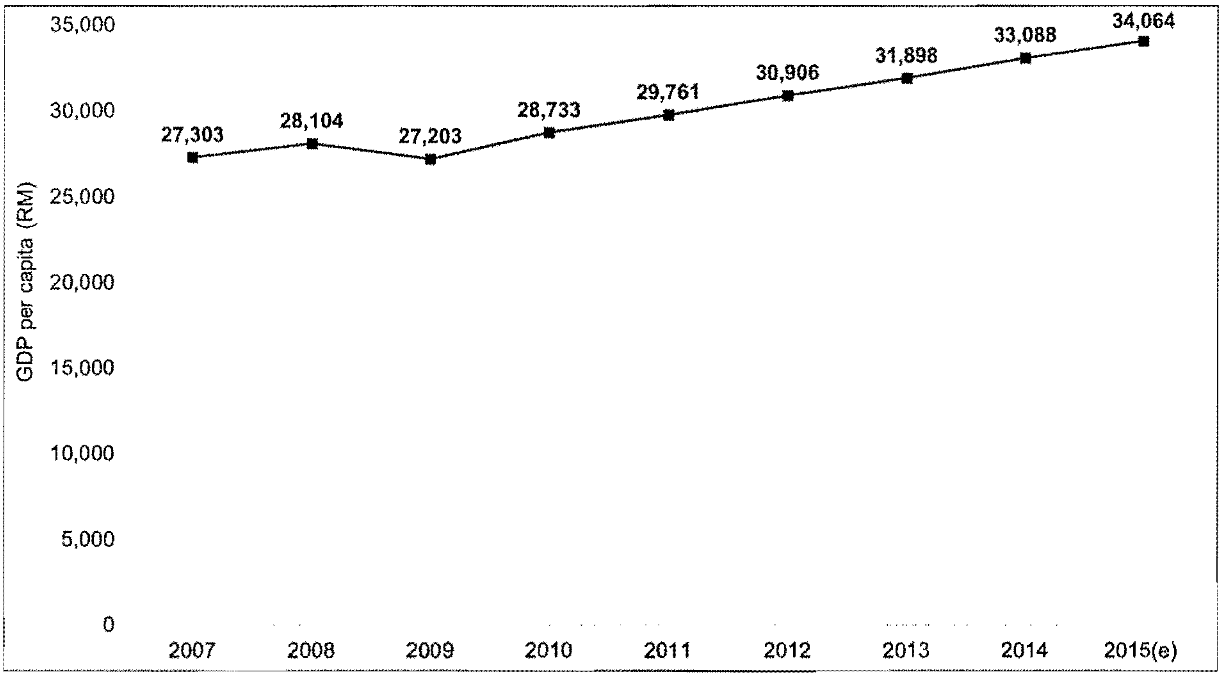
Increasing disposable income of the population signifies growth potential over the long term

Malaysia is an upper-middle income developing economy with aspirations to achieve developed status by the year 2020. GDP per capita increased by 24.8% from approximately RM27,303 in 2007 to an estimated RM34,064 in 2015, indicating the growing disposable income and the improving standard of living of the population. These increases in disposable income and higher standard of living are leading to a rise in a more affluent population that has greater spending power, creating demand for products sold in retail convenience stores.

The ETP (2011-2020) will allow Malaysia to be closer to achieving its goal of raising the per capita disposable income of the population to approximately RM48,000 by 2020. In order to achieve a per capita income of RM48,000, the Government intends to attract RM1.4 trillion investments which is expected to create 3.3 million jobs, of which 60.0% are expected to be in high value sectors under the 12 economic focus areas under the ETP.

[3] Converted based on Bank Negara Malaysia's annual average exchange rate in 2015 of RM1=USD0.2574
[4] Latest publicly available information

GDP per capita (Malaysia), 2007-2015(e)



Source: Extracted from the IMR report by SMITH ZANDER

The disposable income of the population is expected to continue to increase over the long term, and as such has the potential to contribute to higher retail sales from retail convenience stores in the country. Although products sold in retail convenience stores are generally price inelastic as purchases are typically which are purchased on an impulse basis, the increase in disposable income will encourage consumers to frequent the areas in which retail convenience stores are located such as shopping centres and commercial areas, thereby boosting the retail convenience store sales.

Further, the Federal Government of Malaysia announced under the revised Budget 2016 that employees have an option to reduce their Employees Provident Fund ("EPF") contribution by 3% from March till December 2017, and that there will be a tax exemption of RM2,000 for Malaysians earning RM8,000 and below for 2015. These initiatives to increase the disposable income of Malaysians may have a positive impact on the retail convenience store market.

Supply Dependencies

Availability of suitable and strategic locations for retail convenience stores

Ability to source suitable and strategic locations is one of the key success factors of a retail convenience store. The three (3) main characteristics of a strategic location for retail convenience stores are store visibility, accessibility, as well as high foot traffic. Visibility and accessibility are essential as FMCG are generally impulse purchases and thus, consumers are less likely to locate these shops if these shops are situated in inaccessible locations or at low foot traffic locations. In Malaysia, strategic locations for retail convenience stores are easily available as growth in commercial development is positive, with shopping centres, transportation hubs and commercial buildings heavily patronised by consumers. Moving forward, private sector and Government plans to develop commercial centres and transportation hubs are expected to continue to create opportunities for retail convenience stores to expand.

Availability of operations personnel

All retail convenience stores require operations staff to manage customers, handle inventory and other operational functions. Thus, these personnel are important for retail convenience stores to operate efficiently. Employment in the wholesale and retail trade sub-sector increased from 1.7 million persons in 2007 to 2.1 million persons in 2012[6], indicating that there is growth in the supply of labour in this sector.

Furthermore, the retail convenience store market also relies on the hiring of foreign labour for operational functions, and there are presently no restrictions to the hiring of foreign labour in the retail market.

Availability of products sold in retail convenience stores

Retail convenience stores typically carry a mix of local and international brands. These products are available through local distributors which source the products from various FMCG manufacturers, as well as through publishers of newspapers and magazines. As these are common products, they are easily and readily available from a large pool of suppliers.

Reliable supply chain network

Convenience stores source most of their products from distributors. As products sold in retail convenience stores are FMCG and print media, continuous replenishing of inventory levels are required and important in order to meet market demands for particular products. Failure to maintain inventory levels could cause losses in sales and a decline in customer loyalty to these stores. On the other hand, excessive inventory levels could result in higher cost and lower profit margins, especially for perishable products.

Retail convenience store chains are able to benefit most from effective management of their supply chain network as the large quantities of products required by their retail convenience stores or chains will provide them with better price negotiation power with suppliers, and control over their supply chain network, factors which will allow them to achieve greater economies of scale. Effective inventory management is aided through centralised warehouses which are strategically and optimally situated within the network of outlets or branches. As retail convenience stores have smaller retail spaces, the need for efficient delivery of products are essential to these stores to maintain sufficient inventory levels.

[The rest of this page is intentionally left blank]

[6] *Latest publicly available information.*

5 CRITICAL SUCCESS FACTORS

It is critical for retail convenience store industry players to maintain consumer recognition of its trade name in order to attract and expand its customer base and consumer loyalty. An industry player's branding and market reputation is built on the following critical success factors:

Extensive store network, and suitable and strategic store locations

One of the critical success factor in operating a retail convenience store business is the ability to build an extensive network of stores in suitable and strategic locations. The three (3) main characteristics of a strategic location for retail convenience stores are store visibility, accessibility, as well as high foot traffic. Retail convenience stores appeal to consumers seeking convenience and as such, industry players will be able to build and attain consumer recognition if its stores are constantly visible and accessible to consumers whenever they seek convenience purchases.

Successful and cost-effective management of inventory, warehousing and logistics

Products sold in retail convenience stores are FMCG and print media, and thus continuous replenishment of inventory is required in order to meet market demands for particular products and latest issues of published materials. The ability to successfully and cost-effectively manage inventory is one of the key critical success factors of a retail convenience store.

For retail convenience chain stores, the location of the warehouses which store inventory stocks as well as the management of delivery fleets are essential components in supply chain management. The stores generally have limited storage space in their premises and hence, storage warehouses and delivery fleets play an essential role in supply chain management. The limited storage spaces within retail convenience stores require products to be replenished throughout the store network on a frequent basis, and the timely delivery of products to these stores is essential to ensure that there is no shortfall in inventory levels. Thus it is important for retail convenience store industry players to operate warehouses in different regions in order to be in closer proximity to their stores, or increase their delivery fleet while centralising their warehouse to shorten delivery times. An efficient supply management system is also required to track and monitor inventory levels and sales at each outlet or branch in order to reduce loss in sales from unsold stock, and efficiently manage changes in merchandising or products, where required.

It is also essential for retail convenience store industry players to understand the market demands for individual products in order to ensure that there is sufficient stock available for these products. Customers' demand for products may differ according to the store locations and as such, industry players may need to localise and monitor product mix based on locality and/or demography, as opposed to generalising the type of inventories for products across all stores. Hence, the ability to accurately localise and monitor product mix could prevent stockpiling of low-turnover products or running out-of-stock of high turnover products. In order to do so, industry players must understand and analyse the market demography and demand for products in different store locations. Many industry players have point-of-sale ("POS") systems which enable these analyses, and the results and outputs from these systems could save industry players from incurring unnecessary carrying and transportation costs.

Retail convenience store industry players which are able to effectively manage their supply chain network will not only benefit through better price negotiation power and control over their supply chain network, but also minimise losses arising from insufficient or excessive inventory.

Attractiveness of the store layout and outlet concept

An attractive store layout and outlet concept is also a critical success factor as it not only invites consumers to the store, but also maximises consumers' exposure to products sold in the store. Consumers are more likely to visit the store if they find the particular store's layouts and concept to be appealing and attractive. Moreover, an appealing store layout and concept will also invite consumers to spend more time in the store, which would then encourage these customers to purchase more products.

The attractiveness of the store layout and outlet concept is also a contributing factor when industry players seek and negotiate suitable and strategic locations for their stores. The management of key shopping centres, transportation hubs and commercial centres with high foot traffic carefully select retail tenants in order to ensure an appealing and attractive image to consumers, as well as to maintain their overall market positioning. As such, it is critical for industry players to project a store image that would appeal to consumers in order to increase their attractiveness as a tenant in such store locations.

Responsiveness to market demands and consumer preferences in determining the suitable product mix and range

Retail convenience stores sell a variety of FMCG (such as snacks and confectioneries, beverages, tobacco products, stationery, basic over-the-counter pharmaceutical products, bakery products and instant food products) and print published materials, as well as provide a variety of consumer services.

In order to maximise revenue and profitability, retail convenience stores must be able to appeal to the market demands of consumers, and this demand could differ between locations. For example, while stores located in shopping centres would have higher demand of food products such as snacks and confectioneries, stores located in transportation hubs such as airports generally have higher demand of print published materials. On the other hand, stores located in transportation hubs with faster-moving commuting traffic such as train and bus stations will have a higher demand for snacks and packaged or ready-to-go beverages. The ability of industry players to understand and analyse these demands, and to react in a timely manner, to offer consumers a suitable product range and mix is critical to maintain growth and sustainability.

Maintenance of customer service quality

Suitable front-line personnel such as cashiers and store assistants are essential to the success of a retail convenience store as their interaction with customers could impact in-store consumers' shopping experiences. Inefficient and unfriendly customer service could lead to longer queues and an overall unpleasant shopping experience for customers. This would cause a loss in repeat customers, inevitably leading to a loss in sales. Thus, industry players which are able to hire suitable employees and conduct sufficient training for their staff in this aspect would be able to build a competitive advantage for their businesses.

[The rest of this page is intentionally left blank]

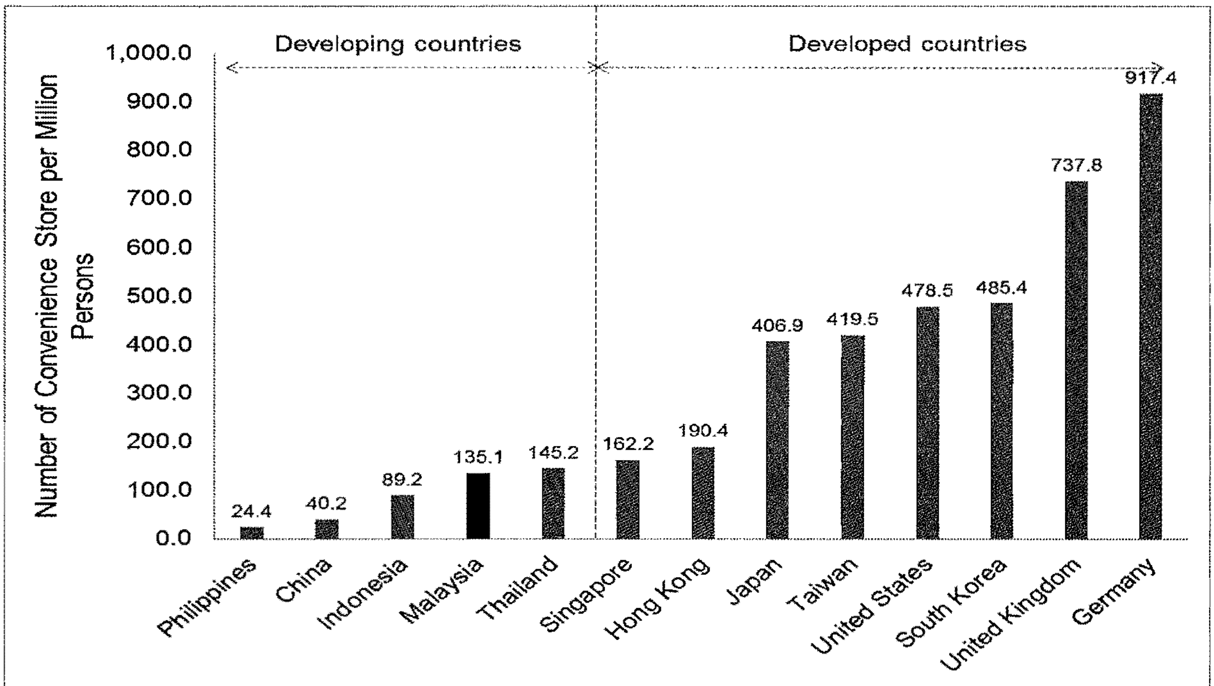
6 GROWTH POTENTIAL

The retail convenience store market in Malaysia, which began to emerge around the mid-1980s, is a relatively young market as compared to the overall retail market in Malaysia. Thus, in order to identify the growth opportunities for the retail convenience store market, it is important to assess global trends of retail convenience stores worldwide.

Based on global trends, SMITH ZANDER notes that the penetration rate of retail convenience stores, in terms of number of retail convenience stores per million persons, is higher amongst more developed countries relative to less developed or developing countries. Developed countries such as Germany, the United Kingdom, South Korea, the United States of America ("United States"), Taiwan and Japan recorded higher penetration rates, in terms of number of convenience store per million persons. Likewise, developing countries including Malaysia, Philippines, China, Indonesia, and Thailand, registered lower penetration rates, in terms of number of convenience store per million persons.

Malaysia's retail convenience store penetration rate in 2014, in terms of number of convenience store per million persons, was ahead of Philippines, China and Indonesia. However, Malaysia's penetration rate is significantly lower than other more developed countries in the Asian region such as Singapore, Hong Kong, Japan, South Korea and Taiwan, as well as developed countries in other regions such as the United States, the United Kingdom and Germany during the same period.

Number of convenience store per million persons (Selected countries, Global), 2014

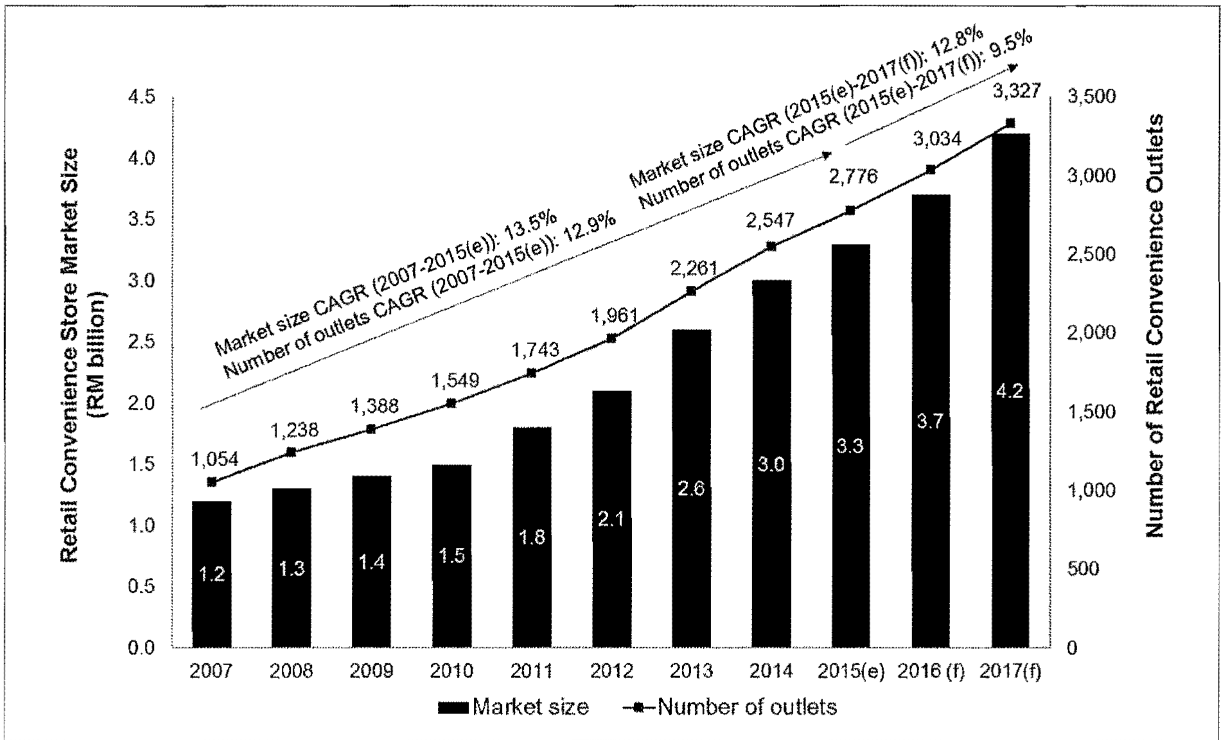


Source: Extracted from the IMR report by SMITH ZANDER

Hence, as Malaysia progresses toward developed nation status, and as long term economic growth prospects in Malaysia continues to be positive with increases in GDP and disposable income, retail expenditure will continue to grow and this will have a positive impact on the growth in the retail convenience store market. Given the higher convenience store penetration rates seen in the developed countries, Malaysia's retail convenience store penetration rate is expected to increase as overall income rises, in line with global trends.

Moving forward, SMITH ZANDER forecasts the number of retail convenience stores to grow at a CAGR of 9.5% from an estimated 2,776 outlets in 2015 to 3,327 outlets in 2017. Accordingly, the retail convenience store market size is forecast by SMITH ZANDER to grow, in terms of retail sales, from an estimated RM3.3 billion in 2015 to RM4.2 billion in 2017, registering a CAGR of 12.8%. This is expected to be driven by the increase in transportation hubs and growth in transport riderships, growing need for convenience due to lifestyle changes, increasing preference for modern format grocery retail outlets over traditional format grocery retail outlets, rise in the number of commercial developments in Malaysia, growing disposable income of the population over the long term and Government driven initiatives to boost retail expenditure (Please refer to **Chapter 4 – Demand and Supply Conditions (Key Drivers: Demand and Supply Conditions)** of this IMR report for further details of market drivers).

Retail convenience store market size and number of outlets (Malaysia), 2007-2017(f)



Notes:
(e) SMITH ZANDER's estimate based on historical market performance and research on prevailing market drivers.
(f) Forecast

Source: Extracted from the IMR report by SMITH ZANDER

[The rest of this page is intentionally left blank]

7 RISKS AND CHALLENGES

Retail convenience store industry players not only face competition within the retail convenience store market, but also from other retail format stores

The retail convenience store market consists of owners and operators ranging from large corporations to small independently owned businesses. Some of these retail convenience stores have been in operation for more than a decade, and as such are more established than others. With the presence of these established retail convenience store industry players, competition is strong as most of these industry players have the ability to offer competitive pricing and effectively manage their inventories, as a result of their higher stock turnover and larger inventory spaces.

Furthermore, the reputation that these established industry players have garnered over many years in operations also enables them to seek and negotiate more suitable and strategic locations for their stores. This is highly important as store visibility and accessibility as well as high foot traffic locations are contributing factors to the success of a particular retail convenience store.

The aforementioned factors are key differentiators for industry players, and failure on any industry player's part to build on these differentiating factors as a competitive advantage for themselves could cause losses in sales and a decline in customer loyalty to their stores, leading to a subsequent loss in market share.

Apart from competition within the retail convenience store market, retail convenience store industry players also face competition from other retail format outlets, including traditional format retail outlets (e.g.: independent small grocery retailers, and specialist retailers) and large modern format retail format outlets (e.g.: hypermarkets and supermarkets).

In 2014, there were 68,482 traditional format retail outlets while there were 2,547 retail convenience stores. Most of these traditional format retail outlets are still thriving in rural areas and to a certain extent, residential neighbourhoods in suburban areas, where they have built their own loyal customer base through its long years of service to the local community. As such, retail convenience stores face competition from traditional format retail outlets particularly when expanding into suburban and rural areas. Nevertheless, this is expected to change in the future as retail convenience stores are able to offer lower prices and provide a variety of consumer services for the convenience of consumers.

Although larger modern format retail outlets such as hypermarkets, supermarkets and grocery convenience stores operate on a different business model as compared to retail convenience stores, with the latter placing focus on providing convenience, large format retail outlets have greater capacity to carry higher volumes of inventories, thus they may offer lower prices. While customers are willing to pay slightly higher prices for products from retail convenience stores in exchange for convenience, there is a possibility that retail convenience store industry players could lose out to large retail formats should there be a huge disparity in pricing. As such, the ability of retail convenience store industry players to negotiate better prices with their suppliers is key in this case to avoid customers from shifting their convenience purchases to large format retail outlets, and the failure to do so could ultimately lead to a loss in sales.

[The rest of this page is intentionally left blank]

Increased exposure to shoplifting, theft, pilferage and robbery could cause loss in sales

Retail convenience stores' premises are open to the public with majority of the in-store transactions carried out in cash, and some stores may even operate on extended shopping hours, exposing these stores to the risk of robbery and theft. Furthermore, as products sold in retail convenience stores are typically small items, shoplifting and pilferage could occur particularly in locations with higher crime rates, and during peak hours where there is heavy foot traffic.

In light of this, many retail convenience stores have taken precautions through the installation of video surveillance systems (i.e. closed-circuit television ("CCTV")) to deter shoplifting, theft and robberies, as well as effective inventory management systems to detect the loss of products from employee pilferage.

Reliance on human resources

The retail convenience store market requires the need for human resources, and thus the market is reliant on the employment of efficient personnel. The retail convenience store market is service-oriented, and it is therefore important to ensure that suitable front-line or front-desk personnel are hired as cashiers and store assistants as their interaction with customers has an impact on the customers' shopping experience. Inefficient and unfriendly customer service could lead to longer queues and an overall unpleasant shopping experience for customers. As customers purchasing from a retail convenience store seek convenience, longer check-out times could lead to a loss in sales or loss in repeat customers.

Also, there is an increasing reliance on foreign employees in Malaysia. Some of the foreign employees from countries such as Nepal and Bangladesh may face language and cultural barriers, and it is important for industry players to provide sufficient training to ensure that the quality of customer service is maintained at an acceptable level.

Furthermore, while the employment of foreign workers is currently allowed in the retail market, these foreign workers can only be sourced from specific countries as determined by the Government and are not allowed to be front-line workers. In general, approval is granted based on the merits of each case and is subject to conditions imposed by the relevant authorities from time to time. Additionally, the Government may amend policies relating to the employment of foreign workers in the retail market and/or introduce new conditions from time to time.

As the retail market is dependent on the supply of foreign workers, any scarcity in supply or change in regulations would adversely affect industry players. Furthermore, any increase in the levy or minimum wages for foreign workers or any other additional costs to be paid to the Government in relation to the employment of foreign workers would increase retail overheads and directly impact the financial performance of industry players.

[The rest of this page is intentionally left blank]

Adverse economic conditions could have an impact on sales, and this may adversely impact industry players

The retail convenience store market is dependent upon the present state of the economy, as a growing economy signifies a population with higher disposable income that has greater spending power, creating demand for products sold in retail convenience stores. A decline in economic conditions in Malaysia may decrease consumer spending power, which will in turn have a negative impact on the retail convenience store market.

Overall, the economy in Malaysia experienced a slower growth in 2015 as a result of factors such as the depreciating RM and the falling crude oil prices.

The RM further declined against the USD and hit an all-time low in the past five (5) years in September 2015. The weakening RM could accelerate inflation and increase cost of living, which would result in a lower purchasing power. On the other hand, this could also encourage growth in the retail sector as a result of a boost in the tourism sector, indirectly leading to higher retail sales.

In addition, crude oil prices had also fallen dramatically since July 2014 from an average of USD100 per barrel to approximately an average of approximately USD30.80 per barrel in January 2016, due to excess in crude oil supply. The fall in crude oil prices had adversely impacted many oil producing countries, including Malaysia, resulting in a cutback in Government spending and an adjustment in the national Budget for 2016. Nevertheless, the fall in crude oil prices had also resulted in a fall in gasoline prices, which benefited consumers.

Should any of the above developments persist, this may cause reduced sales volumes, which could have a negative impact on the overall financial condition of industry players who may not be able to successfully achieve their expected results. Nevertheless, products sold in retail convenience stores are generally price inelastic as purchases made are on an impulse basis, as these products are typically low-priced items and are purchased from the retail convenience store as a fast and convenient mode of shopping. This thus lowers the susceptibility of the retail convenience store market to adverse economic conditions.

[The rest of this page is intentionally left blank]

8 GOVERNMENT LAWS AND REGULATIONS

Control of Supplies Act 1961 (with amendments up to 1 January 2006) and Control of Supplies Regulations 1974

This Act stipulates that a valid license issued under this Act is required in order to retail any controlled article. According to the Ministry of Domestic Trade, Co-operatives and Consumerism, controlled articles refer to goods such as bread, milk, sugar and salt. In addition, these goods are also prohibited from being concealed or destroyed in order to withhold the goods from the market. License holders cannot falsely deny the possession of the stock of any controlled article. Any person carrying on retail business in any premises or place, in which a license has been issued, must display the license in a conspicuous position so that it may be read by consumers purchasing the controlled article. Any individual will be liable for a fine not exceeding RM15,000 and/or an imprisonment term of not more than two (2) years should the individual fail to adhere to this Act for the first instance, and a fine of RM25,000 and/or an imprisonment term of not more than five (5) years for subsequent offences. A corporation will be liable to a fine not exceeding RM25,000 should the corporation fail to adhere to this Act for the first time, and a fine not exceeding RM50,000 for subsequent offences.

Business and Signage License

Companies intending to set up an office are required to obtain a business premise and signage license from the respective local authority (based on the location of the office or store), under the Local Government Act 1976, Local Authorities Ordinance 1996 of Sarawak, Trades Licensing Ordinance 1949 of Sabah, and the by-laws of the respective local councils and authorities. There are 179 local authorities in Malaysia, and the requirements and fees charged for obtaining a business and signage license may vary according to the respective local authority.

Excise Act 1976

The Excise Act 1976 sets out the licensing requirements for the sale by retail, or offer for sale by retail, of any "intoxicating liquor" whether for consumption on or off the premises of the vendor. "Intoxicating liquor", as defined in the Customs Act 1967, refers to any alcohol, or any liquid containing more than two (2) per centum of proof spirit, which is fit, or intended to be, or which can by any means be converted, for use as a beverage.

Money Services Business Act 2011

The Money Services Business Act 2011 governs the licensing, regulation, and supervision of money services business and to provide for related matters.

Goods and Services Tax Act 2014

The Goods and Services Tax Act 2014 governs the imposition and collection of goods and services tax and for matters connected therewith.

Price Control and Anti-profiteering Act 2011

The Price Control and Anti-profiteering Act 2011 serves to control prices of goods and charges for services and to prohibit profiteering.

Food Act 1983 and the Control of Tobacco Product Regulations 2004 (and its subsequent amendments)

The Control of Tobacco Product Regulation 2004 and its subsequent amendments were issued under the Food Act 1983, regulating amongst others, smoke free environments, tobacco advertising, promotions and sponsorships, packaging and labelling, as well as pricing of tobacco products.

[The rest of this page is intentionally left blank]

9 OUTLOOK AND PROSPECTS FOR BISON CONSOLIDATED BERHAD

The retail convenience store market has been the fastest growing sub-segment of the grocery retail market in Malaysia, outpacing all other sub-segments. Its market size, in terms of retail sales, more than doubled from RM1.2 billion in 2007 to reach an estimated RM3.3 billion in 2015, at a CAGR of 13.5%.

In line with this growth, the number of retail convenience store outlets has also more than doubled, increasing from 1,054 outlets in 2007 to an estimated 2,776 outlets in 2015, which translates to a CAGR of 12.9%. These 2,776 retail convenience store outlets are mostly made up of several prominent convenience store chains, of which some of the larger convenience store retailers, including 7-Eleven Malaysia Holdings Berhad (under the tradename "7-Eleven"), All Happy Sdn Bhd (under the tradename "Happy Mart"), Bison Consolidated Berhad (under the tradenames "myNEWS.com", "Newsplus" and "MAGBIT"), Circle K (Malaysia) Sdn Bhd (under the tradename "Circle K"), Point Convenience Shop Sdn Bhd (under the tradename "Point") and TCT Trading Sdn Bhd (under the tradename "Orange").

Malaysia's retail convenience store penetration rate, in terms of number of convenience store per million persons, was ahead of Philippines, China and Indonesia. However, Malaysia's penetration rate is significantly lower than other more developed countries in the Asian region such as Singapore, Hong Kong, Japan, South Korea and Taiwan, as well as other developed countries such as the United States, the United Kingdom and Germany. As Malaysia develops and grows in terms of economic wealth, the local retail convenience store market would inevitably grow in tandem. Greater economic wealth will likely drive consumer preferences for convenience in order to accommodate busier lifestyles and as such, encourages a greater need for retail convenience stores.

SMITH ZANDER forecasts the number of retail convenience stores to grow at a CAGR of 9.5% from an estimated 2,776 outlets in 2015 to 3,327 outlets in 2017. In line with the growth in market size, the retail convenience store market size is forecast by SMITH ZANDER to grow, in terms of retail sales, from an estimated RM3.3 billion in 2015 to RM4.2 billion in 2017, registering a CAGR of 12.8%. This is expected to be driven by the increase in transportation hubs and growth in transport riderships, growing need for convenience due to lifestyle changes, increasing preference for modern format grocery retail outlets over traditional format grocery retail outlets, rise in the number of commercial developments in Malaysia, growing disposable income of the population over the long term and Government driven initiatives to boost retail expenditure.

Bison Consolidated Berhad, as one of the key industry players in the retail convenience store market in Malaysia, shows potential to gain from the growth in retail sales from retail convenience stores and number of retail convenience stores. With a market share of 6.1% in terms of its revenues and 8.0% in terms of number of outlets in 2014, and an estimated market share of 6.6% in terms of its revenues and 8.6% in terms of number of outlets in 2015, Bison Consolidated Berhad is the second largest retail convenience store industry player in Malaysia, and the largest homegrown retail convenience store industry player in Malaysia.

[The rest of this page is intentionally left blank]

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT

9.1 Our Directors

9.1.1 Responsibilities of our Board

Subject to the limitations set out in our Articles, our Board has adopted a charter ("**Board Charter**"), which sets out, among others the following principal responsibilities of our Board for effective discharge of its functions:

(i) reviewing and adopting a strategic plan including setting performance objectives and approving operating budgets for our Group and ensuring that the strategies promote sustainability;

(ii) overseeing the conduct of our Group's business and building sustainable value for shareholders;

(iii) reviewing the procedures to identify principal risks and ensuring the implementation of appropriate internal controls and mitigation measures;

(iv) succession planning, including appointing, assessing, training, fixing the compensation of and where appropriate, replacing executive directors and senior management;

(v) developing and ensuring that our Company has in place a corporate disclosure policy and/or procedures to enable effective communication with, and appropriate disclosure to, our shareholders and other stakeholders; and that our shareholders have access to information about our Group;

(vi) reviewing the adequacy and the integrity of our Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;

(vii) monitoring and reviewing management processes aimed at ensuring the integrity of financial and other reporting;

(viii) ensuring that our Company's financial statements are true and fair and conform with the accounting standards;

(ix) monitoring and reviewing policies and procedures relating to occupational health and safety and compliance with relevant laws and regulations; and

(x) ensuring that our Group adheres to high standards of ethics and corporate behaviour.

9.1.2 Board of Directors

Our Board comprises the following 6 Directors as at the date of this Prospectus, 3 of whom are independent non-executive directors:

Name	Age	Date of appointment as Director	Designation
Ding Lien Bing	56	10.07.2015	Independent Non-Executive Chairman
DTL	56	05.02.2015	Non-Independent Executive Director
DTW	42	25.04.2013	Non-Independent Executive Director
DTH	58	25.04.2013	Non-Independent Executive Director
Soon Dee Hwee	55	10.07.2015	Independent Non-Executive Director
Mohd Suffian bin Suboh	39	10.07.2015	Independent Non-Executive Director

None of our Directors are representatives of corporate shareholders.

Under Article 88 of our Articles, an election of Directors shall take place each year. At the annual general meetings for each year subsequent to our Company's first annual general meeting, 1/3 of our Directors for the time being or, if their number is not 3 or a multiple of 3, then the number nearest to 1/3 shall retire from office and be eligible for re-election provided always that all Directors shall retire from office at least once in every 3 years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires whether adjourned or not.

Pursuant to Article 95 of our Articles, the Directors shall have power at any time and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors but so that the total number of Directors shall not at any time exceed the maximum number fixed in accordance with our Articles. Any Director so appointed shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

The date of expiration of the current term of office for each of our Directors and the period that each of them has served in that office is as follows:

Name	Date of appointment as Director	Date of expiration of the current term of office[1]	Approximate no. of years and months in office up to the date of this Prospectus
Ding Lien Bing	10.07.2015	30.04.2019[2]	8 months
DTL	05.02.2015	30.04.2017[2]	1 year and 1 month
DTW	25.04.2013	30.04.2017[2]	2 years and 10 months
DTH	25.04.2013	30.04.2018[2]	2 years and 10 months
Soon Dee Hwee	10.07.2015	30.04.2019[2]	8 months
Mohd Suffian bin Suboh	10.07.2015	30.04.2018[2]	8 months

Notes:

(1) Assuming the annual general meeting of the Company will be held on 30 April 2017, 30 April 2018 and 30 April 2019 respectively, being 6 months from our Company's financial year end of 31 October.

(2) Retired and be eligible for re-election pursuant to Article 88 of our Company's Articles.

(The rest of this page has been intentionally left blank)

9.1.3 Profiles of our Directors

Ding Lien Bing, (**"Mr Ding"**), Malaysian, 56 years old, is our Independent Non-Executive Chairman. He is a Chartered Accountant registered with the Malaysian Institute of Accountants and has been a member since March 1992. He is also the Chairman of our Nominating Committee and a member of our Audit Committee.

Since January 2011 till present, Mr Ding has been the President of MBf Corporation Berhad (**"MBf Corporation"**), an investment holding company with subsidiaries involved in promoting and selling of timeshare memberships, resort management services and investment properties. As part of this role, he is responsible for the overall affairs, operations and administrative functions of MBf Corporation and its subsidiaries, including being the Chief Executive Officer of a number of MBf Corporation's subsidiaries since February 2012.

Mr Ding started his career in 1984 in the accounting field upon receiving his qualification from the Association of Chartered Certified Accountants (UK) in the same year. Upon his return to Malaysia in October 1985, he was attached to two companies as an accountant and methods analyst respectively, prior to joining MBF Cards (M'sia) Sdn Bhd ("**MBF Cards**") as a Finance Manager in August 1988. Over the years, Mr Ding rose to the rank of Senior Vice President in charge of Finance & Operations. MBF Cards is a company involved in the credit card and charge card business and was, at the time Mr Ding was there, a subsidiary of MBf Holdings Berhad (**"MBf Holdings"**), a diversified conglomerate.

From October 1998 to April 2002, Mr Ding oversaw the corporate office responsibilities and finance functions of MBf Holdings and MBf Capital Berhad. In May 2002, Mr Ding was transferred back to MBF Cards as Executive Vice President for finance and operations functions until January 2004.

In February 2004, Mr Ding was promoted as the President-Corporate of MBf Holdings, and in December 2004, he was also appointed as the President of MBF Cards; taking up corporate office responsibilities and chief operating responsibilities of the companies respectively.

Prior to his current position with MBf Corporation, Mr Ding took up the position of President of MBF Cards and Chief Financial Officer of MBf Holdings in November 2007 after a 18-month period with OSK Holdings Berhad group as its Group Chief Financial Officer.

DTL, Malaysian, 56 years old, is our Managing Director and a member of our Board as well as our Remuneration Committee. He is also a substantial shareholder of our Company and a Promoter.

DTL opened our Group's first newsstand outlet in 1996 and since then, as our Managing Director, has played a key role in guiding the strategic direction and growth of our Group. He, amongst others, oversees the successful implementation of strategies and growth plans, forms strategies and plans to meet our Group's mission and objectives for all relevant stakeholders and to guide our Group's operations and culture.

DTL holds a Bachelor of Computer Science (Honours) and a Master of Science in Computer Science from University of Manitoba, Canada, which was awarded in 1985 and 1992, respectively.

During the early stage of his career, from 1985 to 1996, DTL was involved in the IT sector where he held positions as a programmer for banking applications and mainframe systems support, involved in computer networking and systems support, and was involved in the development of computer network recovery plans. Just before the opening of our Group's first newsstand in 1996, he was the general manager of a facility that produced sound systems.

Due to his academic background and experience in IT, DTL had started to develop computer applications to assist and enhance our business operations at the early stage of our business. The adoption of IT in modernising our business eventually contributed to the development of a comprehensive IT system developed in-house, with functions including POS, outlet inventory and cash management, as well as staff performance monitoring.

DTL has together with our Group's management team built not just an established modern press and convenience store retail chain but also developed a distinctive homegrown Malaysian brand. His leadership and guidance led to "myNEWS.com" being awarded the "Most Promising Brand" in the sub-category of the SMEs Brand Specialty Awards and also the "BestBrands in Retail - Press Retailer" in the sub-category of the SMEs Chapter Awards, under The BrandLaureate SMEs BestBrands Award 2009. DTL himself was awarded the Silver Award, Entrepreneur of the Year 2011 by The Star Outstanding Business Awards. Please refer to Section 7.2.2 of this Prospectus for further details.

DTL is a sibling to DTH and DTW, both of whom are also members of our Board.

DTW, Malaysian, 42 years old, is our Chief Operating Officer and a member of our Board. He is also a substantial shareholder of our Company and a Promoter.

As our Chief Operating Officer, DTW leads and manages the day-to-day operations and performance of our Group, is in charge of our Group's key operational and business areas such as outlet operations, business development and outlet openings. He is also in charge of sales and the management of supply and logistics in coordination with our Group's Merchandising Department.

DTW holds a Bachelor of Environmental Design from the University of Manitoba, Canada, obtained in 1997. Prior to joining our Group, DTW practised as a Junior Architect from 1997 to 1998 at Akitek Habitat Sdn Bhd. He was involved in the firm's business development involving designing and proposing of new projects.

DTW joined Bison Stores in late 1998. Together with DTL he was instrumental in creating the distinctive look and feel of our outlet appearance, in particular "myNEWS.com" with his design and architectural background. DTW has been with our Group since the beginning of his retail career in 1998, fine-tuning and managing our day-to-day operations with the objective of optimising the efficiency of our Group's outlets and distribution channels. Today, he has more than 17 years of experience in retailing with Bison Stores.

DTW continues to play a key role in our Group's branding concepts and in originating and conceptualising new ideas for our homegrown trade name particularly the "myNEWS.com" brand, which focuses on creating attractive and strategic merchandise displays and positive shopping ambiance. He will also continue to contribute in providing direction and roll-out of our Group's business development and expansion plans, including in areas such as site acquisitions for our outlet expansion and optimisation of our products and services mix.

DTW is a sibling to DTL and DTH, both of whom are also members of our Board.

DTH, Malaysian, 58 years old, is our Executive Director, a substantial shareholder of our Company and a Promoter.

DTH has been leading the F&B division of our Group since January 2014 and oversees the development and expansion of our food and beverages products or SKUs for our retail business.

DTH graduated with a Bachelor of Science from University of Manitoba, Canada in 1982 and a Bachelor of Arts from University of Winnipeg, Canada, in 1983, majoring in Administrative Studies.

DTH started his career in sales with Rank Xerox Malaysia Sdn Bhd from 1984 to 1985 where he was principally responsible for sales of Xerox photocopiers, typewriters and fax machines. From Rank Xerox Malaysia Sdn Bhd, DTH was headhunted in 1985 to join Nationwide Express Sdn Bhd (now known as Nationwide Bhd) ("**Nationwide**") as one of its pioneer staffs in setting up their sales department. DTH was subsequently promoted to Nationwide's National Sales Manager in 1988.

He joined Federal Express Services (M) Sdn Bhd ("**FedEx**") in 1988 as their National Sales Manager in Malaysia where he was responsible for overseeing their overall sales in Malaysia.

He left FedEx in 1990 to set up his own company, Alphanical Press Sdn Bhd, which was principally involved in printing and stationeries and he was actively involved in this company until 2014.

DTH is a sibling to DTL and DTW, both of whom are members of our Board.

Soon Dee Hwee ("**Ms Soon**"), 55 years old, is our Independent Non-Executive Director. She is a Chartered Accountant registered with the Malaysian Institute of Accountants. She is the Chairman of our Audit Committee and also a member of our Nominating Committee and Remuneration Committee.

Ms Soon completed her articleship and qualified as a Certified Public Accountant, Malaysia with Messrs. Hanafiah Raslan & Mohd before moving to the audit department of Messrs. KPMG in 1987. In 1989, she joined Bumiputra Merchant Bankers Berhad ("**BBMB**") as an officer in the Corporate Finance department and rose through the ranks to the designation of Deputy General Manager, Corporate Finance. In BBMB, she was involved in a wide range of corporate finance exercises from origination, structuring, execution and provision of corporate and financial advice on, amongst others, capital raising, corporate restructuring, mergers and acquisitions, initial public offerings and reverse takeovers.

In 1997, Ms Soon joined Alliance Investment Bank Berhad as Deputy General Manager in the corporate finance department and was subsequently promoted to Head of Corporate Finance. As the Head of Corporate Finance, she was responsible for the strategic planning, direction as well as operational matters relating to the corporate finance department. In 2003, she left to join HwangDBS Investment Bank Bhd ("**HwangDBS IB**") where she also assumed the position of Head of Corporate Finance. In 2007, she assumed the position of Senior Vice President, CEO's Office in HwangDBS IB. She was transferred out from HwangDBS IB in April 2014 following the disposal of HwangDBS IB by Hwang Capital (Malaysia) Berhad (**"Hwang Capital"**) and is currently the Senior Vice President of Hwang Capital group where she handles the Hwang Capital group's corporate affairs.

Mohd Suffian bin Suboh (**"Encik Suffian"**), 39 years old, is our Independent Non-Executive Director. He is also the Chairman of our Remuneration Committee and a member of our Audit Committee and Nominating Committee.

Encik Suffian graduated from George Washington University, United States of America with a Bachelor of Business Administration in 1999 and Master of Science in Information Systems Technology in 2000 from the same university.

Upon his return to Malaysia in 2000, he began his career in Petroliam Nasional Berhad ("**PETRONAS**") as a systems analyst where his responsibilities were to oversee the SAP (systems, applications & products in data processing) systems, deployment and administration. In 2002, he left PETRONAS to become a project manager in ASIE Sdn Bhd (**"ASIE"**), an engineering company participating in diverse range of business activities such as construction and property development, project management, oil and gas support services, manufacturing and electronics and communication. During his tenure with ASIE, one of Encik Suffian's main assignments was the Perlis independent power plant project, where he oversaw the maintenance of diesel storage tanks and supply of diesel to the power plant.

In 2007, he joined Coal and Minerals Pte Ltd ("**CMPL**"), a tin and anthracite trading firm based in Kuala Lumpur. He began as a logistics manager and within a few short years worked his way up to front office operations in charge of the coal and anthracite operations in 2009. During his tenure in charge of the coal and anthracite operations, he implemented structured off take and structured finance strategies to secure supplies and mitigate operational and commercial risks.

In 2012, Encik Suffian left CMPL to join Awan Bara Sdn Bhd (**"Awan Bara"**) as an advisor in respect of logistics. Awan Bara is a Malaysian coal trading and mining firm supplying coal to the Malaysian power and cement industry. Encik Suffian continues to participate in Awan Bara as an advisor till today. Since 2013, Encik Suffian has been a director and shareholder of Salient Square (Sarawak) Sdn Bhd and Salient Square Sdn Bhd, which are principally involved in diesel trading.

9.1.4 Relationships and associations between our Directors, Promoters, Substantial Shareholders and Key Management

Save as disclosed below, there is no family relationship and/or association between any of our Directors, Promoters, Substantial Shareholders and Key Management as at the LPD.

Name	Position / Capacity	Relationship / Association
D&D Consolidated	Promoter and Substantial Shareholder	As set out in Section 9.2.1 of this Prospectus, DTL, DTH, DTW, DTG and DTK are shareholders of D&D Consolidated; DTL, DTH and DTW are directors of D&D Consolidated.
DTL	Director, Key Management, Promoter and Substantial Shareholder	Brother to DTH, DTW, DTG and DTK.
DTW	Director, Key Management, Promoter and Substantial Shareholder	Brother to DTL, DTH, DTG and DTK.
DTH	Director, Key Management, Promoter and Substantial Shareholder	Brother to DTL, DTW, DTG and DTK
DTK	Promoter and Substantial Shareholder	Brother to DTL, DTH, DTW and DTG.
DTG	Promoter	Brother to DTL, DTH, DTW and DTK.

(The rest of this page has been intentionally left blank)

9.1.5 Principal directorships and principal business activities of our Directors outside our Group

The following table sets out the principal directorships of our Directors as at the LPD (**"Present Directorships"**) and those which were held within the past 5 years up to the LPD (**"Previous Directorships"**), as well as their involvement in principal business activities outside our Group as at the LPD:

Name	Directorships	Principal business activities	Involvement in principal business activities other than as a director
Ding Lien Bing	*Present directorships:*		
	• Leisure Holidays Marketing Sdn Bhd	• Sales and marketing of timeshare, property and club memberships.	• As at the LPD, Ding Lien Bing is not involved in principal business activities outside our Group other than his principal directorships as set out in this table.
	• Leisure Commerce Square Sdn Bhd	• Property development.	
	• Leisure Holidays Bhd	• Promoting and selling of timeshare and club memberships.	
	• Leisure Holidays Resorts Management Sdn Bhd	• Resort Management Services.	
	• MBF Premier Sdn Bhd	• Investment holding.	
	• Trade Wheel Sdn Bhd	• Dormant.	
	• Melawati Recreation Berhad (*Under voluntary winding up*)	• Development and sale of membership of a recreational club.	
	• Mexan Enterprise Sdn Bhd (*Under voluntary winding up*)	• Investment holding.	
	• Oncard Malaysia Sdn Bhd (*Under voluntary winding up*)	• Promotion and sales of dining club membership (Ceased its business operations prior to year 2010).	
	• Malaysian Holiday Timeshare Developers' Federation	• Promoting and protecting the interest of members in the business of timesharing	
	Previous directorships:		
	• Nil		

Name	Directorships	Principal business activities	Involvement in principal business activities other than as a director
DTL	*Present directorships:*		*Shareholder in:*
	• 100Acrewood Sdn Bhd	• Foods and beverages restaurants.	• 100Acrewood Sdn Bhd - Direct interest: 1.00%
	• Hikmat Menanti Sdn Bhd	• Oil palm plantation.	• Hikmat Menanti Sdn Bhd - Direct interest: 40.00%
	• Metromore Estate Sdn Bhd	• Investment holding.	• D&D Consolidated - Direct interest: 43.41%
	• D&D Consolidated	• Investment holding.	
	• Honeycreeper Sdn Bhd *(Under voluntary winding up)*	• Retailers of magazines, cigarettes, tidbits, periodicals, drinks and telephone cards.	
	• Great Malaysian News Sdn Bhd *(Under voluntary winding up)*	• Retailer in magazine and convenience items.	
DTW	*Present directorships:*		*Shareholder in:*
	• 100Acrewood Sdn Bhd	• Foods and beverages restaurants.	• 100Acrewood Sdn Bhd - Direct interest: 99.00%
	• D&D Consolidated	• Investment holding.	• D&D Consolidated - Direct interest: 16.48%
	• Metromore Estate Sdn Bhd	• Investment holding.	• Metromore Estate Sdn Bhd - Direct interest: 50.00%
	• Nova Dynasty Development Sdn Bhd	• Dormant.	• Hikmat Menanti Sdn Bhd - Direct interest: 30.00%
	• Hikmat Menanti Sdn Bhd	• Oil palm plantation.	• Evertop Cleaners Sdn Bhd - Direct interest: 50.00%
	• Evertop Cleaners Sdn Bhd	• Dormant.	• Otaru Fine Food Sdn Bhd - Direct interest: 25.00%
	• Honeycreeper Sdn Bhd *(Under voluntary winding up)*	• Retailers of magazines, cigarettes, tidbits, periodicals, drinks and telephone cards.	
	• Great Malaysian News Sdn Bhd *(Under voluntary winding up)*	• Retailer in magazine and convenience items.	
	Previous directorships:		
	• Otaru Fine Food Sdn Bhd	• Manufacture of bread, cakes and other bakery products.	
	• Peninsula Education Sdn Bhd	• Business of education industry including licensed systems from overseas and new learning.	

Name	Directorships	Principal business activities	Involvement in principal business activities other than as a director
DTH	*Present directorships:*		*Shareholder in*:
	• Upayapadu Plantation Berhad	• Cultivation of rubber and palm oil.	• D&D Consolidated - Direct interest: 32.41%
	• D&D Consolidated	• Investment holding.	• Leaseline Sdn Bhd - Direct interest: 50.05% - Indirect interest*: 49.95%
	• Leaseline Sdn Bhd	• Dormant.	• Hikmat Menanti Sdn Bhd - Direct interest: 30.00%
	• Hikmat Menanti Sdn Bhd	• Oil palm plantation.	• Alphanical Press Sdn Bhd - Direct interest: 33.33%
	• Alphanical Press Sdn Bhd	• Engaged as a printer.	• Metromore Estate Sdn Bhd - Direct interest: 50.00%
	• Metromore Estate Sdn Bhd	• Investment holding.	• Evertop Cleaners Sdn Bhd - Direct interest: 50.00%
	• Nova Dynasty Development Sdn Bhd	• Dormant.	
	• Evertop Cleaners Sdn Bhd	• Dormant.	
	• Great Malaysian News Sdn Bhd *(Under voluntary winding up)*	• Retailer in magazine and convenience items.	
	Previous directorships:		
	• 100Acrewood Sdn Bhd	• Foods and beverages restaurants.	
Soon Dee Hwee	*Present directorships:*		
	• Carl Corrynton Holdings Sdn Bhd	• Property investment and investment holding company.	• As at the LPD, Soon Dee Hwee is not involved in principal business activities outside our Group other than her principal directorships as set out in this table.
	• HDM Properties Sdn Bhd	• Property investment and letting of properties.	
	Previous directorships:		
	• Carl Corrynton Medical Centre Sdn Bhd	• Hospital activities.	

9. INFORMATION ON OUR DIRECTORS, PROMOTERS, SUBSTANTIAL SHAREHOLDERS AND KEY MANAGEMENT *(cont'd)*

Name	Directorships	Principal business activities	Involvement in principal business activities other than as a director
Mohd Suffian bin Suboh	*Present directorships:*		*Shareholder in:*
	• Salient Square (Sarawak) Sdn Bhd	• General supplier.	• Salient Square (Sarawak) Sdn Bhd - Direct interest: 50.00%
	• Salient Square Sdn Bhd	• Dormant.	• Salient Square Sdn Bhd - Direct interest: 50.00%
	• HTT Marketing (Northern) Sdn Bhd	• Dormant.	• Senary Base Element Sdn Bhd - Direct interest: 50.00%
	• Nasioncom Telephony Sdn Bhd	• Dormant.	• Tinggi Tenggara Sdn Bhd - Direct interest: 50.00%
	• Nasioncom (Sabah) Sdn Bhd	• Dormant.	
	• Kasturi Jernih Sdn Bhd	• Wholesale of other construction materials, hardware, plumbing and heating equipment and supplies, activities of holding companies and business management consultancy services.	*Sole Proprietor of*
	• Mutiara Puri Sdn Bhd	• Wholesale of other construction materials, hardware, plumbing and heating equipment and supplies, activities of holding companies and business management consultancy services.	• Emawas Enterprise - Direct interest: 100.00%
	Previous directorships:		
	• Senary Base Element Sdn Bhd	• Providing information technology related products and services, management and advisory services.	

Notes:

* Deemed interested by virtue of Section 6A of the Act via his spouse's 49.95% direct shareholding in Leaseline Sdn Bhd.

DTL's, DTW's and DTH's respective involvement in the business activities or corporations set out above is not expected to affect their respective contribution to our Group nor negatively impact their ability to act as our Executive Directors as they do not hold any executive positions in such businesses or corporations. In addition, such businesses' or corporations' operations do not require their involvement on a day-to-day basis as these businesses or corporations are managed or operated by the other shareholders or have their own independent management teams.

9.1.6 Involvement of our Directors in other businesses or corporations which carry on a similar trade as our Group, or which are our customers and/or suppliers

Save as disclosed below, as at the LPD, none of our Directors have any interest, direct or indirect, in other businesses or corporations which are (i) carrying on a similar trade as that of our Group; or (ii) our customers and/or suppliers:

Name	Businesses/Corporations	Nature of interest	Direct interest (%)	Indirect interest (%)
DTW	Supplier to our Group: Otaru Fine Food Sdn Bhd (**"Otaru Fine Food"**)	Shareholder	25	-

Our Board is of the view that DTW's shareholding interest in Otaru Fine Food does not give rise to a conflict of interest situation with our Group's business as Otaru Fine Food is only a supplier to our Group and does not compete directly with our business. Furthermore, DTW's involvement in the business activities of Otaru Fine Food does not require his involvement on a day-to-day basis as it is managed by Otaru Fine Food's other substantial shareholder. As such, his involvement in Otaru Fine Food will neither affect his contribution to our Group nor negatively impact his ability to act as a Director and Chief Operating Officer of our Group.

Otaru Fine Food has been a supplier to our Group since 2014. As such, transactions entered into between our Group and Otaru Fine Food will be related party transactions and subject to our Group's monitoring and oversight procedures for related party transactions. Please refer to Section 11.1.2 of this Prospectus for details of our Group's recurrent related party transactions with Otaru Fine Food, and Section 11.3 of this Prospectus for further details of the aforesaid monitoring and oversight procedures.

In addition, it should be noted that our Directors, including businesses or corporations that our Directors have interests in, may have in the past purchased and may in the future purchase products and/or services from our Group's outlets as walk-in customers. We do not expect such purchases to be of material amounts and that such purchases are conducted at the same retail prices as other walk-in customers.

9.1.7 Audit Committee

The Audit Committee of our Company comprises 3 Directors, all of whom are Independent Non-Executive Directors. The Audit Committee, constituted on 20 July 2015, was established by our Board with the function of assisting our Board in fulfilling its oversight responsibilities. The current members of our Audit Committee are set forth below:

Name	Position	Directorship
Soon Dee Hwee	Chairman	Independent Non-Executive Director
Ding Lien Bing	Member	Independent Non-Executive Chairman
Mohd Suffian bin Suboh	Member	Independent Non-Executive Director

Our Audit Committee has full access to both internal and external auditors who in turn have access at all times to the Chairman of our Audit Committee. Our Audit Committee performs, among others, the following functions:

(i) consider the appointment or re-appointment of the external auditor, and to discuss on their scope of work, responsibilities, their remuneration, any questions of resignation or dismissal of the external auditor, to recommend the nomination of the external auditor and to ensure co-ordination where more than one audit firm is involved;

(ii) review the quarterly and year-end financial statements of our Group and Company, before the approval by the Board focusing on, amongst others, any change in or implementation of major accounting policy and practices, significant and unusual events, and to ensure compliance with applicable accounting standards and other relevant legal requirements;

(iii) review and report the same to our Board on the adequacy of the scope, competency, functions and resources of the internal audit function, and that it has the necessary independence and authority to carry out its work;

(iv) review and report the same to our Board on the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken, and whether or not appropriate action is taken on the recommendations of the internal audit function;

(v) consider and evaluate any related party transactions or conflict of interest situations that may arise within our Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;

(vi) review and monitor the adequacy and integrity of our Company's system of internal controls and management information systems, including systems to ensure compliance with applicable laws, regulations, rules, directives and guidelines;

(vii) review the risk management framework of our Group and Company to ensure the existence and adequacy of effective risk management policies and controls to monitor and manage all financial and non-financial risks;

(viii) review our Company's procedures for detecting fraud and whistle blowing; and

(ix) consider and examine such other matters as our Audit Committee considers appropriate.

Pursuant to our Audit Committee's terms of reference, our Audit Committee shall comprise at least 3 non-executive directors appointed by our Board based on the recommendation by our Nominating Committee. All the members of our Audit Committee must be non-executive directors with a majority of independent directors. All members of our Audit Committee shall be financially literate and at least 1 member shall:

(i) be a member of the Malaysian Institute of Accountants ("**MIA**"); or

(ii) if he/she is not a member of the MIA, he/she must have at least 3 years' working experience and:

    (a) he/she must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or

    (b) he/she must be a member of one of the association of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or

(iii) fulfils such other requirements as prescribed or approved by Bursa Securities.

The Chairman of the Audit Committee shall be an independent director appointed by our Board, based on the recommendation of the Nominating Committee. The term of office and performance of our Audit Committee and each of its members shall be reviewed by our Board annually or as and when recommended by the Nominating Committee. Our Board believes that the system of internal controls maintained by our Company is adequate to safeguard against financial, operational and compliance risks.

9.1.8 Remuneration Committee

Our Remuneration Committee was constituted by our Board on 20 July 2015 and currently comprises 3 members as set forth below, the majority of whom are Independent Non-Executive Directors:

Name	Position	Directorship
Mohd Suffian bin Suboh	Chairman	Independent Non-Executive Director
DTL	Member	Non-Independent Executive Director / Managing Director
Soon Dee Hwee	Member	Independent Non-Executive Director

Our Remuneration Committee is responsible for, amongst others, the following:

(i) to review and assess on an annual basis, the remuneration packages of the executive and non-executive directors, senior and key management of our Group to reflect their responsibilities, expertise and complexity of our Group's activities;

(ii) to develop and establish a clear and transparent remuneration policy and procedures framework for our directors (both executive and non-executive), including senior and key management of our Group who are not our directors;

(iii) to ensure the levels of remuneration be sufficiently attractive and be able to retain directors needed to run our Company successfully;

(iv) to structure the component parts of remuneration so as to align with the business strategy and long-term objectives of our Company and to link rewards to individual performance;

(v) to recommend to our Board the remuneration of non-executive directors, including directors' fees and allowances; and

(vi) to recommend to our Board the annual total remuneration payable to executive directors, senior and key management in connection with their appointment (including short term and long term incentives and any compensation payable for loss or termination of their office or appointment) to ensure that such remuneration is determined in accordance with relevant contractual terms and that such remuneration is otherwise fair and not excessive to our Company.

9.1.9 Nominating Committee

Our Nominating Committee, constituted on 20 July 2015, was established by our Board and currently comprises 3 members as set forth below, all of whom are independent non-executive directors:

Name	Position	Directorship
Ding Lien Bing	Chairman	Independent Non-Executive Chairman
Soon Dee Hwee	Member	Independent Non-Executive Director
Mohd Suffian bin Suboh	Member	Independent Non-Executive Director

Our Nominating Committee is responsible for, amongst others, the following:

(i) to recommend to our Board, candidates for all directorships (both executive and independent) to be approved by our shareholders or our Board after having evaluated, amongst others, the balance of skills, knowledge and experience, character, competencies and capabilities, potential conflict of interest situations and/or related party interests and the candidates' ability to discharge their responsibilities;

(ii) to recommend to our Board the nominees to fill the seats on board committees;

(iii) to prepare the description of the roles and responsibilities required for a particular appointment;

(iv) to assess on an annual basis, the effectiveness of our Board as a whole and each individual director / committee of our Board, including the desirability of the overall composition of our Board, the balance between executive directors, non-executive directors and independent directors, the required mix of skills, experience, diversity and other qualities;

(v) to review our Board's succession planning, taking into account the challenges and opportunities facing our Company, the skills and expertise, including diversity, needed on our Board in the future; and

(vi) to ensure that orientation and education programmes are provided for new members of our Board, to review the directors' continuing education programmes for existing members of our Board and to ensure that the education programmes attended by our directors must be one that aids the director in the discharge of his/her duties.

(The rest of this page has been intentionally left blank)

9.1.10 Shareholding of our Directors in our Company

The following table sets forth the direct and indirect shareholdings of each of our Directors before and after our IPO, assuming full subscription of our IPO Shares reserved for our Directors under the allocation for Eligible Persons in respect of the Retail Offering:

		Before IPO				After IPO			
		Direct		Indirect		Direct		Indirect	
Name	Nationality	No. of Shares held	%	No. of Shares held	%	No. of Shares held	%	No. of Shares held	%
Ding Lien Bing	Malaysian	-	-	-	-	200,000	0.1	-	-
DTL[1]	Malaysian	-	-	213,388,500	93.0	-	-	213,388,500	68.8
DTH[1]	Malaysian	-	-	213,388,500	93.0	-	-	213,388,500	68.8
DTW[1]	Malaysian	-	-	213,388,500	93.0	-	-	213,388,500	68.8
Soon Dee Hwee	Malaysian	-	-	-	-	200,000	0.1	-	-
Mohd Suffian bin Suboh	Malaysian	-	-	-	-	200,000	0.1	-	-

Notes:

(1) Deemed interested by virtue of Section 6A of the Act, through his shareholding of more than 15% in D&D Consolidated

Despite the subscription of our IPO Shares allocated for the Eligible Persons as set out in Section 4.3.3 of this Prospectus, our Directors may also subscribe for additional Excess Shares under those allocated for the Eligible Persons as well as our IPO Shares under the Retail Offering.

(The rest of this page has been intentionally left blank)

9.1.11 Remuneration and material benefits-in-kind of our Directors and CEO

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Directors for services rendered in all capacities to our Group for the FYE 31 October 2015 and estimated for the FYE 31 October 2016 are as follows:

	Remuneration band of our Directors	
	FYE 31 October 2015 (Actual)	FYE 31 October 2016 (Estimate)
Directors	RM	RM
Ding Lien Bing	Below 50,000	Below 50,000
DTL	450,000 to 500,000	500,000 to 550,000
DTW	350,000 to 400,000	450,000 to 500,000
DTH	100,000 to 150,000	200,000 to 250,000
Soon Dee Hwee	Below 50,000	Below 50,000
Mohd Suffian bin Suboh	Below 50,000	Below 50,000

The remuneration of our Directors includes salaries, bonuses, fees and allowances as well as other benefits. As set out in the Articles, any change in Directors' fees must be approved by shareholders of our Company pursuant to an ordinary resolution passed at a general meeting where notice of any proposed increase should be given in the notice convening the meeting, further details of which are set out in Section 15.2.2 of this Prospectus. The remuneration for each of our Directors are subject to annual review by our Remuneration Committee.

9.2 Our Promoters and Substantial Shareholders

9.2.1 Profiles of our Promoters and Substantial Shareholders

Save for DTG, all our Promoters are also our Substantial Shareholders (being a person who holds not less than 5% of our Shares). The profiles of DTL, DTH and DTW, are set out in Section 9.1.3 of this Prospectus.

D&D Consolidated, a Promoter and Substantial Shareholder, was incorporated in Malaysia under the Act on 8 January 2013. The principal activity of D&D Consolidated is investment holding.

As at the LPD, D&D Consolidated's authorised share capital is RM100,000 comprising 100,000 ordinary shares of RM1.00 each of which RM10,000 comprising 10,000 ordinary shares of RM1.00 each have been fully issued and paid up.

The directors of D&D Consolidated as at the LPD are DTL, DTH and DTW. The particulars of D&D Consolidated's shareholders and their respective shareholdings are set out below:

		Direct		Indirect	
Shareholders	Nationality	No. of ordinary shares	%	No. of ordinary shares	%
DTL	Malaysian	4,341	43.41	-	-
DTH	Malaysian	3,241	32.41	-	-
DTW	Malaysian	1,648	16.48	-	-

		Direct		Indirect	
Shareholders	Nationality	No. of ordinary shares	%	No. of ordinary shares	%
DTK	Malaysian	495	4.95	-	-
DTG	Malaysian	275	2.75	-	-

DTK, Malaysian, aged 50, is our Promoter and Substantial Shareholder.

He holds a Diploma in Electrical Engineering Technology from the Red River Community College, Manitoba, Canada obtained in 1994 and in 1995 graduated with a Bachelor of Arts from the University of Winnipeg, Manitoba, Canada.

He started as a remisier in a local stock broking firm in 1996 when he returned from Canada. In 2004, he founded Kobonos Sdn Bhd ("**Kobonos**") which is principally involved in the business of pedicure / manicure services, as well as the importation and distribution of beauty products. He is also the founder of the Malaysian Expert Institute of Cosmetology as well as the Malaysian Practitioner Association of Cosmetology in 2009.

DTK will have a direct shareholding of 3.70% in our Company upon the successful completion of the Public Issue. He also holds a 4.95% shareholding in D&D Consolidated which will in turn hold 68.82% of our Shares upon the successful completion of the Public Issue.

DTG, Malaysian, aged 46, is our Promoter and shareholder.

DTG is the sole proprietor of Fruitty Candy Floss, a manufacturer and distributor of candies throughout Malaysia. He has been in the business of manufacturing and distribution of candies for the past 15 years.

DTG will have a direct shareholding of 1.48% in our Company upon the successful completion of the Public Issue. He also holds a 2.75% shareholding in D&D Consolidated which will in turn hold 68.82% of our Shares upon the successful completion of the Public Issue.

As Fruitty Candy Floss is a supplier to our Group, transactions entered into between our Group and Fruitty Candy Floss will be related party transactions and subject to our Group's monitoring and oversight procedures for related party transactions. Please refer to see Section 11.1.2 of this Prospectus for details of our Group's recurrent related party transactions with Fruitty Candy Floss for the past 3 FYEs 31 October 2013, 31 October 2014 and 31 October 2015, and Section 11.3 of this Prospectus for further details of the aforesaid monitoring and oversight procedures.

(The rest of this page has been intentionally left blank)

9.2.2 Our Promoters' and Substantial Shareholders' shareholdings in our Company

The following table sets forth the shareholdings of our Promoters and Substantial Shareholders before and after our IPO:

	Before IPO				After IPO			
	Direct		Indirect		Direct		Indirect	
Name	No. of Shares held	%	No. of Shares held	%	No. of Shares held	%	No. of Shares held	%
D&D Consolidated	213,388,500	93.0	-	-	213,388,500	68.8	-	-
DTK	11,472,500	5.0	-	-	11,472,500	3.7	-	-
DTG	4,589,000	2.0	-	-	4,589,000	1.5	-	-
DTL(1)	-	-	213,388,500	93.0	-	-	213,388,500	68.8
DTH(1)	-	-	213,388,500	93.0	-	-	213,388,500	68.8
DTW(1)	-	-	213,388,500	93.0	-	-	213,388,500	68.8

Note:

(1) Deemed interested by virtue of Section 6A of the Act, through his shareholding of more than 15% in D&D Consolidated.

(The rest of this page has been intentionally left blank)

9.2.3 Changes in shareholdings of our Promoters and Substantial Shareholders in our Company since incorporation

The table below sets forth our Promoters' and Substantial Shareholders' direct and indirect shareholding interests in our Company since our incorporation on 26 March 2013 up to the date of this Prospectus:

	As at 26 March 2013(1)(2)				As at 27 March 2014(2)				As at 27 March 2015(3)				As at the date of this Prospectus(3)			
	Direct		Indirect		Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	No. of shares held	%	No. of shares held	%	No. of shares held	%	No. of shares held	%	No. of Shares held	%	No. of Shares held	%	No. of Shares held	%	No. of Shares held	%
Lim Kok Heng	1	50.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lim Kok Shee	1	50.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Yap Lei Hue	-	-	-	-	-	-	-	-	1	10.0	-	-	-	-	-	-
D&D Consolidated	-	-	-	-	-	-	-	-	9	90.0	-	-	213,388,500(5)	93.0	-	-
DTK	-	-	-	-	-	-	-	-	-	-	-	-	11,472,500(5)	5.0	-	-
DTG	-	-	-	-	-	-	-	-	-	-	-	-	4,589,000(5)	2.0	-	-
DTL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	213,388,500(4)	93.0
DTH	-	-	-	-	1	50.0	-	-	-	-	-	-	-	-	213,388,500(4)	93.0
DTW	-	-	-	-	1	50.0	-	-	-	-	-	-	-	-	213,388,500(4)	93.0

Notes:

(1) Subscriber shares based on our issued and paid up share capital of RM2.00 as at the date of our incorporation.

(2) Based on the then par value of RM1.00 per ordinary share in our Company.

(3) Subsequent to the subdivision of each existing ordinary share of RM1.00 each in Bison into 5 Shares of RM0.20 each which had been effected on 6 February 2015.

(4) Deemed interested by virtue of Section 6A of the Act, through his shareholding of more than 15% in D&D Consolidated.

(5) Subsequent to the completion of the Acquisitions, details of which are set out in Section 6.2 of this Prospectus.

9.3. Our Key Management

9.3.1 Members of our Key Management

Our Key Management is set out below:

Name	Age	Designation/Function
DTL	56	Managing Director
DTW	42	Chief Operating Officer
DTH	58	Director – F&B
Ong Chee Jern	36	General Manager (Operations)
Steven Koh	51	Financial Controller
Zainora Binti Zainal Abidin	45	Administration Manager
Chang Wei Lin	39	Head of IT Application

9.3.2 Profiles of our Key Management

The profiles of DTL, our Managing Director, DTW, our Chief Operating Officer, and DTH, our Director – F&B, are set out in Section 9.1.3 of this Prospectus.

Ong Chee Jern ("**Ong**"), Malaysian, 36 years old, is our General Manager (Operations) reporting to the Chief Operating Officer and is responsible for overseeing the day-to-day operations of our Group's outlets, as well as the inventory and merchandising operations for our Bison DC and outlets. Ong has been with our Group since September 2008.

He graduated with a Bachelor of Management (Honours) (Finance) from Universiti Sains Malaysia, with first class honours in 2004.

Upon graduation, Ong joined Panasonic Malaysia Sdn Bhd in 2004 as a key account executive at its Penang sales branch and thereafter was transferred to its headquarters in Petaling Jaya, Selangor to manage the modern electrical retail chain dealers. In 2007, he was then reassigned to the position of Team Leader in the Budget and Sales Planning, Modern Trade Division, where he was responsible for functions of advertising and the planning of sales promotion activities until 2008.

Ong joined Bison Stores in September 2008 as the head of our Merchandising Department. He was subsequently promoted to be our General Manager of Merchandising in 2013, where he oversaw the operational aspects of merchandising, marketing, consumer services, the supply chain under our central distribution centre and warehouse, as well as central procurement. In June 2014, he was promoted to General Manager of our Operations Department. Ong brings with him 7 years of experience in merchandising and retail operations.

Steven Koh ("**Steven**"), Malaysian, 51 years old, is our Financial Controller and is responsible for overseeing our Group's financial and human resource related matters. He oversees and manages the statutory reporting and internal management reporting functions of our Group, financial planning and analysis, treasury, tax and other finance operations. He also oversees the establishment and monitoring of internal control, governance and risk management procedures of our Group. Steven has been with our Group since April 2014. Steven brings with him more than 20 years of experience in finance and accounting.

He holds a Bachelor of Business (Accountancy) from Charles Sturt University, Australia, awarded in 1993. He is a Chartered Accountant registered with the Malaysian Institute of Accountants and has been a member since March 1996.

Steven started his career as an internal auditor with Kwong Yik Bank Berhad in 1992 upon completing his degree course. From 1995 until 2006, he was involved in various roles in accounting, finance and internal audit as well as human resource and administrative functions in a number of companies located in Malaysia.

Upon joining Goh Ban Huat Berhad in 2006, his role expanded where he oversaw the group's financial reporting and management functions as the company's Group Financial Controller. He continued the role as chief financial officer and financial controller in two other companies in Malaysia until 2011.

Prior to joining our Group in April 2014, Steven was attached in various capacities from 2011 to 2014 with the DSG International (Thailand) Public Company Limited's (**"DSG"**) group of companies and was responsible for overseeing the finance functions of its Malaysian, Singaporean and Indonesian divisions up till 2012, and subsequently headed its Indonesian subsidiaries' finance and supply chain function until 2014.

Zainora Binti Zainal Abidin (**"Nora"**), Malaysian, 45 years old, is our Administration Manager responsible for managing and overseeing our Group's administrative functions relating to licensing, outlet operations and outlet opening. Nora is one of our Group's longest employees, having joined our Group in December 2002.

Upon completing her STPM pre-university education, she started her career as an administration and human resource executive at Glasspec (M) Sdn Bhd in Negeri Sembilan. In 2002, she joined our Group as a Magazine Assistant where she was responsible for receiving and reconciling magazines stock from suppliers for distribution to our outlets. Nora was subsequently transferred to our Administration Department as Administrative Assistant where she was involved in general office administration.

In 2009, Nora was promoted to Assistant Administration Manager where she was responsible for the collation of tenancies and documents required for our outlet operations and opening. She was also responsible for the procurement of the licences and business permits required for outlet operations. In 2011, she was promoted to her current position as Administration Manager.

Chang Wei Lin (**"Wei Lin"**), Malaysian, 39 years old, is our Head of IT Application overseeing the development, enhancement and support of our IT systems, including our Bisonet System. She graduated with a Bachelor of Science (Honours) in Computer Science from De Montfort University, UK in 2003.

She started her career in 2003 as a sales coordinator with Thumbprints Utd Sdn Bhd, a company in the printing industry where she monitored and coordinated the flow of confirmed orders to delivery. She was also responsible for IT support functions for the company. In 2005, she joined Cactus Marketing Sdn Bhd, a mineral water bottler and distributor, as an administration and inventory controller where she also handled customer inquiries and complaints. She was also involved in the support of the company's IT business planner system.

She joined Bison Stores in 2006 as an IT programmer handling the programming of the POS system. Wei Lin left Bison Stores in December 2009 to establish DKE. When DKE was acquired by Bison Stores in November 2011, Wei Lin re-joined our Group as our Head of IT Application. She is currently a director of DKE, a wholly-owned subsidiary of Bison Stores.

9.3.3 Shareholding of our Key Management

Save for DTL, DTH and DTW, whose direct and indirect shareholdings in our Company have been set out in Section 9.2.2 of this Prospectus, none of our other Key Management has any shareholding, direct or indirect, in our Company.

Each of our Key Management, save for DTL, DTH and DTW, have been allocated between 11,000 to 53,000 IPO Shares pursuant to our IPO Shares reserved for Eligible Persons under the Retail Offering. In addition, our Key Management may also subscribe for additional Excess Shares under those allocation for the Eligible Persons as well as for our IPO Shares under the Retail Offering.

9.3.4 Involvement of our Key Management in other principal business activities

Save as disclosed in Section 9.1.5 of this Prospectus, none of our Key Management is involved in any other principal business activities outside of our Group as at the LPD.

9.4 Declaration by our Directors, Promoters and Key Management

Each of our Directors, Promoters and Key Management have confirmed that, as at the LPD, he or she is not and has not been involved in any of the following events (whether in or outside Malaysia):

(i) a petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership in which such person is or was a partner or any corporation of which such person was a director or key personnel;

(ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;

(iii) charged and/or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;

(iv) any judgment entered against such person involving a breach of any law or regulatory requirement that relates to the securities or futures industry; or

(v) the subject of any order, judgment or ruling of any court, government or regulatory authority or body temporarily enjoining such person from engaging in any type of business practice or activity.

9.5 Service agreements

As at the LPD, there are no existing or proposed service agreements entered into or to be entered into by our Directors or any member of our Key Management with our Group.

9.6 Other matters

No amount has been paid or benefit given within the 2 years preceding the LPD, nor is it intended to be so paid or given, to our Directors, Promoters and Substantial Shareholders except for the following:

(i) historical and future payments to our Directors and/or our Substantial Shareholders in the ordinary course of business as set out in Section 11 of this Prospectus;

(ii) remunerations and benefits-in-kind payable to our Directors as set out in Section 9.1.11 of this Prospectus; and

(iii) the allocation of IPO Shares to the Eligible Persons which may be subscribed by them under our IPO as set out in Section 4.3.3 of this Prospectus.

10. APPROVALS AND CONDITIONS

10.1 Approvals and conditions

The SC has, via its letter dated 10 December 2015 ("**SC Approval**"):

(i) approved our IPO and Listing under subsection 214(1) of the CMSA and equity requirement for public companies, subject to compliance with the following conditions:

Condition		Status of compliance
(a)	The Principal Adviser and our Company are to fully comply with the requirements of the SC's Equity Guidelines and Prospectus Guidelines – Equity pertaining to the implementation of the Proposed Listing.	Noted

(ii) noted that the effective equity structure relating to Bumiputera, non-Bumiputera and foreign shareholdings in our Company would change arising from our IPO as follows:

Shareholders	Before IPO (%)	After IPO (%)
Bumiputera		
- Individual	-	2.5[(1)]
- To be approved by MITI	-	10.0[(2)]
Total Bumiputera	-	12.5
Non-Bumiputera / Foreigners	100.0	87.5
Total	**100.0**	**100.0**

Notes:

(1) Assuming 50.0% of 15,503,500 Shares, representing 2.5% of the enlarged issued and paid-up share capital of our Company, made available to the Malaysian Bumiputera public is fully subscribed.

(2) Assuming 10.0% of the enlarged issued and paid-up share capital of our Company, made available under the Institutional Offering to Bumiputera investors to be approved by MITI is fully subscribed.

Bursa Securities in its letter dated 20 January 2016 approved the admission of our Company to the Official List and the listing of and quotation of the entire enlarged issued and paid-up share capital of our Company on the Main Market.

10.2 Moratorium on our Shares

In accordance with the Equity Guidelines (issued by the SC and as amended from time to time), our Promoters will not be allowed, and have undertaken not to sell, transfer or assign its or their entire shareholding of 229,450,000 Shares, which represent 74.0% of the enlarged issued and paid-up ordinary share capital of our Company as at the date of our Listing, for a period of 6 months from the date of our Listing.

In this respect, our Shares that are subject to moratorium for 6 months from the date of our Listing are set out below:

Name	No. of Shares held	%
D&D Consolidated	213,388,500	68.8
DTK	11,472,500	3.7
DTG	4,589,000	1.5
Total	**229,450,000**	**74.0**

10. APPROVALS AND CONDITIONS *(cont'd)*

The above moratorium restrictions are specifically endorsed on the share certificates representing the Shares held by our Promoters which are under moratorium to ensure that our Company's Share Registrar does not register any transfers that contravene such restrictions.

In accordance with the Equity Guidelines, the shareholders of D&D Consolidated, namely DTL, DTH, DTW, DTK and DTG, have also undertaken not to sell, transfer or assign their entire respective shareholdings held in D&D Consolidated for a period of six months from the date of our Listing.

(The rest of this page has been intentionally left blank)

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST

11.1 Related party transactions

Under the Listing Requirements, a "**related party transaction**" is a transaction entered into by a listed issuer or its subsidiaries that involves the interest, direct or indirect, of a related party. A "**related party**" of a listed issuer (not being a special purpose acquisition company) is:

(i) a director, having the meaning given in subsection 2(1) of the CMSA, and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a director of the listed issuer, its subsidiary or holding company or a chief executive of the listed issuer, its subsidiary or holding company; or

(ii) a major shareholder, and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed issuer or its subsidiaries or holding company, and has or had an interest or interests in one or more voting shares in a corporation and the nominal amount of that share or the aggregate of the nominal amounts of those shares is:

   (a) 10% or more of the aggregate of the nominal amounts of all the voting shares in the corporation; or

   (b) 5% or more of the aggregate of the nominal amounts of all the voting shares in the corporation where such person is the largest shareholder of the corporation; or

(iii) a person connected with such director or major shareholder.

(The rest of this page has been intentionally left blank)

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

11.1.1 Related party transactions

Our Group had not entered into nor proposes to enter into any material related party transactions for the 3 FYEs 31 October 2013, 31 October 2014 and 31 October 2015 and the subsequent financial period immediately preceding the LPD, save as disclosed below:

No.	Transacting parties	Nature of relationship	Nature of transaction	Actual FYE 31 October 2014 (RM)	Actual FYE 31 October 2015 (RM)
(i)	Bison Stores and Evertop Cleaners Sdn Bhd (**"Evertop Cleaners"**)	DTH and DTW are common directors and substantial shareholders of Bison Stores and Evertop Cleaners. DTH and DTW are our Promoters and Substantial Shareholders, our Directors, Bison Stores' directors, and prior to the Acquisitions, direct shareholders of Bison Stores.	Sale of investment property held under PN 12392/M1/8/72, No. Petak: 72, Tingkat No. 8, Bangunan No. M1, Lot No. 49501 Seksyen 39, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor bearing postal address of L8-10, Wisma BU8, Lebuh Bandar Utama, Bandar Utama PJU 6, 47800 Petaling Jaya, Selangor to Evertop Cleaners	650,000[(1)]	-
			Sale of residential property held under Strata Title Geran 98679/M1/11/125 No. Petak : 125, No. Tingkat :11, No. Bangunan: M1, Petak Aksesori : A261, Lot 64492, Bandar Kepong, Daerah Gombak, Negeri Selangor known as A-12-3, Blk A, Aman Puri Apartment, Jalan Aman, Desa Aman Puri, 51200 Kepong Selangor to Evertop Cleaners	300,000[(1)]	-
			Sale of residential property held under Geran 23514 Lot 50973, Geran 46843 Lot 53610 and Geran 46844 Lot 53611 all in Mukim Kuala Lumpur, District of Kuala Lumpur, State of Wilayah Persekutuan identified as Parcel No. A-11-1 (Type A1), Storey No. 11, Building No. A, Accessory Parcel No. L2A 48, 49 & 50, The Greens, TTDI to Evertop Cleaners	872,672[(1)]	-
			Sale of residential property held under Geran 23514 Lot 50973, Geran 46843 Lot 53610 and Geran 46844 Lot 53611 all in Mukim Kuala Lumpur, District of Kuala Lumpur, State of Wilayah Persekutuan identified as Parcel No. B-23A-5 (Type B2), Storey No. 23A, Building No. B, Accessory Parcel No. L2 3 & 4, The Greens, TTDI to Evertop Cleaners	268,688[(1)]	-

No.	Transacting parties	Nature of relationship	Nature of transaction	Actual FYE 31 October 2014 (RM)	Actual FYE 31 October 2015 (RM)
	Bison Stores and Evertop Cleaners *(cont'd)*		Sale of residential property held under PN 30313, Lot 64211, Mukim Damansara, Daerah Petaling, Negeri Selangor identified as Parcel No. B-15-06, Storey No. 15, Building No. Wing B, Accessory Parcel No. L2-7 & L2-8, Project Urbana Residences to Evertop Cleaners	80,834[(1)]	-
			Disposal by Bison Stores to Evertop Cleaners of all its interests in Nova Dynasty Development Sdn Bhd (**"Nova Dynasty"**) which consists of 3 ordinary shares of RM1.00 each, representing 50% of the entire issued and paid-up capital of Nova Dynasty	3[(1)(2)]	-
(ii)	Bison and D&D Consolidated, DTL, DTH and DTW	DTL, DTH and DTW are common directors and shareholders of Bison and D&D Consolidated.	The Acquisitions as set out in Section 6.2 of this Prospectus.	-	45,889,998

Notes:

(1) On 30 October 2014, Bison Stores, Evertop Cleaners, DTL, DTH and DTW entered into a tripartite agreement where DTL, DTH and DTW had agreed to assign the dividend payments due to them from Bison Stores amounting to approximately RM5.92 million to Evertop Cleaners towards the settlement of the purchase considerations in relation to the sale and purchase agreements for the properties in Section 11.1.1(i) above and settlement of the loan of RM3.75 million assigned from Bison Stores to Evertop Cleaners mentioned in Note (2) below. Please refer to Section 15.6(g) of this Prospectus for further details of the tripartite agreement.

(2) On 30 October 2014, Bison Stores had entered into a Sale and Purchase Agreement with Evertop Cleaners to dispose of all its interests in Nova Dynasty, representing 50% of the issued and paid up capital of Nova Dynasty, to Evertop Cleaners. The purchase price of RM3.00 had been arrived at taking into consideration Evertop Cleaners' agreement to assume and accept the assignment of Bison Stores' loan to Nova Dynasty, its associate then, amounting to RM3.75 million. Please refer to Section 11.1.4 of this Prospectus below for further details of Bison Stores' loans to Nova Dynasty for the past 3 years ended 31 October 2012, 31 October 2013 and 31 October 2014. The disposal had been completed on 30 October 2014, and as at the LPD there are no outstanding loans owing from Nova Dynasty to Bison Stores.

11.1.2 Recurrent related party transactions

Related party transactions can be deemed as recurrent, if they are entered into at least once every 3 years, in the ordinary course of business and are of a revenue or trading nature necessary for the day-to-day operations of our Group.

After our Listing and in accordance with the Listing Requirements, our Company will be required to seek shareholders' approval each time our Group enters into material related party transactions. However, if a related party transaction can be deemed as a recurrent related party transaction, our Company may seek a general mandate from our shareholders to enter into these transactions without having to seek separate shareholders' approval each time it wishes to enter into such related party transactions during the validity period of the mandate.

Under the Listing Requirements, related party transactions may be aggregated to determine its materiality if the transactions occur within a 12-month period, are entered with the same party or with parties connected to one another or if the transactions involve the acquisition or disposal of securities or interests in one particular corporation / asset or of various parcels of land contiguous to each other.

Save as disclosed below, there are no proposed material recurrent related party transactions which have been entered into or are to be entered into by our Group for the past 3 FYEs 31 October 2013, 31 October 2014, 31 October 2015 and the subsequent 18 month period from 1 November 2015 to 30 April 2017:

				Actual			Estimate
				FYE 31 October			For the 18 months period from 1 November 2015 to 30 April 2017
				2013	2014	2015	
No.	**Transacting parties**	**Nature of relationship**	**Nature of transaction**	(RM)			
(i)	Fruitty Candy Floss and Bison Stores, Eemerge, Kukuh and Nadi Minda respectively	DTG is one of our shareholders and our Promoter. DTG, the sole proprietor of Fruity Candy Floss, is the brother of DTL, DTH, DTW and DTK. DTL, DTH and DTW are our Executive Directors, Promoters and Substantial Shareholders. DTL, DTH and DTW are directors of Bison Stores and Eemerge. DTL and DTW are directors of Kukuh and Nadi Minda.	Purchase of candy by Bison Stores	485,084	591,416	479,621	1,262,000
			Purchase of candy by Eemerge	82,917	55,977	22,601	39,000
			Purchase of candy by Kukuh	49,812	22,720	12,159	12,000
			Purchase of candy by Nadi Minda	1,911	-	-	-

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Actual FYE 31 October 2013 (RM)	Actual FYE 31 October 2014 (RM)	Actual FYE 31 October 2015 (RM)	Estimate For the 18 months period from 1 November 2015 to 30 April 2017 (RM)
		Prior to the Acquisitions, DTL, DTH and DTW were direct and indirect shareholders of Bison Stores, Eemerge, Kukuh and Nadi Minda.					
(ii)	Fruitty Candy Floss and Bison Stores	Please refer to sub-paragraph (i) above.	Advertising and promotion income (revenue)	2,000	7,760	9,012	26,000
(iii)	Bison Stores and Voila Sdn Bhd	The spouse of DTW is a director and shareholder of Voila Sdn Bhd.	Purchase of magazines and books (Disney titles)	691,105	752,088	593,993	474,000
		DTW is our Executive Director, Promoter and Substantial Shareholder, a director of Bison Stores, and prior to the Acquisitions was a direct shareholder of Bison Stores.	Design fees	20,000	60,000	-	-
			Advertising and promotion income (revenue)	38,398	45,927	8,850	20,000
(iv)	Bison Stores and Hikmat Menanti Sdn Bhd	DTL, DTH and DTW are our Promoters, Substantial Shareholders and Executive Directors. They are Bison Stores' directors, and prior to the Acquisitions, direct shareholders of Bison Stores.	Hostel Rental *(58, Jalan SS2/6, Petaling Jaya, 47300 Petaling Jaya)*	19,632	19,632	24,000	36,000
		They are common directors and substantial shareholders of Bison Stores and Hikmat Menanti Sdn Bhd.					

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Actual FYE 31 October 2013 (RM)	Actual FYE 31 October 2014 (RM)	Actual FYE 31 October 2015 (RM)	Estimate For the 18 months period from 1 November 2015 to 30 April 2017 (RM)
(v)	Bison Stores and DTW	DTW is our Promoter, Substantial Shareholder, Executive Director, Bison Stores' director, and prior to the Acquisitions, a direct shareholder of Bison Stores.	Hostel Rental *(I-16-07, Blok 1 (Tulip), Pelangi Damansara PJU 6, Persiaran Surian, 46200 Petaling Jaya)*	19,200	19,200	16,800	25,200
(vi)	Bison Stores and DTL	DTL is our Promoter, Substantial Shareholder, Executive Director, Bison Stores' director, and prior to the Acquisitions, a direct shareholder of Bison Stores.	Hostel Rental[(1)] *(I-16-03, Blok 1 (Tulip), Pelangi Damansara PJU 6, Persiaran Surian, 46200 Petaling Jaya)*	-	-	16,800	25,200
(vii)	Bison Stores, Ling Chao and Wong Siew Na	Ling Chao is the spouse of DTL, who is our Promoter, Substantial Shareholder and Executive Director. He is also Bison Stores' director, and prior to the Acquisitions, a direct shareholder of Bison Stores. Wong Siew Na is the spouse of DTH, our Promoter, Substantial Shareholder and Executive Director. He is also Bison Stores' director, and prior to the Acquisitions, a direct shareholder of Bison Stores.	Rental of our office premises located at Lot 260, Jalan KIP 4, KIP Industrial Park, 52200 Kuala Lumpur[(2)]	45,438	3,779	72,000	108,000

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Actual FYE 31 October 2013 (RM)	Actual FYE 31 October 2014 (RM)	Actual FYE 31 October 2015 (RM)	Estimate For the 18 months period from 1 November 2015 to 30 April 2017 (RM)
(viii)	Otaru Fine Food Sdn Bhd and Bison Stores and Eemerge respectively	DTW is our Promoter, Substantial Shareholder, Executive Director, Bison Stores' director, and prior to the Acquisitions, a direct shareholder of Bison Stores and Eemerge. He is a director and shareholder of Bison Stores and Eemerge; and a common shareholder of Bison Stores, Eemerge, and Otaru Fine Food Sdn Bhd.	Purchase of bakery products by Bison Stores	-	6,832	260,757	523,000
			Purchase of bakery products by Eemerge	-	1,620	29,624	52,000
(ix)	Bison Stores and Evertop Cleaners	DTH and DTW who are our Promoters, Substantial Shareholders and Executive Directors, are common directors and substantial shareholders of Bison Stores and Evertop Cleaners.	Hostel rental *(A-12-3 Blk A Aman Puri Apartment, Jalan Aman, Desa Aman Puri, 51200 Kepong Selangor)*	-	-	12,000	18,000
(x)	Bison Stores and Great Malaysian News Sdn Bhd[(3)]	DTL, DTH and DTW who are our Promoters, Substantial Shareholders and Executive Directors, are common directors of Bison Stores and Great Malaysian News Sdn Bhd. DTH and DTW are shareholders of Great Malaysian News Sdn Bhd, and prior to the Acquisitions, were direct shareholders of Bison Stores.	Sales of press and convenience retail items	3,176,163	3,607,853	1,467,898	-

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

No.	Transacting parties	Nature of relationship	Nature of transaction	Actual FYE 31 October 2013 (RM)	Actual FYE 31 October 2014 (RM)	Actual FYE 31 October 2015 (RM)	Estimate For the 18 months period from 1 November 2015 to 30 April 2017 (RM)
(xi)	Bison Stores and Honeycreeper Sdn Bhd(3)	DTL and DTW who are our Promoters, Substantial Shareholders and Executive Directors, are common directors of Bison Stores and Honeycreeper Sdn Bhd. DTW is a shareholder of Honeycreeper Sdn Bhd, and prior to the Acquisitions, was a direct shareholder of Bison Stores.	Sales of press and convenience retail items	359,059	308,373	110,501	-
(xii)	DKE and Great Malaysian News Sdn Bhd(3)	DTL, DTH and DTW who are our Promoters, Substantial Shareholders and Executive Directors, are common directors of DKE and Great Malaysian News Sdn Bhd. DTH and DTW are shareholders of Great Malaysian News Sdn Bhd.	Software maintenance fees	72,000	72,000	35,000	-
(xiii)	DKE and Honeycreeper Sdn Bhd(3)	DTL and DTW who are our Promoters, Substantial Shareholders and Executive Directors, are common directors of DKE and Honeycreeper Sdn Bhd. DTW is a shareholder of Honeycreeper Sdn Bhd.	Service maintenance fees	12,000	12,000	7,000	-

Notes:

(1) In the absence of a formal tenancy agreement, rental payment for the property during the FYEs 31 October 2013 and 31 October 2014 were not required as instructed by the property owner during the said periods. Subsequently, a tenancy agreement for the rental of the property was entered into commencing on 1 November 2014 based on current market rental rates.

(2) During the 2 FYEs up to 31 October 2014, the rental amount was based on the property owners' loan instalment payment sum in relation to their loan facility undertaken to purchase the property. The loan facility was fully settled during the FYE 31 October 2014. Subsequently, a tenancy agreement for the rental of the property was entered into commencing on 1 November 2014 based on current market rental rates. This tenancy agreement was further extended to 30 October 2017 based on the same rental rate.

(3) Both Honeycreeper Sdn Bhd and Great Malaysian News Sdn Bhd were placed under voluntary winding up on 16 July 2015. Prior to their voluntary winding up, both Honeycreeper Sdn Bhd and Great Malaysian News Sdn Bhd carried on the principal business as retailer of print media and convenience items. They had purchased merchandise from our Group for sale at their outlets as well as IT services for the maintenance of their POS system and database. The outlets operated by both these related parties had been absorbed by our Group since April 2015 and June 2015. Since then, there has been no further related party transactions entered into by our Group with these companies.

Our Directors are of the view that all the above related party transactions and recurrent related party transactions were conducted on an arm's length basis and are based on terms and conditions which are not unfavourable to our Group.

11.1.3 Transactions entered into that are unusual in their nature or conditions

There were no transactions entered into that are unusual in their nature or conditions, involving goods, services, tangible or intangible assets to which we or any of our parent or subsidiaries were a party to in respect of the past 3 FYEs 31 October 2013, 31 October 2014 and 31 October 2015, and for the subsequent financial period immediately preceding the LPD.

(The rest of this page has been intentionally left blank)

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

11.1.4 Loans made to or for the benefit of related parties and associate

(i) Loans made to or for the benefit of related parties

Save as disclosed below, there were no outstanding loans (including guarantees of any kind) made by our Group to or for the benefit of any related party, for the past 3 FYEs 31 October 2013, 31 October 2014 and 31 October 2015, and the subsequent financial period immediately preceding the LPD. As at the LPD, all loans set out below owing from related parties to Bison Stores have been fully settled and as such there remains no existing nor outstanding loans (including guarantees of any kind) made by our Group.

			Balance as at			
			31 October 2013	31 October 2014	31 October 2015	LPD
Transacting parties	**Nature of relationship**	**Nature of transaction**	**(RM)**			
Hikmat Menanti Sdn Bhd and Bison Stores	DTL, DTH and DTW are common directors and substantial shareholders of Bison Stores and Hikmat Menanti Sdn Bhd.	Loans	492	-	-	-
	They are our Promoters, Substantial Shareholders, Executive Directors and Bison Stores' directors, and prior to the Acquisitions, direct shareholders of Bison Stores.	Corporate guarantee in favour of Hikmat Menanti Sdn Bhd	8,500,000	8,500,000	-	-
Metromore Estate Sdn Bhd and Bison Stores	DTL is a common director of Metromore Estate Sdn Bhd and Bison Stores; and DTW and DTH are common directors and shareholders of Metromore Estate Sdn Bhd and Bison Stores. DTL, DTH and DTW are our Promoters, Substantial Shareholders, Executive Directors and Bison Stores' directors, and prior to the Acquisitions, direct shareholders of Bison Stores.	Loans	1,027	-	-	-

11. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(cont'd)*

Transacting parties	Nature of relationship	Nature of transaction	Balance as at 31 October 2013 (RM)	Balance as at 31 October 2014 (RM)	Balance as at 31 October 2015 (RM)	LPD (RM)
100Acrewood Sdn Bhd and Bison Stores	DTL and DTW are common directors and shareholders of Bison Stores and 100Acrewood Sdn Bhd. DTL and DTW are our Promoters, Substantial Shareholders, Executive Directors and Bison Stores' directors, and prior to the Acquisitions, direct shareholders of Bison Stores.	Loans	390,612	-	-	-
D&D Consolidated and Bison Stores	DTL, DTH and DTW, are common directors and shareholders of D&D Consolidated and Bison Stores. DTL, DTH and DTW are our Promoters, Substantial Shareholders, Executive Directors and Bison Stores' directors, and prior to the Acquisitions, direct shareholders of Bison Stores.	Loans	782	-	-	-
Nova Dynasty and Bison Stores	Former associate of Bison Stores	Loans	3,750,000	-	-	-

(ii) Loans made to associate

As at the LPD, there is an outstanding loan balance of RM1,048,173 owing from our associate, WH Smith Malaysia to Bison Stores. This loan had been made in furtherance of WH Smith Malaysia's operations of the "WHSmith" outlets in Malaysia. This loan was made in proportion to our shareholdings in WH Smith Malaysia.

In addition, as at the LPD, Bison Stores had also secured bank guarantees from a financial institution amounting to RM527,500 as security deposits in favour of WH Smith Malaysia for tenancy agreements entered into in relation to 7 "WHSmith" outlets. The amounts of the bank guarantees secured were based on Bison Stores' 50% shareholding in WH Smith Malaysia.

11.2 Conflicts of interest

Notwithstanding DTW's shareholding interest in one of our suppliers as set out in Section 9.1.6 of this Prospectus, none of our Directors and Substantial Shareholders have any interest, direct or indirect, in any businesses or corporations that (i) carry a similar trade as that of our Group; and (ii) are customers or suppliers of our Group; which would give rise to a situation of conflict of interest with our Group's business.

11.3 Monitoring and oversight of related party transactions and conflicts of interest

11.3.1 Audit Committee review

Our Audit Committee reviews related party transactions to ensure no conflicts of interests arise within our Group. Our Audit Committee maintains and periodically reviews the adequacy of the procedures and processes set by our Company to ensure that these transactions are carried out in the best interest of the Company on normal commercial terms that are industry norms and not more favourable to the related party than those generally available to third parties dealing at arm's length, and are not to the detriment of the interest of our Company's minority shareholders. All reviews by the Audit Committee are reported to our Board for its further action.

11.3.2 Related party transactions and conflicts of interest

Some of the Directors and/or Substantial Shareholders of our Group are also directors and/or shareholders of related parties of our Group or persons connected, as disclosed in Section 11.1 above. It is the policy of our Group that all related party transactions shall be reviewed by the Audit Committee to ensure there is no conflict of interest, are negotiated and agreed in the best interest of the Company at arm's length basis, and are based on normal commercial terms not more favourable to the related party than those generally available to third parties, and are not to the detriment of the interest of our Company's minority shareholders.

11.4 Declarations by advisers on conflicts of interest

11.4.1 Declaration by CIMB

CIMB confirms that there is no existing or potential conflicts of interest in relation to its capacity as the Principal Adviser, Managing Underwriter and Sole Bookrunner in respect of our IPO.

CIMB, its related and associated companies ("**CIMB Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and funds management and credit transaction service businesses. The CIMB Group has engaged and may in the future, engage in transactions with and perform services for our Company and/or our affiliates, in addition to the roles set out in this Prospectus. In addition, in the ordinary course of business, any member of the CIMB Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with our Company and/or our affiliates and/or any other person(s), hold long or short positions in securities issued by our Company and/or our affiliates, make investment recommendations and/or publish or express independent research views on such securities, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of our Company and/or our affiliates. This is a result of the businesses of CIMB Group generally acting independently of each other and accordingly, there may be situations where parts of the CIMB Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interests of our Group.

CIMB Group has in the ordinary course of its banking business, granted credit facilities to our Group of which the total outstanding amount owing by our Group to the CIMB Group as of the LPD was approximately RM2.42 million.

CIMB Group is of the view that the aforementioned extension of credit facilities does not result in a conflict of interest situation in respect of our IPO as:

(i) the total credit facilities is not material when compared to the audited total net assets of the CIMB Group as at the FYE 31 December 2014 of approximately RM38.39 billion;

(ii) the extension of credit facilities arose in the ordinary course of business of the CIMB Group in view of CIMB Group's extensive participation in the Malaysian banking industry; and

(iii) the conduct of CIMB Group in its banking business is strictly regulated by the Financial Services Act 2013, the Islamic Financial Services Act 2013 and CIMB Group's own internal controls and checks.

11.4.2 Declaration by Cheang & Ariff

Cheang & Ariff confirms that there is no existing or potential conflicts of interest in its capacity as the Legal Advisers in respect of our IPO.

11.4.3 Declaration by Zaid Ibrahim & Co.

Messrs Zaid Ibrahim & Co. confirms that there is no existing or potential conflicts of interest in its capacity as the Legal Advisers to the Managing Underwriter and Sole Bookrunner in respect of our IPO.

11.4.4 Declaration by SJ Grant Thornton

SJ Grant Thornton confirms that there is no existing or potential conflicts of interest in its capacity as the Reporting Accountants in respect of our IPO.

11.4.5 Declaration by Smith Zander International Sdn Bhd

Smith Zander International Sdn Bhd confirms that there is no existing or potential conflicts of interest in its capacity as the Independent Market Researcher in respect of our IPO.

(The rest of this page has been intentionally left blank)

12.1 Historical consolidated statements of profit or loss and other comprehensive income and financial position

12.1.1 Historical financial performance

The historical audited consolidated statements of profit or loss and other comprehensive income of our Group for the FYEs 31 October 2013, 31 October 2014 and 31 October 2015 presented below have been extracted from the Accountants' Report in Section 13 of this Prospectus.

	Audited		
	FYE 31 October		
	2013 (RM'000)	2014 (RM'000)	2015 (RM'000)
Revenue	157,962	182,409	217,546
Cost of sales	(105,313)	(122,050)	(143,107)
Gross profit	**52,649**	**60,359**	**74,439**
Gain/(loss) on disposal of PPE	6,156[1]	81	(8)
Other income	368	512	490
Administration expenses	(34,660)	(41,397)	(53,523)
Other expenses	(2,314)	(2,976)	(3,846)
Finance costs	(596)	(602)	(577)
Share of profit of associates	36	302	727
PBT	21,639	16,279	17,702
Tax expense	(3,784)	(3,850)	(4,192)
Net profit for the financial year	**17,855**	**12,429**	**13,510**
Other comprehensive income, net of tax *Items that will not be reclassified subsequently to profit or loss:*			
Revaluation of land and buildings	-	9,489	-
Crystallisation of revaluation reserve	-	(477)	-
Tax effect on item that will not be reclassified to profit or loss	-	(451)	-
	-	8,561	-
Transfer to retained earnings	-	477	-
Total other comprehensive income	-	9,038	-
Total comprehensive income for the financial year	**17,855**	**21,467**	**13,510**
Gross profit margin[2] (%)	33.3%	33.1%	34.2%
EBITDA (RM'000)	24,371	19,612	21,872
EBITDA margin (%)	15.4%	10.8%	10.1%
PBT margin[3] (%)	13.7%	8.9%	8.1%

	Audited		
	FYE 31 October		
	2013	**2014**	**2015**
	(RM'000)	**(RM'000)**	**(RM'000)**
PAT margin[4] (%)	11.3%	6.8%	6.2%
Basic EPS[5] (RM)	8.15	5.68	0.06
Illustrative EPS[6] (sen)	7.78	5.42	5.89
Dividend per share[5] (RM)	3.06	4.99	neg.[7]
Dividend rate (%)[8]	37.5	87.9	3.7
Illustrative dividend per share[6] (RM)	0.03	0.05	neg.[7]

Notes:

(1) Represents a net gain of approximately RM6.16 million from the disposal by Bison Stores (a wholly-owned subsidiary) of a landed property situated in Sungai Buloh, Selangor and a commercial property located in Petaling Jaya, Selangor, and after taking into account the loss of RM5,148 from disposal of certain used equipment in outlets.

(2) Gross profit margin is computed based on the gross profit over revenue.

(3) PBT margin is computed based on the PBT over revenue.

(4) PAT margin is computed based on the net profit over revenue.

(5) Basic EPS and dividend per share are computed based on the net profit and dividends declared and distributed (including dividends in-specie) for the respective financial year over 2,190,005 ordinary shares of RM1.00 each in Bison as at 31 October 2013 and 31 October 2014 and 229,450,000 Shares as at 31 October 2015. Dividends in-specie relates to the transfer of PPE, investment property and assignment of amount due from related party as set out in Note 29 of the Accountants' Report.

(6) Illustrative EPS and illustrative dividend per share are computed based on the net profit and dividends declared and distributed (including dividends in-specie) for the FYEs 31 October 2013, 31 October 2014 and 31 October 2015 over our Company's existing 229,450,000 Shares (prior to the Public Issue), to provide an illustration of the EPS and the dividend per share on the assumption that our current Group structure was in existence during the relevant financial periods presented above.

(7) Represents an interim dividend amounting to RM500,000.

(8) Dividend rate is computed based on dividends declared and distributed (including dividends in-specie) over the net profit for the financial year.

(The rest of this page has been intentionally left blank)

12.1.2 EBITDA

The table below sets out the reconciliation of our net profit to EBITDA for the FYEs 31 October 2013, 31 October 2014 and 31 October 2015:

	Audited		
	FYE 31 October		
	2013	2014	2015
	(RM'000)	(RM'000)	(RM'000)
Net profit	17,855	12,429	13,510
Tax expense	3,784	3,850	4,192
PBT	21,639	16,279	17,702
Finance costs	596	602	577
Depreciation	2,136	2,731	3,593
EBITDA	**24,371**	**19,612**	**21,872**

EBITDA and its related ratio presented in this Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with MFRS and IFRS. EBITDA and its related ratio are not measurements of financial performance or liquidity under MFRS and IFRS and should not be considered as alternatives to net income, operating income or any other performance measures derived in accordance with MFRS and IFRS or as alternatives to cash flows from operating activities or as measures of liquidity.

The EBITDA presented here may not be comparable to similarly titled measures presented by other companies. You should not compare our EBITDA to the EBITDA presented by other companies because not all companies use the same definition.

12.1.3 Historical financial position

The summarised historical audited consolidated statements of financial position of our Group for the FYEs 31 October 2013, 31 October 2014 and 31 October 2015 presented below have been extracted from the Accountants' Report in Section 13 of this Prospectus.

	Audited		
	FYE 31 October		
	2013	2014	2015
	(RM'000)	(RM'000)	(RM'000)
Non-current assets	29,124	43,085	48,258
Current assets	36,797	38,858	51,190
Total assets	**65,921**	**81,943**	**99,448**
Non-current liabilities	9,345	11,634	10,855
Current liabilities	24,633	27,820	33,094
Total liabilities	**33,978**	**39,454**	**43,949**
Net assets	**31,943**	**42,489**	**55,499**

The audited historical consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the "Management's discussion and analysis of financial condition and results of operations" as set out in Section 12.4 of this Prospectus and with the Accountants' Report set out in Section 13 of this Prospectus. The historical financial information included in this Prospectus does not reflect our Group's results of operations, financial position and cash flows in the future, and our Group's past operating results are not indicative of our Group's future operating performance.

Our Consolidated Financial Statements have been prepared in accordance with MFRS and IFRS and have been audited by our Reporting Accountants, SJ Grant Thornton, in accordance with the Approved Standards on Auditing in Malaysia. Our Group is regarded as a continuing entity resulting from the Acquisitions since the management of all the entities which took part in the Acquisitions were controlled by common directors and under common shareholders before and immediately after the Acquisitions. Accordingly, the audited Consolidated Financial Statements have been prepared on the basis of merger accounting and comprise the financial statements of our subsidiaries which were under common control of the ultimate shareholders and directors that existed prior to the Acquisitions during the relevant years under review or since our Company's date of incorporation. Further details relating to common control business combination are set out in Paragraph 4.1.1 of the Accountants' Report.

The financial statements of Bison for the FYE 31 October 2014 (and in respect of Bison Stores, Kukuh, Eemerge and Bison Foods for the FYE 31 October 2013), are the first financial statements prepared in accordance with MFRS and MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards has been applied.

There were no significant events subsequent to our Group's statement of financial position as at 31 October 2015 except for the SC Approval and the Bursa Approval.

12.2 Significant accounting policies, estimates and judgments

Our audited Consolidated Financial Statements have been prepared in accordance with MFRS and IFRS throughout the FYEs 31 October 2013, 31 October 2014 and 31 October 2015. Except for certain changes mentioned in Note 3.4 of the Accountants' Report set out in Section 13 of this Prospectus, our Group has consistently applied the accounting policies to all the relevant periods presented in the Consolidated Financial Statements. For a summary of our significant accounting policies, please refer to Note 4 of the Accountants' Report in Section 13 of this Prospectus.

The preparation of our financial statements requires us to make certain estimates, assumptions concerning the future and judgments. They affect the application of our Group's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. These estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

Although these estimates and judgments are based on our best knowledge of current events and actions, actual results may differ, and will seldom equal the estimated results.

To the extent that there are material differences between these estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flow will be affected. Those accounting policies which we believe involve the application of estimates, assumptions or judgments which are significant are set out below.

12.2.1 Property, plant and equipment

Our Group measures our land and buildings at their revalued amount with changes in fair value being recognised in other comprehensive income.

Property, plant and equipment are depreciated on a straight line basis over their estimated useful lives. We estimate the useful life of property, plant and equipment to be within 2.5 to 50 years and review the useful life of depreciable assets at end of each reporting period, where the useful life represents the utility of the assets to our Group.

Our Group carries out impairment tests where there are indications of impairment based on a variety of estimation including value-in-use of cash-generating unit to which the property, plant and equipment and the prepaid land lease payments are allocated. Estimating the value-in-use requires our Group to make an estimate of the expected future cash flows from cash-generating units and also to choose a suitable discount rate in order to calculate present value of those cash flows.

In the event of the expiry or termination of an operating lease for any reason, our Group's policy is to write off the restoration costs as part of the Company's operating expenses for the respective financial year due to the insignificant amount involved and infrequencies.

12.2.2 Inventories

Our inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, we take into account the most reliable evidence available at the time the estimates are made. Our Group's core business is subject to economic and technology changes which may cause selling prices to change rapidly, and our Group's profit to change.

Most of our inventories are returnable. For those that are not returnable and remain unsold past their expiry dates, we write them off as part of the costs of goods for the period.

12.2.3 Impairment of loans and receivables

Our Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, our Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience of assets with similar credit risk characteristics.

(The rest of this page has been intentionally left blank)

12.2.4 Income taxes and deferred tax assets

Significant judgment is involved in determining our Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of our business. Our Group recognises tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognised for all deductible temporary differences, unutilised tax losses, unabsorbed capital allowances and unused tax credits to the extent that it is probable that taxable profit will be available against which all the deductible temporary differences, unutilised tax losses and unabsorbed capital allowances can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

12.2.5 Classification between investment properties and owner-occupied properties

Our Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgment. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, our Group considers whether a property generates cash flows largely independent of the other assets held by our Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under finance lease), our Group accounts for each portion separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgment is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

As at 31 October 2015, there were no investment properties held by our Group.

12.2.6 Leases

In applying the classification of leases in MFRS 117, we consider some of our leases of motor vehicles as finance lease arrangements.

The lease transaction itself is not always conclusive, and we use judgment in determining whether the lease is a finance lease arrangement that transfers substantially all the risks and rewards incidental to ownership, whether the lease term is for the major part of the economic life of the asset even if title is not transferred and others in accordance with MFRS 117 leases.

(The rest of this page has been intentionally left blank)

12.3 Significant factors affecting our Group's operating and financial results

Our revenue and results of operations are driven by certain factors such as retail sales from our outlets, individually and collectively, as well as certain key operating expenditures relating to our Group. Any material impact on each or a combination or all of the factors describe below would have a significant impact on our Group's operating and financial results.

(i) Growth in our Group's network of outlets

Our sales, costs and profitability, including income from advertising and promotional activities correlate directly to the number of stores that we operate. Therefore, our ability to generate and grow our revenue is dependent on our ability to continue to increase the number of our outlets.

The following table sets out the movement of our outlet numbers, our Group's consolidated revenue and retail sales over the past 3 financial years excluding "WHSmith" outlets and Bison Café:

	Audited		
	FYE 31 October		
	2013	**2014**	**2015**
Consolidated revenue (RM'000)	157,962	182,409	217,546
Retail sales (RM'000)[1]	140,384	158,081	191,533
Outlets at beginning of year	156	165	196
Outlets opened during the year	16	35	41
Outlets opened due to relocation during the year[2]	-	2	-
Total outlets opened	16	37	41
Outlets closed during the year	(6)	(5)	(8)
Outlets closed due to relocation during the year[2]	(1)	(1)	-
Total outlets closed	(7)	(6)	(8)
Outlets at the end of year	165	196	229

Notes:

(1) Retail sales are revenue generated by our outlets, calculated based on our audited consolidated revenue less:

(i) revenue from advertising and promotions derived in the form of display incentives, space rental, merchandising fee and other advertising related income;

(ii) other revenue in the form of sales rebates and distribution centre charges;

(iii) sales from our Bison Café which is a food and beverage outlet;

(iv) management services charged to WH Smith Malaysia; and

(v) sales of merchandise to related parties and billings for IT services for the maintenance of their outlets' POS system and database.

(Items (i) to (iv) above are collectively defined as "**Complementary Income**").

(2) Represent the outlets that were closed and relocated within the same retail centres.

Over the past 3 financial years, the growth of our consolidated revenue and retail sales correlated with the growth of our number of outlets.

The closing of outlets mentioned above is generally due to them not being profitable after operating a certain length of time, reallocation of rental space and/or property owners declining to renew tenancies.

(ii) Optimising product mix

To optimise our outlets' sales performance, we largely depend on our ability to identify a suitable mix of products and services, including our ability to adapt to changes in consumer preference and to match consumer demands and preferences in different localities and across different demographics. As a result, the mix of products and services which we carry at each individual outlet may differ depending on factors such as location, foot traffic, demographic patterns, outlet size, local competition and sales patterns. The table below sets out our average transactions per outlet per day and average retail sales per transaction over the past 3 financial years:

	FYE 31 October		
	2013	**2014**	**2015**
Retail sales (RM'000)	**140,384**	**158,081**	**191,533**
Outlets at the end of the year	165	196	229
Average transactions per outlet per day (nos.)[1]	477	436	411
Average retail sales per transaction[2]	RM4.89	RM5.07	RM5.58

Notes:

(1) Calculated based on total number of transactions for the year over the number of days in the financial year (365 days) and the result divided by the number outlets as at the end of the respective periods.

(2) Calculated based on total retail sales for the year over the total number of transactions for the year.

Despite the decline in the average transactions per outlet per day during the relevant FYEs under review, our average retail sales per transaction registered a growth of 3.7% from the FYE 31 October 2013 to 31 October 2014 and 10.1% from the FYE 31 October 2014 to 31 October 2015, by optimising product mix.

Changes in our product mix can impact our revenue and profitability as profit margins for our products and services vary. Commentaries relating to our revenue and gross profit are set out in Sections 12.4.1 and 12.4.3 respectively of this Prospectus.

Our ability to maintain our outlets' sales performance is dependent on our continued ability to identify suitable product mix to match our consumers' demands and preferences and if necessary, to respond in a timely manner.

(iii) Human resource supply and related cost

A key expense component of our Group is human resource expenses, more particularly those related to our retail staff. Our growth is dependent on our ability to continue to secure efficient and suitable front-line employees as our business is very much service oriented and labour-intensive. Our human resource expenditure includes our outlet and administrative staff costs. Such costs include, amongst others, wages, salaries, allowances, employee provident fund contributions and employee security contributions.

As a result of the Government's decision to increase the levy of foreign workers, we expect that our human resource related costs to increase when such an increase is imposed.

Our growth, both in sales and number of outlets, may be hindered if we are unable to secure or there is a limited supply of human resource (both local and/or foreign) to manage the operations of our new outlets. If there is labour supply disruption, we may also experience loss of sales due to disruption at the affected outlets, to such extent when we are unable to arrange for contractual, part time or temporary staff. Furthermore, in order to retain or hire employees, we may need to provide better compensation, which in turn would increase our overall operating expenditure.

Further details on the risks and challenges arising from human resources are set out in Section 5.1.10 of this Prospectus.

(iv) Tenancy expenses and related capital expenditure

Other than purchases and human resource expense, rental for outlets forms one of our largest expense items to operate an outlet. Most of our tenancies are short term in nature and not exceeding 3 years. Such tenancy agreements may be subject to review and modification by property owners, depending on the provisions of the respective tenancy agreements. Furthermore, rental rates are also subject to prevailing property market conditions, location and the demand profile of particular retail lots within a locality.

Our operating expenditure may be affected if the property owners choose to significantly increase rental rates upon renewal, in particular for prime and competitive locations or that property owners may choose not to renew our tenancies. In such an event, we may not be able to operate the affected outlet competitively or may even be required to relocate to a location that may be less optimal.

In addition to rental, and from time to time, we may also be required by property owners to conduct refurbishment to our outlets to improve storefront appearance. We may also renew an outlet's layout or appearance to improve sales or when an outlet is affected by disasters such as fire or flooding.

Such refurbishment would result in additional capital expenditure for the affected outlets and the disruption from the refurbishment may affect those outlets' sales and performance during the refurbishment period.

(v) General state of the Malaysian economy

Our present operations are located entirely in Malaysia and as such, our business operations and sales are dependent on the general state of the Malaysian economy and consumer spending.

We expect urbanisation and consumers' increasing disposable income, together with the increasing acceptance of convenience outlets as an alternative convenient shopping destination, to drive our Group's growth.

Further details of our industry and market landscape are set out in the IMR Report, included in Section 8 of this Prospectus.

However, any significant increase in inflation in the future may negatively affect our Group's operations and performance if we are unable to pass on the higher cost to our customers through increased selling prices or higher fees charged to our customers for services provided by our Group. Despite this, we believe that the impact of inflation would be limited as a majority of our products and services are generic and broad-based in nature, and accessible to consumers at affordable price points.

Please refer to "Risk factors" in Section 5 of this Prospectus for a more detailed discussion of the risk factors which may affect our Group's business, financial condition and results of operations.

12.4 Management's discussion and analysis of financial condition and results of operations

The following management's discussion and analysis of our Group's financial condition and results of operations for the FYEs 31 October 2013, 31 October 2014 and 31 October 2015 are based on, and should be read in conjunction with the accompanying notes, assumptions and bases set out in the Accountants' Report in Section 13 of this Prospectus.

This discussion and analysis contains data derived from our audited Consolidated Financial Statements and includes forward-looking statements that involve risk, uncertainties and assumptions. The actual results may differ significantly from those projected in the forward-looking statements. The factors which may cause future results to differ significantly from those included in the forward-looking statements are discussed in "Forward-Looking Statements" on page xi of this Prospectus and elsewhere in this Prospectus, in particular the risk factors as set out in Section 5 of this Prospectus. Such forward-looking statements should not in any manner or circumstance be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by us or any other person. Investors are cautioned not to place undue reliance on the forward-looking statements made as of the date of this Prospectus.

WH Smith Malaysia is a 50% associate of Bison Stores, and hence its financial results and position are not consolidated with that of our Group's. Our Group's investment in associates are accounted for using equity method and carried in the statements of financial position at cost plus post acquisition changes in our Group's share of net assets of the associate since acquisition date. The share of the result of the associate is reflected in the profit or loss and any change in other comprehensive income of those investees is presented as part of our Group's other comprehensive income.

Our discussion on the financial conditions and results of operations of our Group excludes those relating to WH Smith Malaysia and hence the 8 "WHSmith" outlets, unless otherwise stated. For the purposes of our discussion on the financial conditions and results of operations, we have also excluded those relating to Bison Café in order to demonstrate our pure retail operations and results, unless otherwise stated. Furthermore, the contribution of the Bison Café is not material in the context of our Group's overall business operations.

12.4.1 Revenue of our Group

(i) Revenue from our product categories, complementary income and related companies

Our principal source of revenue is derived from retail sales of 5 general categories being (i) tobacco; (ii) food and beverage; (iii) print media; (iv) non-food products; and (v) consumer services.

Our remaining revenue is derived from Complementary Income and sales to related parties. Sales to related parties consist of merchandise sales and billings for IT services for the maintenance of their outlets' POS system and database.

(The rest of this page has been intentionally left blank)

The following table sets out our consolidated revenue by product categories during the past 3 financial years:

	Audited					
	FYE 31 October					
	2013		2014		2015	
	(RM'000)	%	(RM'000)	%	(RM'000)	%
Retail sales:						
Tobacco	50,931	32.2	62,367	34.2	76,409	35.1
Food and beverage	49,265	31.2	59,297	32.5	80,810	37.2
Print media	31,719	20.1	26,569	14.6	20,811	9.6
Non-food	5,437	3.5	7,130	3.9	10,383	4.8
Consumer services	3,032	1.9	2,718	1.5	3,120	1.4
	140,384	**88.9**	**158,081**	**86.7**	**191,533**	**88.1**
Complementary Income:						
Advertising and promotions	11,343	7.2	16,881	9.2	18,532	8.5
Others	2,616	1.6	3,447	1.9	5,455	2.5
Total	**154,343**	**97.7**	**178,409**	**97.8**	**215,520**	**99.1**
Sales to related companies	3,619	2.3	4,000	2.2	2,026	0.9
Total Revenue	**157,962**	**100.0**	**182,409**	**100.0**	**217,546**	**100.0**

The outlets operated by related parties have been absorbed by our Group since April 2015 and June 2015 and the respective related parties are currently under voluntary winding up. No further sales or billings have been made since the outlets have been absorbed by our Group.

Tobacco

Revenue from our tobacco product category grew by 22.5% (RM11.44 million) from the FYE 31 October 2013 to 31 October 2014. There was a further growth by 22.5% (RM14.04 million) from the FYE 31 October 2014 to 31 October 2015.

The growth in revenue from tobacco sales was driven by a combination of tobacco price increase and the increase in the number of our retail outlets.

Food and beverage

Revenue from our food and beverage product category grew by 20.4% (RM10.03 million) from the FYE 31 October 2013 to 31 October 2014. There was a further growth by 36.3% (RM21.51 million) from the FYE 31 October 2014 to 31 October 2015.

The growth in revenue was due to the increase in the number of our retail outlets and the range of beverages sold.

Print media

There has been a noticeable reduction in revenue contributed by print media year-on-year. Revenue from print media declined by 16.2% (RM5.15 million) from the FYE 31 October 2013 to 31 October 2014. There was a further decline of 21.7% (RM5.76 million) from the FYE 31 October 2014 to 31 October 2015.

We believe that this decrease is due to changing preference of consumers to online medium from the proliferation of digital media coupled with increased affordability of IT devices and hardware, mobile-data and broadband access. Another contributing factor is the increasing availability of media content through the online medium. However, we intend to continue to provide print media in our outlets to attract walk-in customers with the selection of titles based on the ratio of their sales in proportion to other product categories.

We expect the ratio of print media revenue contribution to continue to decline due to increasing revenue contributions from other product categories, as we have continuously expanded our convenience products and services in terms of range and categories as well as adjusting our mix to optimise sales performance.

Non-food

Revenue from non-food category grew by 31.1% (RM1.69 million) from the FYE 31 October 2013 to 31 October 2014. There was a further growth of 45.6% (RM3.25 million) from the FYE 31 October 2014 to 31 October 2015.

The growth in revenue is due to the increase in the number of outlets offering this range and also the increase in the range and variety of products carried by our outlets.

Consumer services

Revenue from consumer services are derived from commissions received by our Group. Further details of our consumer services are set out in Section 7.5.1(iii) of this Prospectus.

Revenue from consumer services declined by 10.4% (RM0.31 million) from the FYE 31 October 2013 to 31 October 2014. This was principally due to the cessation of our Western Union money transfer services ("**WU Service**") in April 2014, which we have been operating as a sub-agent of a financial institution since November 2012. Our WU Service ceased due to the decision of the same financial institution to cease their WU Service. This had directly affected 12 outlets within our network. However, since August 2014, we had been able to secure from WU Malaysia, our appointment as their direct agent. As a direct agent, every outlet that provides the WU Service is subject to the approval of BNM. As at the LPD, 3 of our retail outlets offer WU Service.

Revenue from consumer services increased by 14.8% (RM0.40 million) from the FYE 31 October 2014 to 31 October 2015 due to higher commissions from electronic payment services.

Advertising and promotions

The revenue derived under this category is from advertising and promotional activities undertaken by us and mainly from our beverage, telecommunication and tobacco principals and suppliers. Details of our advertising and promotional activities are set out in Sections 7.3.2(i) and 7.5.2 of this Prospectus.

Revenue from advertising and promotions increased by 48.8% (RM5.54 million) from the FYE 31 October 2013 to 31 October 2014. There was a further growth by 9.8% (RM1.65 million) from the FYE 31 October 2014 to 31 October 2015.

The overall growth of our advertising and promotions revenue can be attributed to the increase in number of outlets and as a result, increase in display spaces offered.

As we expand our network of outlets and thus increasing points of sales, we expect advertising and promotional activities to increase in tandem. In addition, the expansion of our network of outlets enables us to secure better trading terms in respect of advertising revenue.

Others

Revenue from others increased by 31.8% (RM0.83 million) from the FYE 31 October 2013 to 31 October 2014. There was a further growth by 58.3% (RM2.01 million) from the FYE 31 October 2014 to 31 October 2015.

The growth in revenue from the FYE 31 October 2013 to 31 October 2014 is largely driven by Bison DC charges and sales rebate charged to our suppliers due to better trading terms. The growth from FYE 31 October 2014 to 31 October 2015 was due to the same reasons, in addition to the revenue contribution of our Bison Café.

Revenue from our Bison Café for the FYE 31 October 2014 decreased from RM1.08 million the year before to RM0.98 million due to the closure of the outlet for 2 months in June and July 2014 for refurbishment. Upon reopening, Bison Café's revenue increased to RM1.53 million for the FYE 31 October 2015.

(ii) Revenue from our network of outlets

The growth in our consolidated revenue during the FYEs 31 October 2013, 31 October 2014 and 31 October 2015 can be attributed to the increase in the number of our outlets.

Sales by our existing, new and closed outlets

The following table sets out the corresponding retail sales of our existing, new and closed outlets during the past 3 financial years:

	FYE 31 October					
	2013		**2014**		**2015**	
	(RM'000)	**(outlets)**	**(RM'000)**	**(outlets)**	**(RM'000)**	**(outlets)**
Existing outlets(1)	134,805	149	141,000	159	170,920	188
New outlets(2)	3,825	16	12,698	37	18,963	41
	138,630	165	153,698	196	189,883	229
Closed outlets(3)	1,754	7	4,383	6	1,650	8
Total	**140,384**	**172**	**158,081**	**202**	**191,533**	**237**

Notes:

(1) Being the retail sales of existing outlets for the relevant financial year that were operating at the start of the financial year and were still operating at the end of the financial year. Existing outlets represent the number of outlets at the beginning of the financial year and includes new outlets opened during the previous financial year.

(2) Being the retail sales contributed by new outlets opened and operating during the financial year.

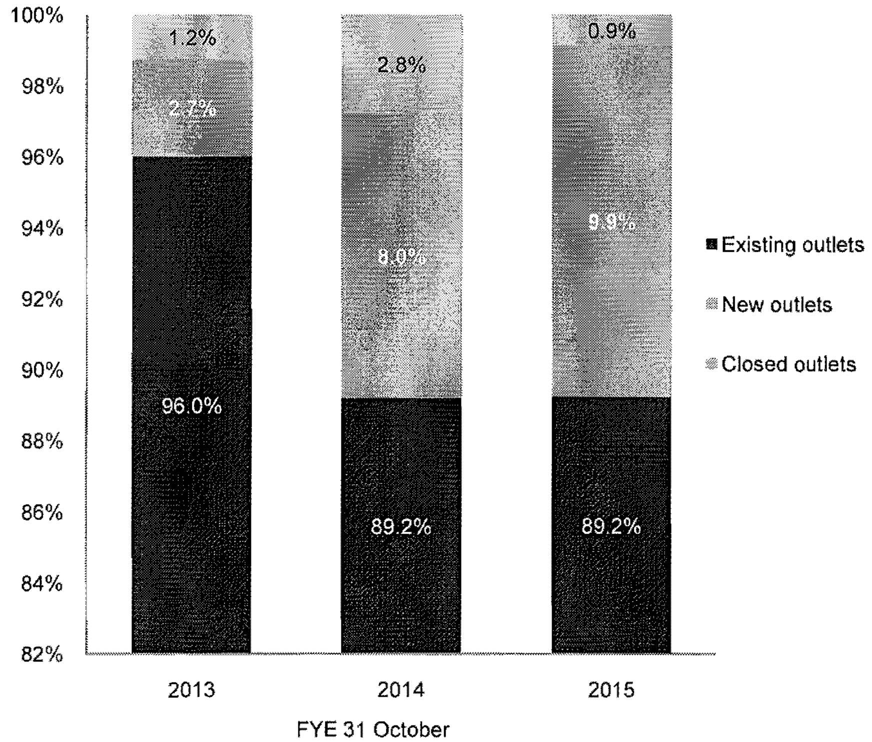
(3) Being the retail sales of outlets that were closed during the financial year due to expiry of lease, non-renewal of lease or closed due to poor performance.

The increase in the number of our outlets has generally been concentrated in urban retail localities. This growth can also be attributed to the increasing number of shopping malls and the growth of new residential and commercial areas within these localities.

Generally, our outlets experienced increasing sales during the first 3 years of operations and sales are expected to plateau after that when the outlets have reached maturity in customer awareness and share of foot traffic.

At the beginning of the FYE 31 October 2013, our Group operated 156 outlets. At the end of the FYE 31 October 2015, we had grown to a total of 229 outlets.

The chart below sets out the proportion of our consolidated revenue for the respective years contributed from existing outlets, new outlets and closed outlets:



During the financial periods under review, existing outlets contributed the largest proportion of revenue to our Group's consolidated revenue, averaging above 90%.

In terms of new outlets, revenue contributed for both the FYEs 31 October 2014 and 31 October 2015 were higher at 8.0% and 9.9%, respectively, as compared to the FYE 31 October 2013 due to the higher number of outlets opened in those financial years. Together with higher number of outlets opened, the increase in contribution from new outlets was also due to the opening of prime outlets at transportation hubs as well as in premium shopping malls that tend to draw higher foot traffic, lending to a generally higher number of transactions. Such prime outlets generally register high sales performance as compared to other outlets.

Average sales per outlet

The following table sets out our average consolidated retail sales per outlet for existing, new and closed outlets for the past 3 financial years:

	FYE 31 October		
Per Outlet	**2013**	**2014**	**2015**
	(RM'000)	**(RM'000)**	**(RM'000)**
Existing outlets	904.73	886.79	909.15
New outlets	239.06	343.19	462.51
Closed outlets	250.57	730.50[1]	206.25
All outlets[2]	*816.19*	*782.58*	*808.16*
Print media sales[3]	*184.41*	*131.53*	*87.81*
Other retail sales[4]	*631.77*	*651.05*	*720.35*

Notes:

(1) The higher average retail sales per closed outlet in the FYE 31 October 2014 is attributed largely to the revenue contribution of one outlet located at a premium shopping mall which was relocated to another area of the same shopping mall at the request of the property owner. The average retail sales per closed outlet for the FYE 31 October 2014 without taking into account this relocated outlet was RM289,942.

(2) Average retail sales per outlet is calculated based on the total retail sales over the total number of outlets in operations during the year (including outlets that have closed).

(3) Average print media sales per outlet is calculated based on the total print media retail sales (as set out above) for the year over the total number of outlets in operations during the year (including outlets that have closed).

(4) Average other retail sales per outlet is calculated based on the total retail sales (as set out above) less print media sales for the year over the total number of outlets in operations during the year (including outlets that have closed).

Our Group's average retail sales per outlet over the FYEs 31 October 2013 to 31 October 2015 were affected by the general decline in print media sales (where print media has generally higher price points as compared to other convenience products, save for tobacco). However, the effect of this decline to our Group's average retail sales per outlet was somewhat offset by the growth in the other retail sales.

The average retail sales per outlet declined by 4.1% from the FYE 31 October 2013 to 31 October 2014 due to lower sales contribution from the new outlets opened in the two preceding years. This lower sales contribution was due to the lack of prime outlet openings in those preceding financial years.

Another factor that contributed to the decline in the average retail sales per outlet for the FYE 31 October 2014 is the lower contribution of the 37 new outlets opened during the same financial year where such outlets are still growing and thus generate lower retail sales per outlet as compared to outlets that have been operating for longer periods. The low retail sales contributed by a disproportionately higher number of new outlets that operated for less than a year in the FYE 31 October 2014 had served to average down our Group's retail sales per outlet.

Our Group's average retail sales per outlet increased by 3.3% from the FYE 31 October 2014 to 31 October 2015 due largely to better sales performance of the 37 outlets opened during FYE 31 October 2014 and their full year contribution.

Taking into account same-store analysis for the 3 FYEs 31 October 2013 to 31 October 2015, there were 138 outlets that were in continuous operations throughout the same period. These outlets contributed retail sales of RM125.83 million for the FYE 31 October 2013, RM128.47 million for the FYE 31 October 2014 and RM129.39 million for the FYE 31 October 2015, representing a CAGR of 1.40%. In terms of average retail sales per outlet, this represented an amount of RM911,830, RM930,930 and RM937,580 per outlet for the FYEs 31 October 2013, 31 October 2014 and 31 October 2015, respectively.

12.4.2 Costs of sales

Our cost of sales consists of the costs of merchandise and products purchased and delivered to our Bison DC and those delivered directly by our suppliers to our outlets. For our consumer services, due to the nature of services which are non-product based, no costs of sales are reflected since they are commission-based. Except for a small number of merchandise (for example certain toy products) which are based on outright purchase terms, the majority of our purchases are conducted on a returnable basis.

For the category of advertising and promotions, there is no corresponding cost of sales as these are purely fee income to our Group based on merchandising fees, new products listings and product display incentives.

For products classified under others (as set out below), the cost of sales are made up of staff-related costs pertaining to the provision of management services to WH Smith Malaysia and the cost of ingredients and consumables for operating Bison Café.

The following table sets out our Group's cost of sales by product category during the past 3 financial years:

	FYE 31 October		
	2013	**2014**	**2015**
	(RM'000)	**(RM'000)**	**(RM'000)**
Merchandise[(1)]	101,010	117,287	140,015
Others	768	847	1,112
Sub-total	**101,778**	**118,134**	**141,127**
Purchases for related parties[(2)]	3,535	3,916	1,980
Total cost of sales	**105,313**	**122,050**	**143,107**

Notes:

(1) Comprises costs of sales for our product categories of tobacco, food and beverage, print media and non-food merchandise.

(2) Purchases for related parties are in respect of supplying products and merchandise to their own outlets. The said outlets operated by these related parties have been absorbed by our Group since April 2015 and June 2015, and the respective related parties are currently under voluntary winding up.

12.4.3 Gross profit and gross profit margin

The following table sets out a breakdown of our gross profit and their respective contribution to our consolidated gross profit during the past 3 financial years:

	Audited					
	FYE 31 October					
	2013		2014		2015	
	(RM'000)	%	(RM'000)	%	(RM'000)	%
Merchandise[1]	36,342	69.0	38,076	63.1	48,398	65.0
Consumer services	3,032	5.8	2,718	4.5	3,120	4.2
Advertising and promotions	11,343	21.5	16,881	28.0	18,532	24.9
Others[2]	1,848	3.5	2,600	4.3	4,343	5.8
Sub-total	**52,565**	**99.8**	**60,275**	**99.9**	**74,393**	**99.9**
Related parties[3]	84	0.2	84	0.1	46	0.1
Total gross profit	**52,649**	**100.0**	**60,359**	**100.0**	**74,439**	**100.0**

Notes:

(1) Comprises our product categories of tobacco, food and beverage, print media and non-food merchandise.

(2) Others comprises mainly of gross profit derived from the provision of management services to WH Smith Malaysia and the operations of the Bison Café as well as gross profits derived from Bison DC, sales rebates and incentives.

(3) Represents the margin of the billings for IT services for the outlets belonging to the related companies as described in Section 12.4.1(i) above.

The average gross margins that relate to our retail sales for the 3 FYEs up to 31 October 2015 are as follows:

	FYE 31 October		
	2013	2014	2015
Merchandise	26.5%	24.5%	25.7%
Consumer services	100.0%	100.0%	100.0%

(a) Merchandise

Tobacco

Gross profit for tobacco products was RM4.27 million, RM5.05 million and RM6.72, million representing 8.1%, 8.4% and 9.0% of the total gross profits for the FYEs 31 October 2013, 31 October 2014 and 31 October 2015 respectively.

The gross profit from our tobacco products increased by 18.3% (RM0.78 million) from the FYE 31 October 2013 to 31 October 2014. There was a further increase of 33.1% (RM1.67 million) from FYE 31 October 2014 to 31 October 2015.

The increase in gross profits over the 2 financial years is attributed to the increase in tobacco price and in the number of our retail outlets.

As the cost of sales for tobacco is the highest amongst our product categories, tobacco is the lowest gross profit margin contributor to our Group. The gross profit margin of tobacco sales over the 3 financial years under review ranged between 8.1% to 8.8%.

Food and beverage

The food and beverage product category is the highest gross profit contributor to our Group with RM19.95 million, RM21.58 million and RM30.77 million, representing 37.9%, 35.8% and 41.3% of the total gross profits for the FYEs 31 October 2013, 31 October 2014 and 31 October 2015 respectively. The gross profit margin of food and beverage sales over the 3 financial years under review ranged between 36.4% to 40.5%.

The gross profit from food and beverage category increased by 8.2% (RM1.63 million) from the FYE 31 October 2013 to 31 October 2014. There was a further increase of 42.6% (RM9.19 million) from the FYE 31 October 2014 to 31 October 2015.

The high gross profit contribution from food and beverage can be attributed to it being the second highest revenue source for our Group from the FYE 31 October 2013 to 31 October 2014 and the highest revenue source in the FYE 31 October 2015 together with having a high average gross profit margin as compared to our Group's other range of products.

Print media

Overall cost of sales for print media decreased year-on-year over the past 3 financial years due to the corresponding decrease in print media sales. However, the holding cost of print media stock is mitigated due to the stock being delivered on consignment basis.

Despite declining sales, gross profit for print media was RM9.74 million, RM8.36 million and RM6.66 million, representing 18.5%, 13.8% and 9.0% of the total gross profits for the FYEs 31 October 2013, 31 October 2014 and 31 October 2015 respectively.

The overall contribution of gross profit by print media declined by 14.1% (RM1.38 million) from the FYE 31 October 2013 to 31 October 2014. There was a further decline by 20.3% (RM1.70 million) from the FYE 31 October 2014 to 31 October 2015. The gross profit margin of print media sales over the 3 financial years under review ranged between 30.7% to 32.0%.

The decline in the proportion of print media's gross profit contribution is also due to growth from other product categories.

Non-food

The non-food category contributed RM2.38 million, RM3.08 million and RM4.24 million in gross profit, representing 4.5%, 5.1% and 5.7% of the total gross profits for the FYEs 31 October 2013, 31 October 2014 and 31 October 2015 respectively.

Gross profit from non-food increased by 29.4% (RM0.70 million) from the FYE 31 October 2013 to 31 October 2014 and a further increase by 37.6% (RM1.16 million) from the FYE 31 October 2014 to 31 October 2015. The gross profit margin of non-food sales over the 3 financial years under review ranged between 40.8% to 43.8%.

The increase in gross profit over the 2 financial years were due to the increase in the outlets offering this range and the increase in the range and variety of products offered at our outlets.

(b) Consumer services

Since consumer services are commission-based, the gross profit margins for our consumer services are 100%. Such commissions are derived from, amongst others, the WU Service and the electronic payment services such as reloads for mobile service providers and prepaid cards.

The commentary of our retail sales in connection with consumer services for the 3 FYEs 31 October 2013, 31 October 2014 and 31 October 2015 is set out in Section 12.4.1(i) above under "Revenue from our product categories, complementary income and related companies".

(c) Advertising and promotions

Similar to consumer services, advertising and promotions revenue has no cost component due to its nature as fee income. This fee income is derived from merchandising fee, display incentives and listing charges and does not directly correlate proportionately with our retail sales. As a result of this, advertising and promotion revenue has a 100% gross profit margin and is considered as complementary income by our Group.

The commentary of our complementary income in connection with advertising and promotions for the 3 FYEs 31 October 2013, 31 October 2014 and 31 October 2015 is set out in Section 12.4.1(i) above under "Revenue from our product categories, complementary income and related companies".

(d) Others

Gross profit from others is derived from the operations of our Bison Café, the provision of management services to WH Smith Malaysia and the fee income received for our Bison DC charges, sales rebate and incentives.

Gross profit from others was RM1.85 million, RM2.60 million, and RM4.34 million, representing 3.5%, 4.3% and 5.8% of the total gross profits for the FYEs 31 October 2013, 31 October 2014 and 31 October 2015 respectively.

The gross profit from the others increased by 40.7% (RM0.75 million) from the FYE 31 October 2013 to 31 October 2014. There was a further increase by 67.0% (RM1.74 million) from the FYE 31 October 2014 to 31 October 2015. The gross profit margin under this category over the 3 financial years under review ranged between 70.7% to 79.6%.

The higher gross profit contribution for the FYE 31 October 2014 as compared to the previous year was due to us being able to secure more structured and improved trading terms with higher target incentives and sales rebates with our product principals and suppliers. The improved terms resulted in higher back-end margin from leveraging on our Bison DC, where we increased centralisation of distribution services, supported by an overall higher number of outlets.

The increase in gross profit contribution in the FYE 31 October 2015 as compared to the FYE 31 October 2014 was due to the above in addition to the gross profit contribution by Bison Café of RM0.80 million.

12.4.4 Other income

The following table sets out our Group's other income during the past 3 financial years:

	Audited FYE 31 October		
	2013	**2014**	**2015**
	(RM'000)	**(RM'000)**	**(RM'000)**
Interest income	163	190	121
Insurance claims	6	11	54
Rental income	188	299	294
Others	11	12	21
Total other income	**368**	**512**	**490**

Interest income is derived from fixed deposit placements as well as short term placements with licensed banks and financial institutions. These include interest income from the RM0.60 million pledged for banking facilities.

Insurance claims are in respect of losses due to robberies and pilferage which were received during the financial years under review.

Rental income was derived from commercial properties held by Bison Stores, storage charges for WH Smith Malaysia's inventory in our Bison DC and rental from the ATM provider for the placement of ATM at our outlets.

Others consist of penalties charged to suppliers, one-off account opening fees, rebates on utilities payments, other miscellaneous charges, and dividends from quoted securities held by our Group.

12.4.5 Operating expenses and share of profits of associate

Our operating expenses are mainly made up of administration expenses, other expenses and finance costs. Share of profits of associate represents the share of profits from WH Smith Malaysia. The following table sets out a breakdown of our operating expenses and share of profits of associate during the past 3 financial years:

	Audited FYE 31 October		
	2013	**2014**	**2015**
	(RM'000)	**(RM'000)**	**(RM'000)**
Administration expenses	34,660	41,397	53,523
Other expenses	2,314	2,976	3,846
Finance costs	596	602	577
Total operating expenses	**37,570**	**44,975**	**57,946**
Share of profits of associate	36	302	727

Administration expenses

Our administrative expenses comprised of selling expenses, distribution expenses and HQ administrative expenses. The breakdown of the administration expenses for the past 3 financial years are set out in the table below:

	Audited		
	FYE 31 October		
	2013	**2014**	**2015**
	(RM'000)	**(RM'000)**	**(RM'000)**
Selling and distribution expenses	28,823	35,282	44,768
HQ administration expenses	5,837	6,115	8,755
Total administration expenses	**34,660**	**41,397**	**53,523**

Selling expenses are associated with the costs of operating our Group's outlets such as rental of outlets, outlet staff costs, utilities, insurance, office and IT equipment and furniture and fittings. Distribution expenses relate to expenses associated with the cost of maintenance of our Bison DC, fleet of lorries, logistics costs, staff costs, utilities and insurance.

Overall selling expenses and distribution expenses increased from RM28.82 million for the FYE 31 October 2013 to RM44.77 million for the FYE 31 October 2015. The increase was driven by higher operating expenditure incurred by our outlets, such as rental, outlet staff costs and utilities, which correspond with the increase in the number of new outlets over the past 3 financial years.

Rental for our outlets represents the largest component of our selling and distribution expenses. For the 3 FYEs up to 31 October 2015, rental for our outlets made up 43.0%, 43.3% and 42.2% respectively of our total selling and distribution expenses.

Outlet rental expenses increased by 23.3% (RM2.89 million) in the FYE 31 October 2014 whereas, the increase was 23.4% (RM3.58 million) in the FYE 31 October 2015. The increases were primarily due to the increase in the number of new outlets during the 2 FYEs 31 October 2014 and 31 October 2015 as compared to earlier financial years and the increase in rental rates for existing outlets during the same financial period.

The second largest component of our selling and distribution expenses is outlet staff costs. For the 3 FYEs up to 31 October 2015, outlet staff costs made up 30.0%, 30.0% and 29.1% respectively of our total selling and distribution expenses.

Staff costs under selling and distribution expenses increased by 21.1% (RM2.11 million) for the FYE 31 October 2014 as compared to the FYE 31 October 2013; and by 23.3% (RM2.82 million) for the FYE 31 October 2015 as compared to the FYE 31 October 2014.

Utilities form the third largest component of sales and distribution expenses. For the 3 FYEs up to 31 October 2015, utilities expenses made up 8.3%, 10.0% and 11.1% respectively of our total selling and distribution expenses.

Utilities increased by 47.1% (RM1.12 million) and 41.9% (RM1.47 million) in the FYEs 31 October 2014 and 31 October 2015 respectively.

The increase in both staff costs and utilities costs under our selling and distribution expenses can be directly attributed to the increase in the number of outlets during the relevant years.

HQ administration staff costs made up 73.1%, 75.8% and 71.9% of our HQ administration expenses for the FYEs 31 October 2013, 31 October 2014 and 31 October 2015 respectively. HQ administration staff is associated with merchandising, marketing, procurement, business development, internal control, human resource and finance and administrative functions of our Group. The other costs relating to HQ administration include expenses such as utilities, maintenance or rental of premises (other than outlets) and motor vehicles.

For the FYE 31 October 2015, HQ administration expenses increased by RM2.64 million (or approximately 43.2%) due to the increase in HQ staff cost by RM1.93 million from additional employees engaged during the financial year to cater for our future expansion plans and higher sales incentives for staff. The increase was also due to higher audit related fees and expenses (RM0.22 million), pilferage and robbery (RM0.19 million) and stamp duty fees relating to the Acquisitions (RM0.15 million).

Other expenses

Other expenses comprise depreciation, amortisation as well as the writing-off of PPE and trade bad debts. PPE is written off due to closure of outlets from poor performance or non-renewal of lease. For the FYEs 31 October 2014 and 31 October 2015, there was an increase of RM0.60 million and RM0.86 million in depreciation charges respectively, as compared to preceding respective financial years due to increased number of new outlets. In addition, for the same financial years above, there was also an increase of RM0.06 million and RM0.02 million respectively in write-off of PPE due to closure of outlets.

Finance costs

Our finance costs consist of interest charges on our term loans for our Bison DC and other commercial properties, and hire purchase for lorries and charges for bank guarantees issued to property owners as security deposits for the rental of their properties. The decrease in finance costs for the FYE 31 October 2015 is due to partial repayment of term loans and finance leases.

Share of profits of associate

The following table outlines the share of profits of our Group's associate, WH Smith Malaysia, during the past 3 financial years:

	Audited		
	FYE 31 October		
	2013	2014	2015
	(RM'000)	(RM'000)	(RM'000)
Share of profits of associate	36	302	727

The increase in share of profits of associate for the FYE 31 October 2014 as compared to the FYE 31 October 2013 is mainly due to the share of profits derived from WH Smith Malaysia.

The increase in the share of profits is attributable to the increase in the number of new "WHSmith" outlets and the growth in income generated from the same outlets, resulting in improved financial performance of WH Smith Malaysia. For the FYE 31 October 2013, WH Smith Malaysia's share of profits reflected the contributions from only 4 outlets. For the FYE 31 October 2014, it reflected contributions from the 8 outlets of which 4 outlets were opened between December 2013 to May 2014. The share of profits from WH Smith Malaysia increased in the FYE 31 October 2015, due to the full year contributions of the 4 outlets opened in the previous financial year.

12.4.6 Profit before taxation

	Audited		
	FYE 31 October		
	2013	2014	2015
	(RM'000)	(RM'000)	(RM'000)
PBT	21,639	16,279	17,702
PBT margin	13.7%	8.9%	8.1%

The gain on disposal of a landed property situated in Sungai Buloh, Selangor and a commercial property located in Petaling Jaya, Selangor contributed RM6.16 million of the RM21.64 million in PBT for the FYE 31 October 2013. Excluding this gain on disposal of the landed properties, the PBT and the PBT margin for the FYE 31 October 2013 are RM15.48 million and 9.8% respectively.

The PBT margin for the FYE 31 October 2014 was reduced to 8.9% as compared to the FYE 31 October 2013 as a result of:

(i) the increase in the proportion of tobacco sales which has the lowest gross profit margin relative to other products;

(ii) higher gross profit margin of food and beverage in the FYE 31 October 2013; and

(iii) lower commissions from the WU Service following from its cessation in April 2014 for 12 outlets and only 3 outlets recommenced the WU Service in August 2014.

PBT margin for the FYE 31 October 2015 was reduced further to 8.1% as compared to the FYE 31 October 2014 due primarily to the increase in HQ staff cost and higher HQ-related expenses incurred during the financial year, further details of which are set out in Section 12.4.5 under "Administration expenses".

12.4.7 Tax expense

Our tax expense comprise of current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination or items directly in equity or other comprehensive income.

	Audited		
	FYE 31 October		
	2013	2014	2015
	(RM'000)	(RM'000)	(RM'000)
Current income tax expense			
Current year	3,336	3,458	3,905
(Over) / under provision in prior year	(3)	(47)	140
	3,333	3,411	4,045
Deferred taxation			
Current year	332	300	278
Under / (over) provision in prior year	119	139	(131)
	3,784	**3,850**	**4,192**
Deferred tax related to net surplus on revaluation of land and buildings	-	451	-

The following sets out the reconciliation of income tax expense applicable to PBT at the Malaysian statutory tax rate of 25% to income tax expense at the effective tax rate of our Group:

	Audited		
	FYE 31 October		
	2013	**2014**	**2015**
	(RM'000)	**(RM'000)**	**(RM'000)**
PBT	**21,639**	**16,279**	**17,702**
Income tax at rate of 25%	5,409	4,069	4,425
- Non-allowable expense	360	347	426
- Effect of income subject to the tax rate of 20% for SME[(1)]	(82)	(94)	-
- Income not subject to tax	(2,015)	(564)	(654)
- (Over) / Under provision in prior year	(3)	(47)	140
- Deferred assets not recognised in prior year	(4)	-	-
- Utilisation of deferred assets not recognised in prior year	-	neg.	(14)
- Under / (over) provision of deferred tax liabilities in prior year	119	139	(131)
Tax expense for the year	**3,784**	**3,850**	**4,192**

Note:

(1) A SME is defined as a company with a paid-up capital in respect of ordinary shares of RM2.5 million and below at the beginning of the basis period for the relevant year of assessment.

12.4.8 Profit after taxation

	Audited		
	FYE 31 October		
	2013	**2014**	**2015**
	(RM'000)	**(RM'000)**	**(RM'000)**
PAT	17,855	12,429	13,510
PAT margin	11.3%	6.8%	6.2%

The growth in PAT (after adjusting for the gain on disposal as described in Section 12.4.6 above) during the relevant financial years under review is attributable to higher consolidated revenue over the 3 FYEs 31 October 2013 to 31 October 2015.

Excluding the gain on the disposal of the landed properties described in Section 12.4.6 above, the PAT and the PAT margin for the FYE 31 October 2013 are RM11.70 million and 7.4%, respectively.

The decline in PAT margin from the FYE 31 October 2014 to 31 October 2015 was as a result of the reasons described in Section 12.4.6 above.

12.4.9 Other comprehensive income, net of tax

For the FYE 31 October 2014, our Group undertook a revaluation exercise of its real estate properties comprising of 5 properties (including our Bison DC). The 5 properties were revalued at a revaluation gain of RM9.49 million above their net book value. Two of the properties were subsequently disposed resulting in the crystallisation of revaluation reserve amounting to RM0.48 million and taken up in our Group's retained earnings. The balance of RM8.56 million was taken up in our revaluation reserve after netting off tax effect of RM0.45 million. As a result, we recognised a total of RM9.04 million in the form of other comprehensive income.

12.5 Liquidity and capital resources

12.5.1 Working capital

Our working capital is funded through cash generated from our operating activities and credit lines as well as our existing cash and bank balances. As at 31 October 2015, we have unencumbered cash and bank balances amounting to RM6.42 million and the availability of a RM350,000 overdraft facilities under our existing lines of credit which has not been utilised. As at 31 October 2015, our working capital, defined as the difference between current assets and current liabilities was RM18.10 million.

Based on the above and after taking into consideration our funding requirements for capital commitments, and together with the estimated gross proceeds from the Public Issue of RM88.68 million, our Board believes that our working capital resources will be sufficient to meet our working capital requirements for at least 12 months following the date of this Prospectus.

Our future capital requirements may vary materially from those currently planned and will depend on many factors, among others, our future profitability, cash flows from operations, and the availability of borrowings under our bank facilities. We may need to raise capital in the future if our cash flows from operations and availability under our bank facilities are not adequate to meet our liquidity requirements.

12.5.2 Summary of statements of cash flows

The following table sets out a summary of our Group's consolidated statements of cash flows for the financial years indicated, and should be read in conjunction with the Accountants' Report in Section 13 of this Prospectus.

	Audited		
	FYE 31 October		
	2013	**2014**	**2015**
	(RM'000)	**(RM'000)**	**(RM'000)**
Net cash from operating activities	9,326	12,225	8,499
Net cash from / (used in) investing activities	1,038	(8,765)	(8,059)
Net cash used in financing activities	(9,959)	(4,290)	(2,108)
Net increase / (decrease) in cash and cash equivalents	**405**	**(830)**	**(1,668)**
Cash and cash equivalent at the beginning of the year	8,511	8,916	8,086
Cash and cash equivalent at the end of the year	**8,916**	**8,086**	**6,418**

Save as disclosed in Section 12.5.3 of this Prospectus, there is no legal, financial or economic restriction on the ability of our subsidiaries and associate to transfer funds to our Company in the form of cash dividends, loans or advances to meet the cash obligations of our Company.

(i) Net cash from operating activities

For the FYE 31 October 2015, we generated operating cash flows before working capital changes amounting to RM21.30 million. After accounting for key items set out below, our Group's net cash from operating activities was approximately RM8.50 million:

(a) RM5.97 million used to purchase inventories for new outlets opened during the year;

(b) RM8.53 million increase in trade and other receivables and RM5.82 million increase in trade and other payables due to the higher number of outlets; and

(c) RM4.23 million in net payment of tax.

For the FYE 31 October 2014, we generated operating cash flows before working capital changes amounting to RM19.28 million. After accounting for key items set out below, our Group's net cash from operating activities was approximately RM12.23 million:

(a) RM1.84 million decrease in trade and other receivables and RM4.54 million increase in trade and other payables due to the higher number of outlets;

(b) RM4.68 million used to purchase inventories for new outlets opened during the year; and

(c) RM3.62 million in net payment of tax.

For the FYE 31 October 2013, we generated operating cash flows before working capital changes amounting to RM18.21 million. After accounting for key items set out below, our Group's net cash from operating activities was approximately RM9.33 million:

(a) RM1.09 million used to purchase inventories for new outlets opened during the year;

(b) RM3.66 million increase in trade and other receivables and RM0.61 million decrease in trade and other payables as a result of the increase in number of outlets; and

(c) RM3.86 million in net payment of tax.

(ii) Net cash for investing activities

For the FYE 31 October 2015, we recorded net cash used in investing activities of approximately RM8.06 million comprising:

(a) RM7.69 million used to purchase PPE associated with the increase in the number of outlets including equipment and a lorry for our Bison DC;

(b) RM0.50 million for the additional investment in our associate (WH Smith Malaysia), based on our shareholdings via conversion of debt into equity; and

(c) partially offset by RM0.13 million in interest income from fixed deposit placements with licensed banks and financial institutions and proceeds from the disposal of equipments from the closure of outlets.

For the FYE 31 October 2014, we recorded net cash used in investing activities of approximately RM8.77 million comprising:

(a) RM9.00 million used to purchase PPE associated with the increase in the number of outlets including equipment and motor vehicles for our Bison DC; and

(b) partially offset by RM0.30 million in interest income from fixed deposit placements with licensed banks and financial institutions and proceeds from the disposal of equipments from the closure of outlets and motor vehicles.

For the FYE 31 October 2013, we recorded net cash from investing activities of approximately RM1.04 million comprising:

(a) RM9.14 million received from the disposal of landed properties;

(b) RM0.16 million interest income from fixed deposit placed with licensed banks and financial institutions; and

(c) offset by RM8.07 million used to purchase PPE associated with the expansion of new outlets.

(iii) Net cash used in financing activities

For the FYE 31 October 2015, our Group recorded net cash used in financing activities of approximately RM2.11 million comprising:

(a) RM1.61 million in payment of term loan, interest and finance lease; and

(b) RM0.50 million in dividend payments.

For the FYE 31 October 2014, our Group recorded net cash used in financing activities of approximately RM4.29 million comprising:

(a) RM0.82 million in payment of term loan interest and finance lease;

(b) RM5.00 million in dividend payments; and

(c) partially offset by the receipt of RM1.53 million in term loan and finance lease drawdown.

For the FYE 31 October 2013, our Group recorded net cash used in financing activities of approximately RM9.96 million comprising:

(a) RM3.26 million in payment of interest, term loan and finance lease; and

(b) RM6.70 million in dividend payments.

12.5.3 Borrowings

Our Group's total outstanding borrowings, all of which are interest-bearing and RM-denominated, as at 31 October 2015 are as follows:

Statement of total outstanding borrowings	Interest Rate Terms	Audited Outstanding as at 31 October 2015 (RM'000)
Current:		
Secured Term Loans	4.55% to 5.63%	1,266
Secured Finance Leases	2.31% to 3.90%	194
		1,460
Non-Current:		
Secured Term Loans	4.55% to 5.63%	8,276
Secured Finance Leases	2.31% to 3.90%	471
		8,747
Total borrowings		**10,207**

We obtain our borrowings from various Malaysian financial institutions. Our term loans are mainly arranged to finance acquisitions by our Group and are secured by a number of our Group's real properties and certain directors' personal guarantees.

In respect of one term loan granted to Bison Stores, one of its financing covenants stipulates that Bison Stores shall not declare, pay or make any dividend or bonus issue or other distribution whether of an income or capital nature and whether in cash or in other form for an amount more than 50% of its net PAT for the respective financial year, without the prior written consent of the lender.

Our finance leases are secured against the assets financed, namely the 7 units of lorry and 1 unit of passenger car.

(The rest of this page has been intentionally left blank)

The maturity profile based on the contractual undiscounted repayment obligation of our total borrowings as of the dates indicated is as follows:

	Audited		
	FYE 31 October		
	2013	**2014**	**2015**
	(RM'000)	**(RM'000)**	**(RM'000)**
Term Loans			
Within 1 year	1,433	1,740	1,741
1 to 2 years	1,422	1,730	1,740
2 to 5 years	4,194	5,117	5,221
More than 5 years	3,731	5,331	2,741
Total contractual cash flow	**10,780**	**13,918**	**11,443**
Total carrying amount	**8,806**	**10,335**	**9,542**

	Audited		
	FYE 31 October		
	2013	**2014**	**2015**
	(RM'000)	**(RM'000)**	**(RM'000)**
Finance Leases			
Within 1 year	239	267	255
1 to 2 years	267	538	207
2 to 5 years	226	62	264
More than 5 years	-	-	-
Total contractual cash flow	**732**	**867**	**726**
Total carrying amount	**661**	**784**	**665**
Total carrying amount of Term Loans and Finance Leases	**9,467**	**11,119**	**10,207**
Gearing ratio[(1)]	0.30	0.26	0.18

Note:

(1) Computed based on total interest-bearing borrowings over total shareholders' equity of our Group.

Our Group has not defaulted on payments of interest or principal sums on any of our borrowings throughout the FYE 31 October 2015 and up to the LPD.

Furthermore, our Group is not in breach of any terms and conditions or covenants associated with the credit arrangements or borrowings which can materially affect our Group's financial position and results or business operations.

12.5.4 Financial instruments

Financial instruments, from an accounting perspective, may include investments, short term funds, borrowings, trade and other receivables, amount due from and due to related companies, trade and other payables as shown on our consolidated statements of financial position. The abovementioned financial instruments are used in our Group's ordinary course of business.

As at the LPD, our Group does not use any financial instrument for hedging purposes.

12.5.5 Material commitments for capital expenditure

(i) Historical capital expenditures

The following sets out our capital expenditure incurred over the financial years / period indicated.

	FYE 31 October			From 1 November 2015 to LPD
	2013	2014	2015	
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Land and building	1,868	2,036	411	-
Motor vehicles	651	482	169	-
Outlets[(1)]	3,146	6,277	6,510	2,510
Head Office	1,025	544	717	13
Warehouse	1,795	-	-	13
Total	**8,485**	**9,339**	**7,807**	**2,536**

Note:

(1) Being the expenditure related to the opening of new outlets and associated renovation costs, including the costs of refurbishment, replacement and addition of equipments, fittings and fixtures to aged outlets.

The majority of our capital expenditure relates to the expenses incurred to open new outlets, for which we incur expenses primarily relating to the design and renovations to the fit-out of the outlets. Such renovations include the design of the outlet layout, fitting-out according to design such as tiling, painting, installation of wall panels, glass panels, counter top, electrical fixtures and fittings.

Refurbishment costs are associated with the redesign, painting and replacement of old fixtures. The cost per outlet will depend on the layout, size and location of the outlets.

(ii) Planned capital expenditures

Our Group's planned capital commitments as at the LPD for new outlets and refurbishment of outlets amounted to RM639,000.

Other than the above, there are no material capital commitments incurred or known to be incurred by us that have not been provided for which, upon becoming enforceable, may have a material impact on our financial results or financial position.

We expect to meet our material commitments through our cash and cash equivalents on hand, as well as cash generated from future operations and funding from other financing activities (if required) as well as RM50.00 million from the proceeds from the Public Issue.

12.5.6 Operating lease commitments

Our non-cancellable lease commitments in respect of rental of premises that are mostly our retail outlets are as follows:

	As at the LPD RM'000
Non-cancellable lease commitments	
- Not later than one year	15,399
- Later than one year but not later than 5 years	12,652
Total	**28,051**

12.5.7 Off-balance sheet arrangements

We do not have any off-balance sheet arrangements which are reasonably likely to have a material effect on our results of operations or our financial condition.

12.5.8 Material litigation

Neither our Company nor our subsidiaries and associate, in the 12 months immediately preceding the date of this Prospectus have been engaged in any governmental, legal, litigation or arbitration proceedings including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material or significant effects on our financial position or profitability.

12.5.9 Contingent liabilities

As at the LPD, there are no contingent liabilities which, upon becoming enforceable, may have a material impact on our results of operations or financial condition.

12.5.10 Material acquisitions and divestitures

Save as disclosed in Section 15.6 of this Prospectus, there has not been any material acquisitions and divestitures undertaken by our Group for the FYEs 31 October 2013, 31 October 2014 and 31 October 2015.

12.5.11 Key financial ratios

The following table sets forth certain key financial ratios of our Group based on the consolidated financial statements of our Group for the financial years indicated:

	FYE 31 October		
	2013	**2014**	**2015**
Trade receivables turnover period (days)	65.4	15.8	67.8
Trade payables turnover period (days)	40.2	42.3	52.5
Inventory turnover period (days)	38.1	45.5	53.3
Current ratio (times)	1.49	1.40	1.55
Gearing ratio (times)	0.30	0.26	0.18

(i) Trade receivables turnover period

	FYE 31 October		
	2013	**2014**	**2015**
	(RM'000)	**(RM'000)**	**(RM'000)**
Trade receivables[(1)]	2,309	839	4,169
Revenue from sales incentives, rebates, rental of space, and advertising and promotional activities	12,884	19,351	22,459
Trade receivables turnover period (days)[(2)]	65.4	15.8	67.8

Notes:

(1) Closing trade receivables for the respective financial year.

(2) Trade receivables multiplied by 365 days in the relevant period over total revenue from sales incentives, rebates, rental of space, and advertising and promotional activities.

Due to the nature of our trading terms, we invoice our suppliers for target incentives, sales rebates, volume discount, display incentives, prompt payment discount, Bison DC charges, rental of space and other advertising and promotional activities. We recognise certain incentives, discount or rebates based on a given set of criteria which had been fulfilled in accordance to our trading agreements. These are invoiced and will be set off against payments to these suppliers on the following month basis. For those incentives such as target incentives that is only recognised upon completion of a pre-determined period, our Group recognise such incentive only upon completion and fulfilment of the said criteria giving rise to the incentive being payable.

The amount outstanding in our trade receivables set out above are from such sales incentives, rebates, rental of space, and advertising and promotional activities that we charge to some of our suppliers and product principals. The terms for these receivables are based on our trading terms with suppliers and typically range from 30 days to 45 days after the invoice date.

The trade receivables as at 31 October 2013 and 31 October 2015 included those from tobacco product suppliers, which was subsequently received in November 2013 and November 2015, respectively. Excluding the amount received from tobacco product suppliers of RM1.77 million (as at 31 October 2013) and RM3.20 million (as at 31 October 2015), the Group's trade receivables turnover period would have been 15.4 days for the FYE 31 October 2013 and 15.7 days for the FYE 31 October 2015.

(The rest of this page has been intentionally left blank)

(ii) Trade payables turnover period

	FYE 31 October		
	2013	2014	2015
	(RM'000)	(RM'000)	(RM'000)
Trade payables[(1)]	11,719	14,683	21,446
Total purchases[(2)]	106,398	126,731	149,078
Trade payables turnover period (days)[(3)]	40.2	42.3	52.5

Notes:

(1) Closing trade payables for the respective financial year.

(2) Total purchases are computed based on the cost of sales plus change in opening and closing in inventory for the period.

(3) Tade payables multiplied by 365 days in the relevant period over total purchases.

Our trade payables are amounts owing to our suppliers in connection with our purchase of products and merchandise. The credit terms generally granted by our suppliers range from 30 to 90 days after the invoice date, except for tobacco products and print media, which credit terms range from 7 to 14 days and 30 to 150 days, respectively.

Our trade payables turnover period for the 3 FYEs 31 October 2013, 31 October 2014 and 31 October 2015 was within our Group's credit range.

(iii) Inventory turnover period

	FYE 31 October		
	2013	2014	2015
	(RM'000)	(RM'000)	(RM'000)
Inventories[(1)]	11,103	15,784	21,755
Total purchases[(2)]	106,398	126,731	149,078
Inventory turnover period (days)[(3)]	38.1	45.5	53.3

Notes:

(1) Closing inventories for the respective financial year.

(2) Total purchases are computed based on the cost of sales plus change in opening and closing in inventory for the period.

(3) Inventories multiplied by 365 days in the relevant period over total purchases.

The inventory turnover period for the FYEs 31 October 2013 to 31 October 2015 had progressively increased due to the expansion in the number of our Group's outlets. The increase in the number of outlets had required our Group to hold higher inventories to support the wider network of outlets.

(iv) Current ratio

	FYE 31 October		
	2013	2014	2015
	(RM'000)	(RM'000)	(RM'000)
Current assets	36,797	38,858	51,190
Current liabilities	24,633	27,820	33,094
Current ratio (times)[(1)]	1.49	1.40	1.55

Note:

(1) Computed based on current assets over current liabilities.

The current ratio of 1.49 times for the FYE 31 October 2013 is due to the increase in:

(i) trade receivables from tobacco products suppliers as described in Section 12.5.11(i) above;

(ii) other receivables from higher security deposits paid for new tenancies;

(iii) inventory from the expansion of outlets; and

(iv) cash and bank balances.

The current ratio reduced marginally for the FYE 31 October 2014 as compared to the FYE 31 October 2013 due to the increase in trade and other payables compared to previous financial year.

The higher current ratio of 1.55 times in the FYE 31 October 2015 as compared to the previous financial year was due to the increase in:

(i) inventory from the expansion of outlets;

(ii) trade receivables from tobacco products suppliers as described in Section 12.5.11(i) above; and

(iii) other receivables due to increase in deposits and from higher security deposits paid for new tenancies, prepayments relating to listing expenses and others.

(v) Gearing ratio

	FYE 31 October		
	2013	2014	2015
	(RM'000)	(RM'000)	(RM'000)
Total borrowings	9,467	11,119	10,207
Shareholders' equity	31,943	42,489	55,499
Gearing ratio[(1)]	0.30	0.26	0.18

Note:

(1) Computed based on total interest-bearing borrowings over total shareholders' equity of our Group.

Our gearing ratio decreased from 0.30 times as at 31 October 2013 to 0.26 times as at 31 October 2014 due to the partial repayment of our borrowings, including the increase of our shareholders' equity from the revaluation of our properties under revaluation reserves.

Our gearing ratio decreased further from 0.26 times as at 31 October 2014 to 0.18 times as at 31 October 2015 due to further repayment of our borrowings, and the increase of our retained earnings for the FYE 31 October 2015.

(vi) Aging analysis

Trade receivables

Our Group's trade receivables as at 31 October 2015 stood at RM4.17 million and the following table sets out the ageing of our trade receivables:

	Within credit terms	Not more than 30 days overdue	Between 31 to 90 days overdue	More than 90 days overdue
Trade receivables (RM'mil)	RM3.77	RM0.10	RM0.16	RM0.14
% of total receivables	90.4%	2.4%	3.8%	3.4%

As at the LPD, save for RM68,530, all the overdue receivables above have been fully received.

Trade payables

Our Group's trade payables as at 31 October 2015 stood at RM21.45 million and the following table sets out the ageing of our trade payables:

	Within credit terms	Not more than 30 days overdue	Between 31 to 90 days overdue	More than 90 days overdue
Trade payables (RM'mil)	RM15.69	RM3.59	RM0.81	RM1.36
% of total payables	73.2%	16.7%	3.8%	6.3%

The outstanding trade payables which are beyond credit terms above comprise of payments which have been delayed pending clearance of discrepancies, especially for periodicals (print media) with monthly overdue returns that need to be reconciled before settlement of any outstanding amount.

As at the LPD, save for RM134,215, all the overdue amounts indicated above have been fully settled.

(The rest of this page has been intentionally left blank)

12.5.12 Financial risk management objectives and policies

We are exposed to certain financial risks that arise in our normal course of business, such as credit risk, liquidity risk and market risk. We have implemented risk management policies and guidelines that set out our tolerance for risk and our general risk management philosophy. Accordingly, we have established a framework and process to monitor the exposures to implement appropriate measures in a timely and effective manner.

(i) Credit risk

Credit risk may arise from the default of a counter party on trade and sundry receivables and also financial institutions in which we placed our financial assets. To mitigate the risk of a counterparty default, we monitor the receivables balances on an ongoing basis to ensure they are within the prescribed limits. In term of financial assets, we spread our risks by dealing with a few parties who are highly credit rated as well. The total credit risk that we are exposed is the carrying amount of financial assets at the end of each reporting period in our statements of financial position.

(ii) Liquidity risk

Liquidity risk may arise if we are unable to settle our financial obligations when they are due and the mismatch of our trade payables and trade receivables. We manage this risk by varying the maturities of our borrowings through long term and short term borrowings to balance between the costs of borrowings and liquidity position.

(iii) Market risk

Market risk may arise if the prices of our inventory increase due to the fluctuation or depreciation of our currency which might result in an increase in the costs of goods and we might not be able to pass on to our customers. Other market risk may also arise due to the global increase in commodity prices which will indirectly flow through to the final cost of goods that we sell through our outlets. We try to manage this risk by making sure that our inventories are sourced from local production to lower costs as much as possible to mitigate the risks associated with fluctuation in our currency and commodity price increase.

(The rest of this page has been intentionally left blank)

12.6 Capitalisation and indebtedness

The table below sets out the deposits, cash and bank balances as well as capitalisation and indebtedness of our Group based on the unaudited consolidated statements of financial position of our Group as at 31 January 2016 and on a pro forma basis, giving effect to the completion of our IPO and the utilisation of proceeds having occurred on 31 January 2016. The pro forma financial information below does not represent our Group's actual capitalisation and indebtedness as at 31 January 2016 and is provided for illustration purposes only.

	Unaudited Consolidated Financial Statements	Pro forma
	31 January 2016	After IPO and utilisation of proceeds
	(RM'000)	(RM'000)
Cash and cash equivalents[1]	**7,330**	**39,562**[2]
Indebtedness		
Short term borrowings		
- Term loans (secured)	1,283	1,283
- Finance lease liabilities (secured)	216	216
	1,499	**1,499**
Long term borrowings		
- Term loans (secured)	7,949	7,949
- Finance lease liabilities (secured)	389	389
	8,338	**8,338**
Total indebtedness[3]	**9,837**	**9,837**
Total shareholders' equity / capitalisation	61,270	143,502
Total capitalisation and indebtedness	**71,107**	**153,339**
Gearing ratio (times)[4]	0.16	0.07

Notes:

(1) Cash and cash equivalents comprise of short term deposits with licensed banks, cash and bank balances less short term deposits pledged to licensed banks.

(2) Comprised adjustments for gross proceeds from our Public Issue of RM88.68 million less utilisation for capital expenditure of RM50.00 million and estimated listing expenses of RM6.45 million.

(3) Total indebtedness includes short term and long term borrowings.

(4) Computed based on total indebtedness (as computed in note (3) above) divided by total shareholders' equity.

12.7 Treasury policies

We have been financing our operations and growth through a combination of cash generated from operations, share capital and credit from suppliers. In addition, our external sources of funds comprise mainly secured long term and short term bank borrowings. Details of our borrowings are set out in Section 12.5.3 of this Prospectus.

We have short term and long term bank borrowings facilities available to our Group. Our short term bank borrowings comprise mainly hire purchases, term loans and trade facilities which are used mainly to finance working capital, purchases and to defray other expenses such as staff salaries and allowances, sales and marketing expenses, purchase and upkeep of equipment, transportation and travelling expenses. The interest rates for our short term bank borrowings are based on the prevailing base financing rate or cost of fund plus a margin agreed upon by our bankers when the respective loans / financings were granted.

Our long term bank borrowings are mainly hire purchases and term loans, obtained to finance capital expenditure. The interest rates for our long term bank borrowings are based on the prevailing base financing rate or cost of fund plus a margin agreed upon by our bankers when the respective loans / financings were granted.

Our Group does not generally hedge interest rate risks. Hedging of risks through the use of financial instruments may be adopted should its use result in significant cost savings. It is the policy of our Group to seek the most competitive interest rates from the various financial institutions.

Our Group operates wholly within Malaysia and we conduct our operations in RM. As such, our Group is not exposed to foreign exchange risk. Accordingly, we do not have any hedging policies and we have not entered into any forward contracts in respect of any foreign exchange exposure. Our cash and cash equivalents are maintained in RM.

12.8 Inflation

Our Group is of the view that the current inflation rate does not have a material impact on our business, financial condition or results of our operation. However, any significant increase in future inflation rate may adversely affect our Group's operations and performance insofar we are unable to pass on the higher cost to our customers through increased selling prices or other fees charged to our customers for services provided by our Group.

12.9 Government / economic / fiscal / monetary policies

Risks relating to government, economic, fiscal or monetary policies or factors which may materially affect our Group's operations, are set out in Section 5 of this Prospectus.

12.10 Order book

Due to the nature of our business which is primarily as a retailer of print media and convenience products, an order book is not applicable to us.

12.11 Prospects and trends

The results of our Group's operations for the FYE 31 October 2016 have so far been and/or are expected to be mainly influenced by the significant factors affecting our Group's operating and financial results as described in Section 12.3 of this Prospectus. Except as disclosed in Section 12, the IMR Report set out in Section 8 and the "Risk factors" set out in Section 5 of this Prospectus, our Directors confirm to the best of their knowledge and belief after due enquiry, there are no:

(i) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have a material favourable or unfavourable impact on our financial performance, position and operations;

(ii) material commitment for capital expenditure save as disclosed in Section 12.5.5 of this Prospectus;

(iii) unusual, infrequent events or transactions or any significant economic changes that have materially affected our financial performance, position and operations;

(iv) known trends, demands, commitments, events or uncertainties that had resulted in a material impact on our revenue and/or profits save for the future plans and strategies as set out in Section 7.3.4 of this Prospectus;

(v) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our historical financial statements not indicative of the future financial performance and position; and

(vi) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have, a material favourable or unfavourable impact on our liquidity and capital resources.

12.12 Dividend policy

As we are a holding company, our Company's income, and therefore our ability to pay dividends, depends upon the dividends we receive from our subsidiaries. The payment of dividends by our subsidiaries will depend upon their distributable profits, operating results, financial condition, capital expenditure plans and other factors that their respective boards of directors deem relevant.

Presently, our Company does not have any formal dividend policy. However, it is the intention of our Board to allow our shareholders to participate in the profits of our Group, as well as to retain adequate reserves for our future growth. For the past 3 FYEs 31 October 2013, 31 October 2014 and 31 October 2015, our Group had declared and distributed dividends amounting to RM6.70 million, RM10.92 million (including dividends-in-specie of RM5.92 million) and RM0.50 million respectively.

When recommending the actual dividends for approval by shareholders or when declaring any interim dividends, our Board will consider, amongst others:

(i) our anticipated future operating conditions as well as future expansion, capital expenditure and investment plans;

(ii) our operating cash flow requirements and financing commitments;

(iii) our expected financial performance including return on equity and retained earnings;

(iv) the availability of adequate reserves and cash flows;

(v) any restrictive covenants contained in our current and future financing arrangements; and

(vi) any material impact of tax laws and regulatory requirements.

However, investors should note that the intention to recommend dividends mentioned above should not be treated as a legally binding obligation on our Company to do so. Any declaration and payment of dividends in the future will be at the discretion of our Board and any final dividends proposed are subject to our shareholders' approval. There is no assurance on whether the dividend distributions will occur as intended, the amount of dividend payment or timing of such payments. No inference should or can be made from any of the statements above as to our actual future profitability or our ability to pay dividends in the future.

12.13 Pro forma consolidated statements of financial position

Presented below are the consolidated statements of financial position of our Group as at 31 October 2015 based on the following:

(i) The audited consolidated statements of financial position of our Group as at 31 October 2015 as presented in the Accountants' Report in Section 13 of this Prospectus: and

(ii) On a pro forma basis, giving effect to the completion of our IPO and Public Issue with the receipt of a gross proceeds of RM88.68 million based on the Institutional Price and the Final Retail Price of RM1.10 per IPO Share and the utilisation of such proceeds as described under Section 12.14 of this Prospectus, as if all such transactions had occurred on 31 October 2015.

The pro forma consolidated statements of financial position has been prepared on the basis set out in the notes in Section 12.14 of this Prospectus, using our audited consolidated statements of financial position prepared in accordance with MFRS and IFRS, and in the manner consistent with both the format of the financial statements and the accounting policies of our Group.

The pro forma consolidated statements of financial position should be read in conjunction with the Reporting Accountants' letter as set forth in Section 12.14 of this Prospectus.

	Audited Consolidated Financial Statements	**Pro forma**
	31 October 2015	**After IPO and utilisation of proceeds**
	(RM'000)	**(RM'000)**
Non-Current Assets		
PPE	46,679	96,679
Intangible asset	6	6
Investment in associate	1,568	1,568
Other investment	5	5
Total non-current assets	**48,258**	**98,258**
Current Assets		
Inventories	21,755	21,755
Trade receivables	4,169	4,169
Other receivables	16,989	16,989
Amount due from associate	1,244	1,244
Amount due from related parties	1	1
Tax recoverable	16	16
Short term deposits with licensed banks	925	925
Cash and bank balances	6,092	38,324
Total current assets	**51,191**	**83,423**
TOTAL ASSETS	**99,449**	**181,681**
Equity		
Share capital	45,890	62,014
Share premium	-	67,780
Retained earnings	47,000	45,328
Revaluation reserve	8,561	8,561

	Audited Consolidated Financial Statements	Pro forma
	31 October 2015	After IPO and utilisation of proceeds
	(RM'000)	(RM'000)
Merger deficit	(45,952)	(45,952)
Total equity	**55,499**	**137,731**
Non-current liabilities		
Bank borrowings	8,276	8,276
Finance lease liabilities	471	471
Deferred tax liabilities	2,108	2,108
Total non-current liabilities	**10,855**	**10,855**
Current liabilities		
Trade payables	21,446	21,446
Other payables	9,600	9,600
Amount due to related parties	131	131
Amount due to a director	5	5
Bank borrowings	1,266	1,266
Finance lease liabilities	194	194
Tax payables	453	453
Total current liabilities	**33,095**	**33,095**
TOTAL LIABILITIES	**43,950**	**43,950**
TOTAL EQUITY AND LIABILITIES	**99,449**	**181,681**
Number of ordinary shares ('000)	229,450	310,070
NTA (RM'000)	55,493	137,725
NTA per ordinary share (RM)	0.24	0.44

(The rest of this page has been intentionally left blank)

12.14 Reporting Accountants' letter on the pro forma consolidated statements of financial position

GrantThornton

An instinct for growth™

REPORTING ACCOUNTANTS' LETTER ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Prepared for inclusion in the Prospectus)

SJ Grant Thornton (AF:0737)
Level 11 Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
T +603 2692 4022
F +603 2691 5229
www.gt.com.my

22 February 2016

The Board of Directors
BISON CONSOLIDATED BERHAD
258-259, Jalan KIP 4,
KIP Industrial Park,
52200 Kuala Lumpur
Malaysia

Dear Sirs,

BISON CONSOLIDATED BERHAD ("BISON" or "THE COMPANY") AND ITS SUBSIDIARIES ("BISON GROUP" or "THE GROUP")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

We have reviewed the Pro forma Consolidated Statements of Financial Position of the Bison Group as at 31 October 2015, together with the notes and assumptions thereto, as set out in the accompanying statements, which we have stamped for the purpose of identification, in connection with the initial public offering ("Public Issue") and the listing of and quotation for the entire enlarged issued and paid-up share capital of Bison on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Pro forma Consolidated Statements of Financial Position have been prepared solely for the purpose of inclusion in the Prospectus ("Prospectus") to illustrate the impact of the events or transactions as set out in Note 3 to the Pro forma Consolidated Statements of Financial Position.

The Pro forma Consolidated Statements of Financial Position have been prepared for illustration purpose only and because of its nature, does not give a true picture of the Group's actual financial position had the transactions and events occurred on 31 October 2015. Further, such information does not purport to predict the Group's future financial position.

Directors' Responsibility for the Pro forma Consolidated Statements of Financial Position

It is the sole responsibility of the Directors of Bison to prepare the Pro forma Consolidated Statements of Financial Position in accordance with the requirements of the Prospectus Guidelines issued by the Securities Commission Malaysia ("Prospectus Guidelines") and on the basis set out in Note 1 of the Pro forma Consolidated Statements of Financial Position attached herein.

Reporting Accountants' Responsibilities

Our responsibility is to form an opinion as required by the Prospectus Guidelines on the Pro forma Consolidated Statements of Financial Position and our report is given to you solely for this, and no other purpose. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of Pro forma Financial Information included in a prospectus issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors of Bison have compiled the Pro forma Consolidated Statements of Financial Position on the basis of the applicable criteria.

GrantThornton
An instinct for growth™

Reporting Accountants' Responsibilities (cont'd)

In providing this opinion, we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro forma Consolidated Statements of Financial Position, nor do we accept responsibility for such reports or opinions beyond that is owed to those to whom those reports or opinions were addressed by us at the date of their issue.

Our work, which involved no independent examination of any of the underlying financial information, is primarily to compare the Pro forma Consolidated Statements of Financial Position with the Audited Consolidated Statements of Financial Position, a summary of significant accounting policies and other explanatory notes of the Bison Group ("Audited Consolidated Financial Statements"), considering the evidence supporting the adjustments and discussing the Pro forma Consolidated Statements of Financial Position with the Directors of Bison.

Reporting Accountants' Opinion

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the Pro forma Consolidated Statements of Financial Position together with the accompanying notes which are provided solely for illustration purpose only,

(a) have been properly compiled on a basis of preparation as stated in the notes thereto and in a manner consistent with both the format of the financial statements and the accounting policies adopted by the Bison Group in the Audited Consolidated Financial Statements; and

(b) the adjustments are appropriate for the purposes of the Pro forma Consolidated Statements of Financial Position.

This letter is not to be reproduced, referred to in any other document, or used or relied upon for any other purpose without our prior written consent.

Yours faithfully,

SJ GRANT THORNTON
NO. AF: 0737
CHARTERED ACCOUNTANTS

NG CHEE HOONG
Approval Number: 2278/10/16 (J)
Chartered Accountant

BISON CONSOLIDATED BERHAD AND ITS SUBSIDIARIES
(Company No: 1039846-T)
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND THE NOTES THEREON

The Pro forma Consolidated Statements of Financial Position of the Bison Group as at 31 October 2015 as set out below are provided for illustrative purpose only to show the effects of the transactions and events as mentioned in Note 3 to the Pro forma Consolidated Statements of Financial Position on the assumption that these transactions and events were completed on 31 October 2015.

	Note	Audited Consolidated Financial Statements 31 October 2015 RM'000	Pro forma I RM'000	Pro forma II RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	4	46,679	46,679	96,679
Intangible asset		6	6	6
Investment in associate		1,568	1,568	1,568
Other investments		5	5	5
Total non-current assets		48,258	48,258	98,258
Current assets				
Inventories		21,755	21,755	21,755
Trade receivables		4,169	4,169	4,169
Other receivables		16,989	16,989	16,989
Amount due from associate		1,244	1,244	1,244
Amount due from related parties		1	1	1
Tax recoverable		16	16	16
Short term deposits with licensed banks		925	925	925
Cash and bank balances	5	6,092	94,774	38,324
Total current assets		51,191	139,873	83,423
TOTAL ASSETS		99,449	188,131	181,681

Stamped for the purpose of identification on:
22 FEB 2016
SJ Grant Thornton

BISON CONSOLIDATED BERHAD AND ITS SUBSIDIARIES
(Company No: 1039846-T)
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND THE NOTES THEREON (Cont'd)

	Note	Audited Consolidated Financial Statements 31 October 2015 RM'000	Pro forma I RM'000	Pro forma II RM'000
EQUITY AND LIABILITIES				
Equity				
Share capital	6	45,890	62,014	62,014
Share premium	7	-	72,558	67,780
Retained earnings	8	47,000	47,000	45,328
Revaluation reserve		8,561	8,561	8,561
Merger deficit		(45,952)	(45,952)	(45,952)
Total equity		55,499	144,181	137,731
Non-current liabilities				
Bank borrowings		8,276	8,276	8,276
Finance lease liabilities		471	471	471
Deferred tax liabilities		2,108	2,108	2,108
Total non-current liabilities		10,855	10,855	10,855

BISON CONSOLIDATED BERHAD AND ITS SUBSIDIARIES
(Company No: 1039846-T)
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND THE NOTES THEREON (Cont'd)

	Note	Audited Consolidated Financial Statements 31 October 2015 RM'000	Pro forma I RM'000	Pro forma II RM'000
Current liabilities				
Trade payables		21,446	21,446	21,446
Other payables		9,600	9,600	9,600
Amount due to related parties		131	131	131
Amount due to a director		5	5	5
Bank borrowings		1,266	1,266	1,266
Finance lease liabilities		194	194	194
Tax payable		453	453	453
Total current liabilities		33,095	33,095	33,095
Total liabilities		43,950	43,950	43,950
TOTAL EQUITY AND LIABILITIES		99,449	188,131	181,681
No. of ordinary shares in issue ('000)		229,450	310,070	310,070
Net Tangible Assets ("NTA) (RM'000)		55,493	144,175	137,725
NTA per share (RM)		0.24	0.46	0.44

BISON CONSOLIDATED BERHAD AND ITS SUBSIDIARIES
(Company No: 1039846-T)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

1. The Pro forma Consolidated Statements of Financial Position have been prepared based on the Audited Consolidated Financial Statements of the Bison Consolidated Berhad ("Bison" or "the Company") and its subsidiaries ("Bison Group" or the "Group") as at 31 October 2015 in accordance with the Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS"), and in a manner consistent with both the format of the financial statements and accounting policies of the Bison Group.

2. The Pro forma Consolidated Statements of Financial Position as at 31 October 2015 have been prepared for illustrative purpose only to illustrate transactions and events as set out in Note 3 below and because of its nature, does not give a true picture of the Bison Group's actual financial position had the transactions and events occurred on 31 October 2015. Further, such information does not purport to predict the Group's future financial position.

3. The Pro forma Consolidated Statements of Financial Position together with notes thereon, have been prepared based on accounting principles and bases consistent with those adopted in the preparation of the Audited Consolidated Financial Statements of the Bison Group to illustrate the Consolidated Statements of Financial Position of the Bison Group assuming that all the transactions and events mentioned below had taken place on 31 October 2015:

   (a) Pro forma I: Public Issue

   The Company proposes to undertake an initial public issue of 80,620,000 new ordinary shares of RM0.20 each in Bison ("Shares"), representing 26% of the enlarged issued and paid-up share capital of Bison, at the retail price of RM1.10 per Share, payable in full on application.

   The new Shares will be allocated and allotted in the following manner:-

   (i) Malaysian institutional and selected investors

   31,306,500 new Shares, representing approximately 10.1% of the enlarged issued and paid-up share capital, to be allocated to Malaysian institutional and selected investors.

   (ii) Bumiputera institutional and selected investors

   31,010,000 new Shares, representing approximately 10.0% of the enlarged issued and paid-up share capital, to be allocated to Bumiputera institutional and selected investors approved by the Ministry of International Trade and Industry of Malaysia.

   (iii) Malaysian Public

   15,503,500 new Shares, representing approximately 5.0% of the enlarged issued and paid-up share capital, to be made available for application by the Malaysian Public via balloting, of which 50% are reserved for subscription by Bumiputera public.

BISON CONSOLIDATED BERHAD AND ITS SUBSIDIARIES
(Company No: 1039846-T)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

3. (cont'd)

(a) Pro forma I: Public Issue (cont'd)

(iv) Eligible directors, eligible employees and persons who have contributed to the success of the Group ("Eligible Persons")

2,800,000 new Shares, representing approximately 0.9% of the enlarged issued and paid-up share capital, to be made available to Eligible Persons.

Upon completion of the listing, the issued and paid-up share capital of the Company will increase to RM62,014,000, comprising 310,070,000 Shares.

Upon completion of the listing, the Company has only one class of shares, namely ordinary shares of RM0.20 each. The listing Shares, upon allotment and issuance, will rank pari passu or equally in all respects with our existing Shares including voting rights, and will be entitled to all dividends, rights and distributions that may be declared subsequent to the date of allotment of the listing Shares, subject to any applicable rules of Bursa Malaysia Depository Sdn Bhd.

(b) Pro forma II: Utilisation of Proceeds

The gross proceeds arising from the Public Issue amounting to RM88,682,000 are expected to be fully utilised for the core business of the Bison Group in the following manner:-

	RM'000	**%**
Capital expenditure	50,000	56.38
Working capital	32,232	36.35
Estimated listing expenses	6,450	7.27
	88,682	100.00

The estimated listing expenses of approximately RM6.45 million will be allocated to both the issuance of new Shares and the stock market listing on a rational and consistent basis to be set off against the share premium account and charged out to statement of profit or loss and other comprehensive income as expenses as follows:

	RM'000
Share premium	4,778
Statement of profit or loss and other comprehensive income	1,672
	6,450

BISON CONSOLIDATED BERHAD AND ITS SUBSIDIARIES
(Company No: 1039846-T)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

4. PROPERTY, PLANT AND EQUIPMENT

The movements of property, plant and equipment of the Bison Group are as follows:-

	RM'000
Balance as per Audited Consolidated Financial Statements/ Pro forma I	46,679
Additions	50,000
As Per Pro forma II	96,679

5. CASH AND BANK BALANCES

The movements in cash and bank balances of Bison Group are as follows:-

	RM'000
Balance as per Audited Consolidated Financial Statements	6,092
Proceeds from Public Issue	88,682
As Per Pro forma I	94,774
Less:	
Utilisation of proceeds	
-Property, plant and equipment	(50,000)
-Estimated listing expenses	(6,450)
As Per Pro forma II	38,324

6. SHARE CAPITAL

The movements in share capital of Bison Group are as follows:-

	Number of ordinary shares '000	Share capital RM'000
As per Audited Consolidated Financial Statements	229,450	45,890
Public issue	80,620	16,124
As Per Pro forma I and II	310,070	62,014

Stamped for the purpose of identification on:
22 FEB 2019
SJ Grant Thornton

BISON CONSOLIDATED BERHAD AND ITS SUBSIDIARIES
(Company No: 1039846-T)
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

7. SHARE PREMIUM

The movements in share premium of Bison Group are as follows:-

	RM'000
Balance as per Audited Consolidated Financial Statements	-
Public Issue	72,558
As per Pro forma I	72,558
Less:	
-Set off of estimated listing expenses	(4,778)
As per Pro forma II	67,780

8. RETAINED EARNINGS

The movements in retained earnings of Bison Group are as follows:-

	RM'000
Balance as per Audited Consolidated Financial Statements/Pro forma I	47,000
Less:	
-Estimated listing expenses	(1,672)
As per Pro forma II	45,328

BISON CONSOLIDATED BERHAD AND ITS SUBSIDIARIES
(Company No: 1039846-T)

APPROVAL BY BOARD OF DIRECTORS

Approved and adopted by the Board of Directors of Bison in accordance with its resolution dated 22 February 2016.

On behalf of the Board

....
Dang Tai Luk
Director

....
Dang Tai Wen
Director

Kuala Lumpur
22 February 2016

Grant Thornton

An instinct for growth™

Date: 22 February 2016

The Board of Directors
Bison Consolidated Berhad
258-259, Jalan KIP 4
KIP Industrial Park
52200 Kuala Lumpur

SJ Grant Thornton (AF:0737)
Level 11 Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
T +603 2692 4022
F +603 2691 5229
www.gt.com.my

Dear Sirs,

ACCOUNTANTS' REPORT
BISON CONSOLIDATED BERHAD
AND ITS SUBSIDIARIES

We set out below our report on the Financial Information of Bison Consolidated Berhad ("Bison" or the "Company") and its subsidiaries (collectively the "Group") which comprise the Consolidated Statements of Financial Position as at 31 October 2013, 2014 and 2015, Consolidated Statements of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statements of Cash Flows of the Group ("Financial Information") for the financial years ended ("FYE") 31 October 2013, 2014 and 2015 ("the Relevant Period"), and a summary of significant accounting policies and other explanatory notes in connection with the initial public offering and the listing of and quotation for the entire enlarged issued and paid-up share capital of Bison on the Main Market of Bursa Malaysia Securities Berhad. The Financial Information have been prepared solely for the purpose of inclusion in the Prospectus.

The Financial Information have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS") on the basis set out in Note 4.1.1 of this report.

Directors' responsibility

The Directors of the Company are responsible for the preparation and the true and fair presentation of the Financial Information in accordance with MFRS and IFRS. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the Financial Information that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Reporting accountant's responsibility

For the Financial Information for the Relevant Periods, our responsibility is to express an opinion on the Financial Information based on our examination and to report our opinion to you. We have carried out independent audit procedures on the Financial Information for the Relevant Periods in accordance with approved standards on auditing in Malaysia and have examined the Financial Information and carried out additional procedures as are necessary.

Grant Thornton
An instinct for growth™

Opinion on Financial Information

In our opinion, the Financial Information for the FYE 31 October 2013, 2014 and 2015, give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 October 2013, 2014 and 2015 and of the Group's consolidated results and cash flows for the financial years then ended in accordance with MFRS and IFRS.

Yours faithfully,

SJ GRANT THORNTON
(NO. AF: 0737)
CHARTERED ACCOUNTANTS

NG CHEE HOONG
(NO: 2278/10/16(J))
CHARTERED ACCOUNTANT

GrantThornton
An instinct for growth™

1. **FINANCIAL INFORMATION**

1.1. **Consolidated Statements of Financial Position**

	Note	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
ASSETS				
Non-current assets				
Property, plant and equipment	5	28,728,429	42,732,489	46,679,086
Intangible asset	6	7,400	6,600	5,800
Investment property	7	346,849	-	-
Investment in associates	8	36,264	340,446	1,568,038
Other investments	9	5,192	5,192	5,192
Total non-current assets		29,124,134	43,084,727	48,258,116
Current assets				
Inventories	10	11,102,923	15,783,534	21,754,668
Trade receivables	11	2,309,452	839,327	4,169,387
Other receivables	12	8,493,463	11,792,026	16,988,702
Amount due from associates	13	4,810,440	1,715,467	1,243,628
Amount due from related parties	14	620,283	4,385	1,394
Tax recoverable		17,334	39,216	15,801
Short-term deposits with licensed banks	15	632,155	924,506	924,506
Cash and bank balances		8,810,872	7,759,444	6,091,597
Total current assets		36,796,922	38,857,905	51,189,683
Total Assets		65,921,056	81,942,632	99,447,799

GrantThornton
An instinct for growth™

1. **FINANCIAL INFORMATION (CONT'D)**

1.1. **Consolidated Statements of Financial Position (cont'd)**

	Note	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
EQUITY AND LIABILITIES				
EQUITY				
Share capital	16	2,190,005	2,190,005	45,890,000
Retained earnings		32,005,470	33,989,985	46,999,733
Revaluation reserve	17	-	8,560,640	8,560,640
Merger deficit	18	(2,252,000)	(2,252,000)	(45,951,995)
Total equity		31,943,475	42,488,630	55,498,378
LIABILITY				
Non-current liabilities				
Amount due to a Director	19	-	5,426	-
Bank borrowings	20	7,820,521	9,113,722	8,276,323
Finance lease liabilities	21	453,790	554,808	470,908
Deferred tax liabilities	22	1,069,999	1,960,377	2,107,965
Total non-current liabilities		9,344,310	11,634,333	10,855,196
Current liabilities				
Trade payables	23	11,719,454	14,682,637	21,446,386
Other payables	24	8,973,736	10,545,730	9,598,960
Amount due to related parties	25	1,851,593	167,842	130,774
Amount due to a Director	19	67,821	331,249	5,426
Bank borrowings	20	985,066	1,221,043	1,266,447
Finance lease liabilities	21	206,935	229,226	193,614
Tax payable		828,666	641,942	452,618
Total current liabilities		24,633,271	27,819,669	33,094,225
Total liabilities		33,977,581	39,454,002	43,949,421
Total equity and liabilities		65,921,056	81,942,632	99,447,799
Net tangible assets ("NTA") (RM)		31,936,075	42,482,030	55,492,578
Number of ordinary shares		2,190,005	2,190,005	229,450,000
NTA per share (RM)		14.58	19.40	0.24
Gearing ratio		0.30	0.26	0.18

Grant Thornton
An instinct for growth™

1. **FINANCIAL INFORMATION (CONT'D)**

1.2. **Consolidated Statements of Profit or Loss and Other Comprehensive Income**

	Note	FYE 31.10.2013 RM	FYE 31.10.2014 RM	FYE 31.10.2015 RM
Revenue	26	157,961,872	182,408,918	217,546,261
Cost of sales		(105,312,729)	(122,049,969)	(143,107,085)
Gross profit		52,649,143	60,358,949	74,439,176
Gain/(loss) on disposal of property, plant and equipment		6,156,168	80,597	(8,239)
Other income		367,927	512,493	489,825
Administration expenses		(34,660,117)	(41,396,578)	(53,523,281)
Other expenses		(2,313,953)	(2,975,880)	(3,845,475)
Finance costs		(596,278)	(602,113)	(577,471)
Share of profit of associates		36,260	301,852	727,593
Profit before tax	27	21,639,150	16,279,320	17,702,128
Tax expense	28	(3,784,195)	(3,849,762)	(4,192,380)
Net profit for the financial year		17,854,955	12,429,558	13,509,748
Other comprehensive income, net of tax				
Items that will not be reclassified subsequently to profit or loss:-				
Revaluation of land and buildings		-	9,488,791	-
Crystalisation of revaluation reserve		-	(477,151)	-
Tax effect on item that will not be reclassified to profit or loss	28	-	(451,000)	-
		-	8,560,640	-
Transfer to retained earnings	17	-	477,151	-
Total other comprehensive income		-	9,037,791	-
Total comprehensive income for the financial year		17,854,955	21,467,349	13,509,748

GrantThornton
An instinct for growth™

1. **FINANCIAL INFORMATION (CONT'D)**

1.2. **Consolidated Statements of Profit or Loss and Other Comprehensive Income (cont'd)**

	FYE 31.10.2013	FYE 31.10.2014	FYE 31.10.2015
Gross profit margin (%)	33.33	33.09	34.22
Pre-tax profit margin (%)	13.70	8.92	8.14
Profit after tax margin (%)	11.30	6.81	6.21
Effective tax rate (%)	17.49	23.65	23.68
Profit before tax per share (RM)	9.88	7.43	0.08
Net profit per share (RM)	8.15	5.68	0.06
Comprehensive income per share (RM)	8.15	9.80	0.06
Dividend per share (RM)	3.06	4.99	*
Dividend rate (%)	37.52	87.87	3.70
Illustrative dividend per share based on enlarged paid up share capital (RM) (Note 1)	0.03	0.05	*

* Represents RM0.0022

Notes:-

(1) Illustrative dividend per share for the FYE 31 October 2013, 2014 and 2015 is computed based on the dividends declared and distributed (including dividends in-specie) for the Relevant Periods over the Company's existing 229,450,000 ordinary shares of RM0.20 each (prior to the public issue) to provide an illustration of the dividend per share on the assumption that the current Group structure was in existence during the Relevant Periods.

(2) There were no exceptional or extraordinary items in the financial years under review.

GrantThornton
An instinct for growth™

1. **FINANCIAL INFORMATION (CONT'D)**

1.3. **Consolidated Statements of Changes in Equity**

	Non- Distributable			Distributable	
	Share capital RM	**Revaluation reserve RM**	**Merger Deficit RM**	**Retained earnings RM**	**Total Equity RM**
Balance as at 1 November 2012	2,190,003	-	(2,252,000)	20,850,515	20,788,518
Total comprehensive income for the financial year	-	-	-	17,854,955	17,854,955
Transactions with owners					
Issuance of subscribers' shares	2	-	-	-	2
Dividend (Note 29)	-	-	-	(6,700,000)	(6,700,000)
Balance as at 31 October 2013	2,190,005	-	(2,252,000)	32,005,470	31,943,475
Total other comprehensive income for the financial year	-	8,560,640	-	477,151	9,037,791
Profit for the financial year	-	-	-	12,429,558	12,429,558
Transactions with owners					
Dividend (Note 29)	-	-	-	(10,922,194)	(10,922,194)
Balance as at 31 October 2014 carried forward	2,190,005	8,560,640	(2,252,000)	33,989,985	42,488,630

GrantThornton
An instinct for growth™

1. **FINANCIAL INFORMATION (CONT'D)**

1.3. **Consolidated Statements of Changes in Equity (cont'd)**

	Non- Distributable			Distributable	
	Share capital RM	**Revaluation reserve RM**	**Merger Deficit RM**	**Retained earnings RM**	**Total Equity RM**
Balance as at 31 October 2014 brought forward	2,190,005	8,560,640	(2,252,000)	33,989,985	42,488,630
Adjustment pursuant to acquisitions	(2,190,003)	-	-	-	(2,190,003)
Issued pursuant to acquisitions	45,889,998	-	-	-	45,889,998
Effect on merger of subsidiaries	-	-	(43,699,995)	-	(43,699,995)
Total comprehensive income for the financial year	-	-	-	13,509,748	13,509,748
Transactions with owners					
Dividend (Note 29)	-	-	-	(500,000)	(500,000)
Balance as at 31 October 2015	45,890,000	8,560,640	(45,951,995)	46,999,733	55,498,378

GrantThornton
An instinct for growth™

1. **FINANCIAL INFORMATION (CONT'D)**

1.4. **Consolidated Statements of Cash Flows**

	Note	FYE 31.10.2013 RM	FYE 31.10.2014 RM	FYE 31.10.2015 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		21,639,150	16,279,320	17,702,128
Adjustments for:-				
Depreciation of property, plant and equipment		2,133,239	2,729,847	3,591,764
Amortisation of intangible asset		600	800	800
Amortisation of investment property		2,408	-	-
(Gain)/Loss on disposal of properties, plant and equipment		(6,156,326)	(80,599)	8,239
Interest expense		596,278	602,113	577,471
Dividend income from quoted shares		(273)	(445)	(484)
Share of profit of associates		(36,260)	(301,852)	(727,593)
Property, plant and equipment written off		193,061	235,291	252,908
Interest income		(162,954)	(190,207)	(121,010)
Bad debts written off		-	10,062	-
Gain on disposal of investment in associate		-	(2,333)	-
Operating profit before working capital changes		18,208,923	19,281,997	21,284,223
Increase in inventories		(1,085,657)	(4,680,611)	(5,971,134)
Decrease in amount due from Directors		1,563,649	-	-
Increase/(decrease) in amount due to Directors		67,821	268,854	(331,249)
(Decrease)/increase in payables		(610,875)	4,535,178	5,816,979
Increase in receivables		(3,662,758)	(1,838,500)	(8,526,736)
(Increase)/decrease in amount due from associates		(4,163,926)	(655,027)	471,839
Decrease in amount due from related parties		2,027,945	615,898	2,991
Increase/(decrease) in amount due to related parties		834,109	(1,683,751)	(37,068)
Cash generated from operations carried forward		13,179,231	15,844,038	12,709,845

Grant Thornton
An instinct for growth™

1. **FINANCIAL INFORMATION (CONT'D)**

1.4. **Consolidated Statements of Cash Flows (cont'd)**

	Note	FYE 31.10.2013 RM	FYE 31.10.2014 RM	FYE 31.10.2015 RM
Cash generated from operations brought forward		13,179,231	15,844,038	12,709,845
Tax paid		(3,863,388)	(3,627,917)	(4,232,421)
Tax refunded		10,200	8,927	21,720
Net cash from operating activities		9,326,043	12,225,048	8,499,144
CASH FLOWS FROM INVESTING ACTIVITIES				
Dividend income from quoted shares		273	445	484
Proceeds from disposal of property, plant and equipment		9,142,348	113,144	7,767
Purchase of property, plant and equipment	30	(8,067,453)	(8,998,298)	(7,688,275)
Interest income		162,954	190,207	121,010
Investment in an associate		(3)	-	(499,999)
Proceeds from disposal of an associate		-	3	-
Placement of fixed deposits		(200,000)	(70,000)	-
Net cash from/(used in) investing activities		1,038,119	(8,764,499)	(8,059,013)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of shares		2	-	-
Interest paid		(596,278)	(602,113)	(577,471)
Repayment of finance lease liabilities		(223,766)	(216,691)	(238,512)
(Repayment)/Drawdown of term loans		(2,440,088)	1,529,178	(791,995)
Dividend paid		(6,700,000)	(5,000,000)	(500,000)
Net cash used in financing activities		(9,960,130)	(4,289,626)	(2,107,978)
CASH AND CASH EQUIVALENTS				
Net increase/(decrease)		404,032	(829,077)	(1,667,847)
Brought forward		8,511,495	8,915,527	8,086,450
Carried forward	31	8,915,527	8,086,450	6,418,603

Grant Thornton
An instinct for growth™

2. GENERAL INFORMATION

2.1. Background

The Company was incorporated on 26 March 2013 under the name of Prempac Sdn. Bhd. and incorporated under the Companies Act, 1965 as a private limited liability company and domiciled in Malaysia. On 25 September 2014, the Company changed its name to Bison Consolidated Sdn. Bhd. and subsequently on 16 July 2015, the Company was converted into a public limited liability company and assumed its current name of Bison Consolidated Berhad.

2.2. Share capital

(a) Authorised share capital

The changes in Bison's authorised share capital since its date of incorporation and up to the date of this report were as follows:

Date of Creation/ Subdivision	No. of ordinary shares	Par value RM	Creation/ Subdivision	Cumulative issued and paid-up share capital RM
26.3.2013	100,000	1.00	Creation	100,000
6.2.2015	500,000	0.20	Subdivision of shares	100,000
6.2.2015	2,499,500,000	0.20	Creation	500,000,000

(b) Issued and paid up share capital

The changes in Bison's issued and paid-up share capital since its date of incorporation and up to the date of this report were as follows:

Date of Creation/ Subdivision	No. of ordinary shares allotted	Par value RM	Consideration	Cumulative issued and paid-up share capital RM
26.3.2013	2	1.00	Cash (Subscribers' shares)	2.00
6.2.2015	10	0.20	Subdivision of shares	2.00
9.2.2015	1	0.20	Cash	2.20
9.7.2015	229,449,989	0.20	Pursuant to the Acquisitions	45,890,000

2. GENERAL INFORMATION (CONT'D)

2.3. Principal activity

Bison's principal activity is investment holding.

The subsidiaries and associate of Bison as of the date of this report, all of which are incorporated in Malaysia, are as follows:

Name of Company	Effective Ownership	Principal Activities	Date of Incorporation
Subsidiaries			
Bison Stores Sdn. Bhd. ("Bison Stores")	100%	Retailer of print media and convenience items.	5.7.1994
DKE Technology Sdn. Bhd. ("DKE")	100%	Commercialisation of a publications and magazine distribution and POS software as well as the provision of implementation, maintenance and technical services relating to the software.	21.12.2009
Nadi Minda Sdn. Bhd. ("Nadi Minda")	100%	Provision of management services.	26.9.2002
Kukuh Network Sdn. Bhd. ("Kukuh")	100%	Retailer of print media and convenience items.	24.9.2004
Eemerge Incorporated Sdn. Bhd. ("Eemerge")	100%	Retailer of print media and convenience items	17.9.2003
Bison Foods Sdn. Bhd. ("Bison Foods")	100%	Operator of a food and beverage restaurant.	25.8.2004
Associate			
WH Smith Malaysia Sdn. Bhd. ("WH Smith Malaysia")	50%	Retailer of print media and convenience items	28.9.2011

There were no significant change in the nature of the principal activities of Bison and its subsidiaries activities during the Relevant Periods under review of this report save for Nadi Minda which changed its principal activities from retailer in magazine and convenience items to provision of management services during the financial year ended 31 October 2013.

Grant Thornton
An instinct for growth™

2. GENERAL INFORMATION (CONT'D)

2.4. The Acquisitions

The Bison Group was formed pursuant to the completion of the following acquisitions by Bison on 9 July 2015:

(a) Bison acquired the entire issued and paid-up share capital of Bison Stores, comprising 2,000,000 ordinary shares of RM1.00 each;

(b) Bison acquired 80% of the issued and paid-up share capital of Kukuh, comprising 40,000 ordinary shares of RM1.00 each;

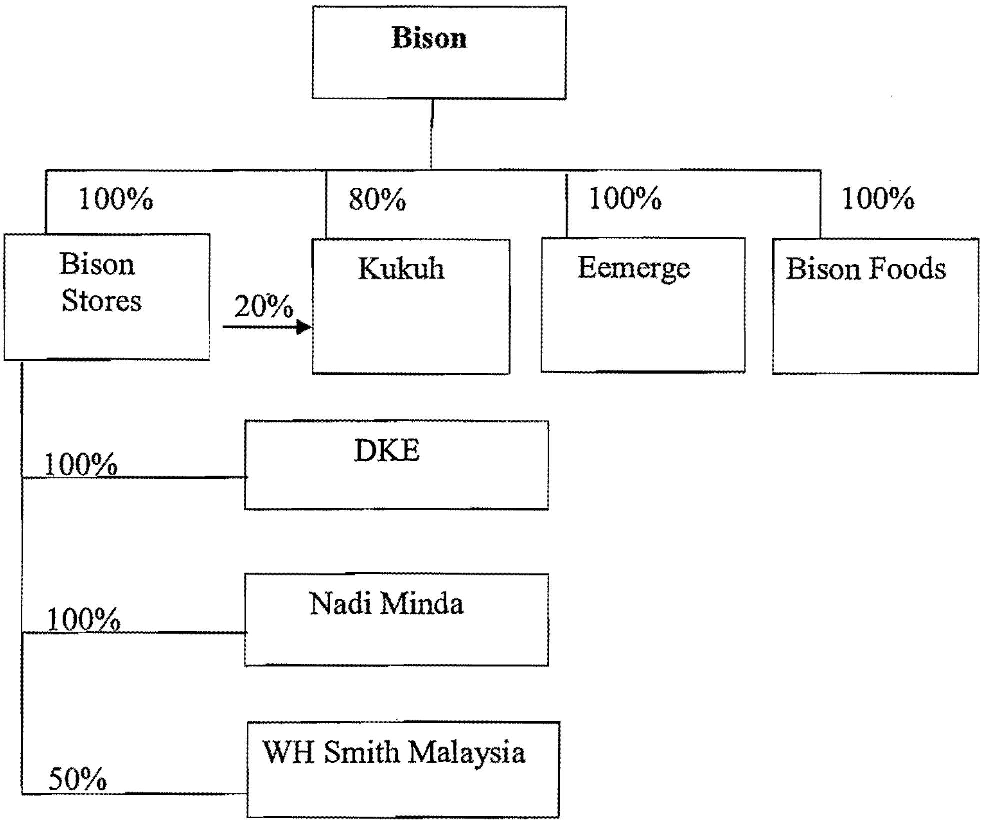
(c) Bison acquired the entire issued and paid-up share capital of Eemerge, comprising 150,000 ordinary shares of RM1.00 each; and

(d) Bison acquired the entire issued and paid-up share capital of Bison Foods, comprising 3 ordinary shares of RM1.00 each.

(Collectively referred to as "Acquisitions")

The aggregate purchase consideration for the above Acquisitions was RM45,889,997.80 satisfied by the issuance of 229,449,989 new shares at its par value of RM0.20.

Following the completion of the Acquisitions, the Group adopted the current structure as follows:



3. **BASIS OF PREPARATION**

3.1 **Statement of Compliance**

The financial information of the Group have been prepared in accordance with MFRS and IFRS.

3.2 **Basis of Measurement**

The financial information of the Group is prepared under the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period as indicated in the summary of significant accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial market takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure for value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial information are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

GrantThornton
An instinct for growth™

3. **BASIS OF PREPARATION (CONT'D)**

3.2 **Basis of Measurement (cont'd)**

For assets and liabilities that are recognised in the financial information on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period.

The Group has established control framework in respect to the measurement of fair values of financial instruments. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Board of Directors. The finance team regularly reviews significant unobservable inputs and valuation adjustments.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

3.3 **Functional and Presentation Currency**

The financial information are presented in Ringgit Malaysia ("RM") which is the Group's functional currency and all values are rounded to the nearest RM except when otherwise stated.

3.4 **Adoption of Amendments to MFRSs**

Except for the changes below, the Group has consistently applied the accounting policies set out in Note 4 to all periods presented in these financial statements.

At the beginning of the current financial period, the Group adopted amendments to MFRSs which are mandatory for the financial periods beginning on or after 1 November 2014.

Initial application of the amendments to the standards did not have material impact to the financial statements. The nature and the impact of the amendments to MFRS are:-

Amendments to MFRS 10, MFRS 12 and MFRS 127 Investment Entities.

The amendments to MFRS 10 defines an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its consolidated and separate financial statements.

To qualify as an investment entity, a reporting entity is required to:
- Obtain funds from one or more investors for the purpose of providing them with investment management services;
- Commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- Measure and evaluate performance of substantially all of its investments on a fair value basis.

Consequential amendments have been made to MFRS 12 and MFRS 127 to introduce new disclosure requirements for investment entities.

Grant Thornton
An instinct for growth™

3. **BASIS OF PREPARATION (CONT'D)**

3.4 **Adoption of Amendments to MFRSs (cont'd)**

Amendments to MFRS 132 Offsetting Financial Assets and Financial Liabilities

The amendments to MFRS 132 clarifies the requirements relating to the offset of financial assets and financial liabilities. Specifically, the amendments clarifies the meaning of "currency has a legally enforceable right to set-off" and "simultaneous realisation and settlement".

Amendments to MFRS 136 Recoverable Amount Disclosures for Non-Financial Assets

The amendments clarifies that an entity is required to disclose the recoverable amount of an asset or cash generating unit whenever an impairment loss has been recognised or reversed in the period. In addition, the amendments introduced several new disclosures required to be made when the recoverable amount of impaired assets is based on fair value less costs of disposal, including:

- Additional information about fair value measurement including the applicable level of the fair value hierarchy, and a description of any valuation techniques used and key assumptions made;
- The discount rates are used if fair value less costs of disposal is measured using a present value technique.

These additional disclosures are in line with the disclosure required by MFRS 13 Fair Value Measurements.

Amendments to MFRS 139 Novation of Derivatives and Continuation of Hedge Accounting

The amendments to MFRS 139 provide relief from the requirement to discontinue hedge accounting when a derivative designated as a hedging instrument is novated under certain circumstances. The amendment also clarifies that any change to the fair value of the derivative designated as a hedging instrument arising from the novation should be included in the assessment and measurement of hedge effectiveness.

IC Interpretation 21 Levies

IC Interpretation 21 addresses the issue as to when to recognise a liability to pay a levy imposed by a government. It defines a levy, and specifies that the obligation event that gives rise to the liability is the activity that triggers the payment of the levy, as identified by legislation. The Interpretation provides guidance on how different levy arrangements should be accounted for, in particular, it clarifies that neither economic compulsion nor the going concern basis of financial statements preparation implies that an entity has a present obligation to pay a levy that will be triggered by operating in a future period.

Amendments to MFRS 119 Employee Benefits: Defined Benefit Plans – Employee Contributions

The amendments to MFRS119 clarifies how an entity should account for contributions made by employees or third parties to defined benefits plans, based on whether those contributions are dependent on the number of years of services provided by employee.

GrantThornton
An instinct for growth™

3. **BASIS OF PREPARATION (CONT'D)**

3.4 **Adoption of Amendments to MFRSs (cont'd)**

Amendments to MFRS 119 Employee Benefits: Defined Benefit Plans – Employee Contributions (cont'd)

For contributions that are independent of the number of years of services the entity may either recognise the contributions as a reduction in the services cost in the period in which the related services is rendered, or to attribute them to the employees' periods of services using the projected unit credit method; whereas for contributions that are dependent on the number of years of service the entity is required to attribute them to the employees' periods of service.

Annual Improvements to MFRSs 2010 – 2012 Cycle, including the amendments to:

- MFRS 3 Business Combination: Accounting for contingent consideration in a business combination
- MFRS 13 Fair Value Measurement: Short-term receivables and payables
- MFRS 116 Property, Plant and Equipment and MFRS 138 Intangible Assets: Revaluation method – proportionate restatement of accumulated depreciation
- MFRS 124 Related Party Disclosures: Key Management Personnel

Annual Improvements to MFRSs 2011 – 2013 Cycle, including the amendments to:

- MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards: Meaning of "Effective MFRSs"
- MFRS 3 Business Combinations: Scope exceptions for joint ventures
- MFRS 13 Fair Value Measurement: Scope of paragraph 52 (portfolio exception)

MFRS 3 Business Combinations

The amendment clarifies that all contingent consideration arrangements classified as liabilities (or assets) arising from a business combination should be subsequently measured at fair value through profit or loss whether or not they fall within the scope of MFRS 9 (or MFRS 139, as applicable).

MFRS 13 Fair Value Measurement: short-term receivables and payables

It clarifies in the Basis for Conclusion that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial.

MFRS 116 Property, Plant and Equipment and MFRS 138 Intangible Assets

The amendment clarifies in MFRS 116 and MFRS 138 that the asset may be revalued by reference to observable data on either the gross or the net carrying amount. In addition, the accumulated depreciation and amortisation is the difference between the gross and carrying amounts of the assets.

MFRS 124 Related party disclosures

The amendment clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services.

3. **BASIS OF PREPARATION (CONT'D)**

3.4 **Adoption of Amendments to MFRSs (cont'd)**

MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards

It clarifies in the Basis for Conclusions that an entity may choose to apply either a current standard or a new standard that is not yet mandatory, but permits early application, provided either standard is applied consistently throughout the periods presented in the entity's first MFRS financial statements.

MFRS 3 Business Combinations

The amendment clarifies for those scope exceptions within MFRS 3 that:

- Joint arrangements, not just joint ventures, are outside the scope of MFRS 3
- The scope exception applies only to the accounting in the financial statements of the joint arrangement itself.

MFRS 13 Fair Value Measurement: Scope of paragraph 52 (portfolio exception)

The amendment clarifies that the portfolio exception in MFRS 13 can be applied not only to the financial assets and financial liabilities, but also to other contracts within the scope of MFRS 9 (or MFRS 139, as applicable).

3.5 **Standards Issued But Not Yet Effective**

At the date of authorisation of these financial statements, certain new standards, amendments and IC Interpretations to existing standards have been published by the Malaysian Accounting Standards Board but are not yet effective, and have not been adopted by the Group.

Management anticipates that all relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of pronouncement. Information on MFRS 9 Financial Instruments that is expected to be relevant to the Group's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Group's financial statements.

MFRS effective for the financial period beginning on or after 1 January 2017

MFRS 15 Revenue From Contracts with Customers

MFRS 15 presents new requirements for the recognition of revenue, replacing the guidance of MFRS 111 Construction Contracts, MFRS 118 Revenue, IC Int 13 Customer Loyalty Programmes, IC Int 15 Agreements for Construction of Real Estate, IC Int 18 Transfers of Assets from Customers and IC Int 131 Revenue – Barter Transaction Involving Advertising Services. The principles in MFRS 15 provide a more structured approach to measuring and recognising revenue. It establishes a new five-step model that will apply to revenue arising from contracts with customers. Under MFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Group is currently assessing the impact of MFRS 15 and plans to adopt the new standards on the required effective date.

GrantThornton
An instinct for growth™

3. **BASIS OF PREPARATION (CONT'D)**

3.5 **Standards Issued But Not Yet Effective (cont'd)**

MFRS effective for the financial period beginning on or after 1 January 2018

MFRS 9 Financial Instruments

MFRS 9 is issued during the financial year, which reflects all phases of the financial instruments project and replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous version of MFRS 9. The new standard introduces extensive requirements and guidance for classification and measurement of financial assets and financial liabilities which fall under the scope of MFRS 9, new "expected credit loss model" under the impairment of financial assets and greater flexibility has been allowed in hedge accounting transactions.

The Group is currently examining the financial impact of adopting MFRS 9.

3.6 **Significant Accounting Estimates and Judgements**

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial information. They affect the application of the Group's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The actual result may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

3.6.1 **Estimation uncertainty**

Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below.

Revaluation of property, plant and equipment

The Group measures its land and buildings at revalued amount with changes in fair value being recognised in other comprehensive income.

The carrying amount of the land and buildings at the end of the reporting period, and the relevant revaluation bases, are disclosed in Note 5 of this report.

Useful lives of depreciable assets

Management estimates the useful lives of the property, plant and equipment to be within 2.5 to 50 years and reviews the useful lives of depreciable assets at end of each reporting period. At 31 October 2015 management assesses that the useful lives represent the expected utility of the assets to the Group. Actual results, however, may vary due to change in the expected level of usage and technological developments, which may result in adjustment to the Group's assets.

The carrying amount of the Group's property, plant and equipment at the end of the reporting period is disclosed in Note 5 of this report.

GrantThornton
An instinct for growth™

3. **BASIS OF PREPARATION (CONT'D)**

3.6 **Significant Accounting Estimates and Judgements (cont'd)**

3.6.1 **Estimation uncertainty (cont'd)**

Impairment of property, plant and equipment

The Group carried out impairment tests where there are indications of impairment based on a variety of estimation including value-in-use of cash-generating unit to which the property, plant and equipment and the prepaid land lease payments are allocated. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from cash-generating unit and also to choose a suitable discount rate in order to calculate present value of those cash flows.

Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the time the estimates are made. The Group's core business is subject to economic and technology changes which may cause selling prices to change rapidly, and the Group's profit to change.

The carrying amount of the Group's inventories at the end of the reporting period is disclosed in Note 10 of this report.

Impairment of loans and receivables

The Group assesses at end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience of assets with similar credit risk characteristics.

The carrying amount of the Group's loans and receivables at the end of the reporting period is as summarised in Notes 11, 12, 13, 14 and 15 of this report.

Income taxes

Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transaction and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognise tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

3. BASIS OF PREPARATION (CONT'D)

3.6 Significant Accounting Estimates and Judgements (cont'd)

3.6.1 Estimation uncertainty (cont'd)

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences, unutilised tax losses, unabsorbed capital allowances and unused tax credits to the extent that it is probable that taxable profit will be available against which all the deductible temporary differences, unutilised tax losses and unabsorbed capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

3.6.2 Significant management judgement

The following are the judgements made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial information.

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under finance lease), the Group accounts for the portion separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Leases

In applying the classification of leases in MFRS 117, management considers some of its leases of motor vehicles as finance lease arrangements.

The lease transaction is not always conclusive, and management uses judgement in determining whether the lease is a finance lease arrangement that transfers substantially all the risks and rewards incidental to ownership, whether the lease term is for the major part of the economic life of the asset even if title is not transferred and others in accordance with MFRS 117 leases.

GrantThornton
An instinct for growth™

4. SIGNIFICANT ACCOUNTING POLICIES

The Group applies the significant accounting policies, as summarised below, consistently throughout all periods presented in the financial information.

4.1 Consolidation

4.1.1 Common Control Business Combination

A business combination involving entities under common control is a business combination in which all the combining entities or business are ultimately controlled by the same party or parties both before or after the business combination, and that control is not transitory.

The acquisition resulted in a business involving common control entities, and accordingly the accounting treatment is outside the scope of MFRS 3. For such common control business combinations, the merger accounting principles are used to include the assets, liabilities, results, equity changes and cash flows of the subsidiaries in the consolidated financial statements.

The Group is regarded as a continuing entity resulting from the Acquisitions as mentioned in Note 2.4 of this report since the management of all the entities which took part in the Acquisitions were controlled by common directors and under common shareholders before and immediately after the Acquisitions. Accordingly, the financial information have been prepared on the basis of merger accounting.

Under the merger method of accounting, the results of subsidiaries are presented as if the merger had been effected throughout the current and previous years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the end of transfer. On combination, the cost of the merger is cancelled with the values of the shares received. Any resulting credit differences is classified as equity and regarded as a non-distributable reserve. Any resulting debit difference is adjusted against any suitable reserve. Any share premium, capital redemption reserve and any other that which are attributable to share capital of the merged entities, to the extent that they have not been capitalised by a debit difference are classified and presented as movement in other capital reserves.

The effect of all transactions and balances between the subsidiaries, whether occurring before or after the combination, are eliminated in preparing the Consolidated Financial Statements of the Group.

4.1.2 Associates and Joint Arrangement

Associates are entities in which the Group has significant influence, but no control, over their financial and operating policies.

A joint venture is a type of joint arrangement whereby the parties have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its associates and joint venture are accounted for using the equity method. Under the equity method, investment in an associate or a joint venture is carried in the statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

4. **SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

4.1 **Consolidation (cont'd)**

4.1.2 **Associates and Joint Arrangement (cont'd)**

The share of the result of an associate or a joint venture is reflected in profit or loss. Any change in other comprehensive income of those investees is presented as part of the Group's other comprehensive income. In addition, where there has been a change recognised directly in the equity of an associate or a joint venture, the Group recognises its share of any changes and discloses this, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss and other comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

When the Group's share of losses exceeds its interest in an associate or a joint venture, the carrying amount of that interest including any long-term investment is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate or the joint venture.

The financial information of the associates and joint venture are prepared as of the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies of the associates or joint venture in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investments in its associates or joint venture. The Group determines at each end of the reporting period whether there is any objective evidence that the investments in the associates or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associates or joint venture and their carrying value, then recognises the amount in the "share of profit of investments accounted for using the equity method" in profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When the Group's interest in an associate decreases but does not result in a loss of significant influence, any retained interest is not re-measured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

GrantThornton
An instinct for growth™

4. **SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

4.2 **Income tax**

Tax expense

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Current tax is recognised in the statement of financial position as a liability (or an asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the temporary differences arising from the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unutilised reinvestment allowance and investment tax allowance, being tax incentives that is not a tax base of an asset, is recognised as a deferred tax asset to the extent that it is probable that the future taxable profits will be available against the unutilised tax incentive can be utilised.

4. **SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

4.3 **Property, plant and equipment**

Property, plant and equipment, except for land and building, are measured at cost less accumulated depreciation and less any impairment losses. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Land and building are measured at fair value less accumulated depreciation and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity, usually every five years, to ensure that the carrying amount does not differ materially from the fair value of the land and building at the end of the reporting period.

As at the date of revaluation, accumulated depreciation, if any, is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Any revaluation surplus arising upon appraisal of land and building is recognised in other comprehensive income and credited to the 'revaluation reserve' in equity. To the extent that any revaluation decrease or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in other comprehensive income. Downward revaluations of land and building are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to other comprehensive income.

Depreciation is recognised on the straight line method in order to write off the cost of each asset over its estimated useful life. Freehold land with an infinite life is not depreciated.

The principal annual depreciation rates used are as follows:-

Buildings	2 %
Computer and software	20 %
Furniture, fittings, renovations and electrical installation	10 %
Motor vehicles	20 %
Office equipment and signboard	10 %
Plant and machinery	10% - 40%

Capital work-in-progress consists of buildings under construction. The amount is measured at cost and not depreciated until it is completed and ready for their intended use.

The residual values, useful lives and depreciation method are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable, or at least annually to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

4.4 **Investment properties**

Investment properties consist of freehold land and buildings held for capital appreciation or rental purpose and not occupied or only an insignificant portion is occupied for use or in the operations of the Group.

Investment properties are initially measured at cost, including transaction cost. Cost includes expenditures that are directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Subsequent to initial recognition, investment properties are measured at fair value and are included in the statement of financial position at their open market values. Any gain or loss resulting from either a change in the fair value or the sale of an investment property is immediately recognised in profit or loss in the period in which they arise. The fair values are determined by external professional valuers with sufficient experience with respect to both the location and the nature of the investment property and supported by market evidence.

Investment properties are derecognised when either they are disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from the disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in the profit or loss in the financial year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change.

4.5 **Intangible asset**

Intangible asset represents trademark, myNEWS.com. Trademark is stated at cost less accumulated amortisation. It is amortised over a period of 10 years.

4.6 **Financial instruments**

4.6.1 **Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the Group become a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are measured initially at fair value plus transactions costs, except for financial assets and financial liabilities carried at fair value through profit or loss, which are measured initially at fair value.

GrantThornton
An instinct for growth™

4. **SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

4.6 **Financial instruments (cont'd)**

4.6.2 **Financial assets – categorisation and subsequent measurement**

Financial assets and financial liabilities are measured subsequently as described below:-

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:-

(a) financial assets at fair value through profit or loss;
(b) held to maturity investments;
(c) loans and receivables; and
(d) available-for-sale financial assets.

The category determines subsequent measurement and whether any resulting income and expense is recognised in profit or loss or in other comprehensive income.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at end of each reporting period. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the considerate received (including any new asset obtained less any new liability assume) and any cumulative gain or loss that had been recognised in equity is recognised in the profit or loss.

As at the reporting date, the Group carried only loan and receivables and available-for-sale financial assets on their statements of financial position.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less allowance for impairment. Discounting is omitted where the effect of discounting is immaterial. Gains or losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process. The Group's cash and cash equivalents, trade and other receivables fall into this category of financial instruments.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

Grant Thornton
An instinct for growth™

4. **SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

4.6 **Financial instruments (cont'd)**

4.6.2 **Financial assets – categorisation and subsequent measurement (cont'd)**

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The Group's available-for-sale financial assets include listed securities.

Available-for-sale financial assets are measured at fair value subsequent to the initial recognition. Gains and losses are recognised in other comprehensive income and reported within the available-for-sale reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognised in profit or loss. When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income.

Interest calculated using the effective interest method and dividends are recognised in profit or loss. Dividends on an available-for-sale equity are recognised in profit or loss when the Group's right to receive payment is established.

Investment in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the end of the reporting period.

4.6.3 **Financial liabilities – categorisation and subsequent measurement**

After the initial recognition, financial liability is classified as:-

(a) financial liability at fair value through profit or loss;
(b) other financial liabilities measure at amortised cost using the effective interest method; and
(c) financial guarantee contracts.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

As at the reporting date, the Group carried only other financial liabilities on their statement of financial position.

GrantThornton
An instinct for growth™

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.6 Financial instruments (cont'd)

4.6.3 Financial liabilities – categorisation and subsequent measurement (cont'd)

Other financial liabilities measured at amortised cost

The Group's other financial liabilities include trade payables, finance lease liabilities, other payables, amount due to related parties, amount due to a director and borrowings.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

4.7 Impairment of assets

4.7.1 Non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for asset in prior years.

GrantThornton
An instinct for growth™

4. **SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

4.7 **Impairment of assets (cont'd)**

4.7.2 **Financial assets**

The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant.

If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continue to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income in the profit or loss. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral have been realised or have been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in the profit or loss.

GrantThornton
An instinct for growth™

4. **SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

4.8 **Inventories**

Inventories comprising trading goods are stated at the lower of cost and net realisable value.

Cost is determined on a first-in first-out method and comprises costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated cost necessary to make the sale.

4.9 **Leases**

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or asset or the arrangement conveys a right to use the asset, even if that right is not explicitly specific in an arrangement.

4.9.1 Finance Lease

Leases in terms of which the Group assume substantially all the risks and rewards of ownership are classified as finance lease. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments.

Minimum lease payments made under finance leases are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the profit or loss. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leasehold land which in substance is a finance lease is classified as a property, plant and equipment.

4.9.2 Operating Lease

Leases, where the Group does not assume substantially all the risks and rewards of ownership are classified as operating leases. Property interest held under an operating lease, which is held to earn rental income or for capital appreciation or both, is classified as investment property.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

Grant Thornton
An instinct for growth™

4. **SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

4.10 **Borrowing costs**

Borrowing costs are recognised as expenses in the statements of profit or loss and comprehensive income in the period in which they are incurred.

4.11 **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash at bank, and short-term demand deposits with licensed banks which are readily convertible to known amount of cash and which are subject to insignificant risk of changes in value.

4.12 **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

(i) Trading

Sales of goods are recognised as income, net of discounts and goods returns in the statements of profit or loss and other comprehensive income upon delivery of goods and customers' acceptance.

(ii) Income from investments

Gross dividend and interest earned from investments and bank deposits are recognised as income in the statements of profit or loss and other comprehensive income when the right to receive such payments has been established.

(iii) Rental income

Rental income is recognised when the rent is due.

(iv) Interest income

Interest income is recognised on a time-appropriate basis using the effective interest method.

GrantThornton
An instinct for growth™

4. **SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

4.13 **Employee benefits**

4.13.1 **Short-term employee benefits**

Wages, salaries, bonuses and social security contributions are recognised as an expense in the financial year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

4.13.2 **Defined contribution plan**

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into independent entities of funds and will have no legal or constructive obligation to pay further contribution if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial periods.

Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF").

4.14 **Equity and reserves**

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Ordinary shares are equity instruments. Share capital represents the nominal value of shares that have been issued.

Retained earnings include all current and prior period retained profits.

Dividends on ordinary shares are accounted for in shareholder's equity as an appropriation of retained earnings.

All transactions with owners of the Group is recorded separately within equity.

4.15 **Related parties**

A related party is a person or entity that is related to the Group. A related party transaction is a transfer of resources, services or obligations between the Group and its related party, regardless of whether a price is charged.

(a) A person or a close member of that person's family is related to the Group if that person :

(i) has control or joint control over the Group;
(ii) has significant influence over the Group; or
(iii) is a member of the key management personnel of the ultimate holding company of the Group, or the Group.

GrantThornton
An instinct for growth™

4. **SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

4.15 **Related parties (cont'd)**

(b) An entity is related to the Group if any of the following conditions applies :

(i) the entity and the Group are members of the same group;
(ii) one entity is an associate or joint venture of the other entity;
(iii) both entities are joint ventures of the same third party;
(iv) an entity is a joint venture of a third entity and the other entity is an associate of the third entity;
(v) the entity is a post-employment benefit plan for the benefits of employees of either the Group or an entity related to the Group;
(vi) the entity is controlled or jointly-controlled by a person identified in (a) above;
(vii) a person identified in (a)(i) above has significant influence over the Group or is a member of the key management personnel of the ultimate holding company or the Group.

4.16 **Contingencies**

Where it is not probable that an inflow or an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognised in the statements of financial position and is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

4.17 **Dividends**

Final dividends proposed by the Directors are not accounted for in shareholders' equity as an appropriation of unappropriated profits, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

4.18 **Provisions**

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of the time of money is material, provision are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Grant Thornton
An instinct for growth™

5. PROPERTY, PLANT AND EQUIPMENT

	← Valuation	→	←			Cost			→
Valuation/Cost	Freehold land RM	Buildings RM	Capital work-in progress RM	Computer and software RM	Furniture, fittings, renovation and electrical installation RM	Motor vehicles RM	Office equipment and signboard RM	Plant and machinery RM	Total RM
At 1 November 2012	10,546,028	5,791,437	1,049,082	2,484,828	10,030,024	1,726,850	3,252,930	14,553	34,895,732
Additions	-	-	1,868,455	764,389	3,740,195	650,694	1,460,720	-	8,484,453
Disposals	(2,173,153)	(955,000)	(73,717)	(100,893)	(83,001)	-	(157,993)	-	(3,543,757)
Written off	-	-	-	(8,064)	(464,192)	(34,500)	(22,314)	-	(529,070)
At 31 October 2013	8,372,875	4,836,437	2,843,820	3,140,260	13,223,026	2,343,044	4,533,343	14,553	39,307,358
Additions	-	-	2,035,535	710,712	4,438,692	481,780	1,657,927	13,652	9,338,298
Revaluation	4,104,310	5,081,330	-	-	-	-	-	-	9,185,640
Transfer from accumulated depreciation on revaluation	-	(332,972)	-	-	-	-	-	-	(332,972)
Transfer of asset	-	3,488,020	(3,488,020)	-	-	-	-	-	-
Disposal	-	-	-	(50,343)	(81,313)	(182,843)	(46,133)	-	(360,632)
Dividends in-specie	(200,000)	(100,000)	(1,222,195)	-	-	-	-	-	(1,522,195)
Written off	-	-	-	-	(475,527)	-	(20,447)	-	(495,974)
At 31 October2014	12,277,185	12,972,815	169,140	3,800,629	17,104,878	2,641,981	6,124,690	28,205	55,119,523

Grant Thornton
An instinct for growth™

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Valuation/Cost (cont'd)	Valuation: Freehold land RM	Valuation: Buildings RM	Cost: Capital work-in progress RM	Cost: Computer and software RM	Cost: Furniture, fittings, renovation and electrical installation RM	Cost: Motor vehicles RM	Cost: Office equipment and signboard RM	Cost: Plant and machinery RM	Total RM
At 31 October 2014	12,277,185	12,972,815	169,140	3,800,629	17,104,878	2,641,981	6,124,690	28,205	55,119,523
Additions	-	19,710	391,469	717,300	3,967,702	168,436	2,542,658	-	7,807,275
Disposals	-	-	-	(170,619)	-	-	(45,197)	-	(215,816)
Written off	-	-	-	(150)	(414,238)	-	(290)	-	(414,678)
At 31 October 2015	12,277,185	12,992,525	560,609	4,347,160	20,658,342	2,810,417	8,621,861	28,205	62,296,304

Grant Thornton
An instinct for growth™

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Accumulated depreciation	Valuation: Freehold land RM	Valuation: Buildings RM	Cost: Capital work-in progress RM	Cost: Computer and software RM	Cost: Furniture, fittings, renovation and electrical installation RM	Cost: Motor vehicles RM	Cost: Office equipment and signboard RM	Cost: Plant and machinery RM	Total RM
At 1 November 2012	47,561	370,079	-	1,769,918	4,378,232	1,278,065	1,481,359	14,220	9,339,434
Charge for the year	9,145	106,884	-	364,683	1,065,930	230,464	355,968	165	2,133,239
Disposals	(56,706)	(237,037)	-	(89,393)	(73,943)	-	(100,656)	-	(557,735)
Written off	-	-	-	(6,917)	(279,956)	(34,500)	(14,636)	-	(336,009)
At 31 October 2013	-	239,926	-	2,038,291	5,090,263	1,474,029	1,722,035	14,385	10,578,929
Charge for the year	-	98,856	-	445,619	1,391,440	285,055	507,349	1,528	2,729,847
Disposals	-	(5,810)	-	(41,694)	(60,898)	(182,840)	(36,845)	-	(328,087)
Transfer to valuation/cost on revaluation	-	(332,972)	-	-	-	-	-	-	(332,972)
Written off	-	-	-	-	(248,724)	-	(11,959)	-	(260,683)
At 31 October 2014	-	-	-	2,442,216	6,172,081	1,576,244	2,180,580	15,913	12,387,034

Grant Thornton
An instinct for growth™

5. **PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

	Valuation		Cost						
Accumulated depreciation (cont'd)	Freehold land RM	Buildings RM	Capital work-in progress RM	Computer and software RM	Furniture, fittings, renovation and electrical installation RM	Motor vehicles RM	Office equipment and signboard RM	Plant and machinery RM	Total RM
At 31 October 2014	-	-	-	2,442,216	6,172,081	1,576,244	2,180,580	15,913	12,387,034
Charge for the year	-	251,963	-	514,891	1,785,809	323,004	714,732	1,365	3,591,764
Disposals	-	-	-	(168,152)	-	-	(31,658)	-	(199,810)
Written off	-	-	-	(40)	(161,574)	-	(156)	-	(161,770)
At 31 October 2015	-	251,963	-	2,788,915	7,796,316	1,899,248	2,863,498	17,278	15,617,218
Net carrying amount									
31 October 2015	12,277,185	12,740,562	560,609	1,558,245	12,862,026	911,169	5,783,363	10,927	46,679,086
31 October 2014	12,277,185	12,972,815	169,140	1,358,413	10,932,797	1,065,737	3,944,110	12,292	42,732,489
31 October 2013	8,372,875	4,596,511	2,843,820	1,101,969	8,132,763	869,015	2,811,308	168	28,728,429

GrantThornton
An instinct for growth™

5. **PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

(a) The net carrying amount of property, plant and equipment of the Group which are under finance lease arrangement are 2015: RM931,912, (2014: RM1,041,315 and 2013: RM869,008).

(b) The net carrying amount of land and buildings of 2015: RM25,017,747, (2014: RM25,250,000 and 2013: RM12,969,386) have been pledged to licensed banks as security for bank facilities granted to the Group as disclosed in Note 20 to this report.

(c) Land and buildings amounted to RM1,522,194 was distributed as dividends in-specie in financial year ended 31 October 2014.

(d) The Group applies revaluation model in measuring its freehold land and buildings. The freehold land and buildings of the Group were revalued in the financial year ended 31 October 2014 by DTZ Nawawi Tie Leung Property Consultants Sdn. Bhd., an independent professional valuer.

The fair values of the land and buildings are analysed as follows:

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Level 2			
Freehold land	-	12,277,185	12,277,185
Buildings	-	12,972,815	12,972,815

The level 2 fair values have been determined based on the market comparison approach that reflects recent transaction prices for similar properties.

Comparative fair value information is not presented by virtue of the exemption given in MFRS 13.

(e) The carrying amounts of revalued freehold land and buildings of the Group that would have been included in the financial information, had these assets been carried at cost less accumulated depreciation and impairment losses are as follows:

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Freehold land	8,372,875	8,172,875	8,172,875
Buildings	4,596,511	7,893,612	7,729,123

Grant Thornton
An instinct for growth™

6. **INTANGIBLE ASSET**

	Trademark RM
Cost	
At 1 November 2012/31 October 2013/2014/2015	90,000
Accumulated amortisation	
At 1 November 2012	82,000
Amortisation for the financial year	600
At 31 October 2013	82,600
Amortisation for the financial year	800
At 31 October 2014	83,400
Amortisation for the financial year	800
At 31 October 2015	84,200
Net carrying amount	
At 31 October 2013	7,400
At 31 October 2014	6,600
At 31 October 2015	5,800

GrantThornton
An instinct for growth™

7. INVESTMENT PROPERTY

	Freehold land RM	Building RM	Total RM
Valuation/Cost			
At 1 November 2012/ 31 October 2013	240,760	120,380	361,140
Transfer from accumulated amortisation on valuation	-	(14,291)	(14,291)
Revaluation on investment property	210,428	92,723	303,151
Dividends in-specie	(451,188)	(198,812)	(650,000)
At 31 October 2014/2015	-	-	-
Accumulated amortisation			
At 1 November 2012	-	11,883	11,883
Charge for the financial year	-	2,408	2,408
At 31 October 2013	-	14,291	14,291
Transfer to valuation/cost on valuation	-	(14,291)	(14,291)
At 31 October 2014/2015	-	-	-
Net carrying amount			
At 31 October 2013	240,760	106,089	346,849
At 31 October 2014/2015	-	-	-

For the financial year ended 31 October 2014, the net carrying amount of investment property amounted to RM650,000 was distributed as dividends in-specie.

7. **INVESTMENT PROPERTY (CONT'D)**

The following are recognised in profit or loss in respect of investment property:

	FYE 31.10.2013 RM	FYE 31.10.2014 RM	FYE 31.10.2015 RM
Rental income	47,040	47,040	-

8. **INVESTMENT IN ASSOCIATES**

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Unquoted shares, at Cost			
- In Malaysia	4	1	500,000
Shares of results of associates	36,260	340,445	1,068,038
	36,264	340,446	1,568,038

Details of the associates, which are incorporated in Malaysia, are as follows:-

Name of companies	Group's effective equity interest 31.10.2013 %	31.10.2014 %	31.10.2015 %	Principal activities
WH Smith Malaysia Sdn. Bhd.	50	50	50	Retailer of print media and convenience items
Nova Dynasty Development Sdn. Bhd.	50	-	-	Dormant company

Grant Thornton
An instinct for growth™

8. **INVESTMENT IN ASSOCIATES (CONT'D)**

Acquisition and disposal of investment in an associate

On 28 March 2013, the Group subscribed a 50% investment in Nova Dynasty Development Sdn. Bhd.

On 31 October 2014, the Group disposed the same 50% investment in Nova Dynasty Development Sdn. Bhd., for a consideration of RM3.

The summarised financial information of the Group's associates is as follows:-

	31.10.2013 RM	31.10.2014 RM	31.10.2015 RM
As at			
Assets and liabilities			
Total assets	12,397,548	8,253,977	9,606,615
Total liabilities	12,319,376	7,549,482	5,875,547
FYE			
Results			
Revenue	168,825	14,014,691	21,400,916
Net profit for the year	72,521	605,484	2,080,510

9. **OTHER INVESTMENTS**

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Available-for-sale financial assets			
At fair value			
Quoted shares in Malaysia	5,192	5,192	5,192

10. **INVENTORIES**

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Trading goods	11,102,923	15,783,534	21,754,668

Grant Thornton
An instinct for growth™

11. **TRADE RECEIVABLES**

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Trade receivables	2,309,452	839,327	4,169,387

The normal trade credit terms granted by the Group to the trade receivables range from 30 to 45 days for the FYE 31 October 2013, 2014 and 2015.

12. **OTHER RECEIVABLES**

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Other receivables	1,565,777	3,675,246	5,326,415
Deposits	5,823,403	7,025,716	8,339,668
Prepayments	1,104,283	1,091,064	3,322,619
	8,493,463	11,792,026	16,988,702

13. **AMOUNT DUE FROM ASSOCIATES**

Save as disclosed below, the outstanding amounts which are trade and non-trade in nature are unsecured, bear no interest and are repayable upon demand.

For trade transactions, the credit terms ranges from 30 to 60 days for the FYE 31 October 2013, 2014 and 2015.

As at 31 October 2015, included in the amount due from an associate is RM1,048,173, (2014: RM1,548,172, 2013: RMNil), being a loan to WH Smith Malaysia, which bears interest rates ranging from 3.26% to 3.75% (2014: 3.26% to 3.75%, 2013: Nil%) and is repayable upon demand.

14. **AMOUNT DUE FROM RELATED PARTIES**

Related parties refer to companies in which Directors and/or substantial shareholders have interest.

The outstanding amounts which are trade in nature have credit terms ranging from30 to 60 days for FYE 31 October 2013, 2014 and 2015are unsecured, bear no interest and are repayable upon demand.

GrantThornton
An instinct for growth™

15. **SHORT-TERM DEPOSITS WITH LICENSED BANKS**

The short-term deposits of RM597,500 in 2015, RM597,500 in 2014 and RM527,500 in 2013 have been pledged to licensed banks for facility and hence, are not available for general use.

The effective interest rate of fixed deposits ranges from 3.00% to 3.15% per annum for FYE 31 October 2013, 2014 and 2015. The deposits with licensed banks have maturities ranging from one month to twelve months for the FYE 31 October 2013, 2014, 2015.

16. **SHARE CAPITAL**

	As at 31.10.2013	**As at 31.10.2014**	**As at 31.10.2015**	**As at 31.10.2013**	**As at 31.10.2014**	**As at 31.10.2015**
	No. of ordinary shares of			Amount		
	RM1.00 each	RM1.00 each	RM0.20 each	RM	RM	RM
Authorised:						
At 1 November 2012/2013/ 2014	5,700,000	5,800,000	5,800,000	5,700,000	5,800,000	5,800,000
Share split	-	-	400,000	-	-	-
Adjustment pursuant to acquisitions	-	-	(5,700,000)	-	-	(5,700,000)
Created during the year	100,000	-	2,499,500,000	100,000	-	499,900,000
At 31 October	5,800,000	5,800,000	2,500,000,000	5,800,000	5,800,000	500,000,000
Issued and fully paid:						
At 1 November 2012/2013/ 2014	2,190,003	2,190,005	2,190,005	2,190,003	2,190,005	2,190,005
Issued during the year:						
- Share split	-	-	8	-	-	-
- Addition of share capital	2	-	1	2	-	*
- Adjustment pursuant to acquisitions	-	-	(2,190,003)	-	-	(2,190,003)
- Share exchange for acquisitions of subsidiaries	-	-	229,449,989	-	-	45,889,998
At 31 October	2,190,005	2,190,005	229,450,000	2,190,005	2,190,005	45,890,000

* represents RM0.20

The authorised, issued and fully paid share capital represents the aggregate of Bison's and its subsidiaries' authorised, issued and fully paid share capital for the FYE 31 October 2013 and 2014.

17. **REVALUATION RESERVE**

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Brought forward	-	-	9,011,640
Add: Revaluation of land and buildings	-	9,488,791	-
Less: Crystallisation of revaluation reserves	-	(477,151)	-
Carried forward	-	9,011,640	9,011,640
Less: Deferred taxation			
Brought forward	-	-	(451,000)
Add: Revaluation of land and buildings	-	(451,000)	-
Carried forward	-	(451,000)	(451,000)
Revaluation reserve, net of tax	-	8,560,640	8,560,640

The revaluation reserve relates to the revaluation of freehold land and buildings.

18. **MERGER DEFICIT**

The merger deficits arose from the acquisitions of:-

(a) 100% of DKE and 20% of Kukuh prior to FYE 31 October 2013

	RM
Nominal value of shares issued by Bison	2,362,000
Less: Nominal values of share capital of subsidiaries acquired	(110,000)
	2,252,000

(ii) 100% of Bison Stores, Eemerge, Bison Foods and 80% of Kukuh during FYE 31 October 2015

	RM
Nominal value of shares issued by the Bison	45,889,998
Less: Nominal values of share capital of subsidiaries acquired	(2,190,003)
	43,699,995
As at 31 October 2013/2014	2,252,000
As at 31 October 2015	45,951,995

Grant Thornton
An instinct for growth™

19. AMOUNT DUE TO A DIRECTOR

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Non-current	-	5,426	-
Current	67,821	331,249	5,426
	67,821	336,675	5,426

The non-current portion of the amount due to a director is unsecured, bears no interest, and is not repayable within the next twelve (12) months.

The current portion of the amount due to a director is unsecured, bears no interest, and is repayable on demand.

20. BANK BORROWINGS

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Secured:			
Non-current			
Term loans	7,820,521	9,113,722	8,276,323
Current			
Term loans	985,066	1,221,043	1,266,447
	8,805,587	10,334,765	9,542,770

The term loans of the Group are secured by:-

(a) Legal charge over the Group's land and buildings, and
(b) Personal guarantee provided by certain Directors.

The term loans bear interest at rates ranging from 4.55% to 5.63% per annum for the FYE31 October 2015 and 4.55% to 7.05% per annum for the FYE 31 October 2013 and 2014.

21. FINANCE LEASE LIABILITIES

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Finance lease liabilities			
- less than 1 year	239,225	267,485	254,923
- more than 1 year but less than 5 years	493,485	600,492	470,905
	732,710	867,977	725,828
Less: Future finance charges	(71,985)	(83,943)	(61,306)
	660,725	784,034	664,522
Present value of finance lease liabilities			
- less than 1 year	206,935	229,226	193,614
- more than 1 year but less than 5years	453,790	554,808	470,908
	660,725	784,034	664,522

The finance lease payables bear interest at rates ranging from 2.31% to 3.90% per annum for the FYE 31 October 2013, 2014 and 2015.

22. DEFERRED TAX LIABILITIES

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
At 1 November 2012/2013/2014	618,900	1,069,999	1,960,377
Recognised in profit or loss (Note 28)	451,099	439,378	147,588
Recognised in other comprehensive income (Note 28)	-	451,000	-
At 31 October	1,069,999	1,960,377	2,107,965
Deferred tax liabilities comprise the following:-			
Carrying amount of qualifying property, plant and equipment in excess of their tax base	1,069,999	1,509,377	2,107,965
Revaluation of land and buildings	-	451,000	-
	1,069,999	1,960,377	2,107,965

23. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 30 to 90 days for the FYE 31 October 2013, 2014 and 2015.

24. OTHER PAYABLES

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Sundry payables	4,546,587	4,436,627	3,264,382
Accruals	4,427,149	6,109,103	6,334,578
	8,973,736	10,545,730	9,598,960

25. AMOUNT DUE TO RELATED PARTIES

Related parties refer to companies in which Directors and/or substantial shareholders have interest.

The outstanding amounts which are trade in nature, are unsecured, repayable in 30 (2014:30) days and bears no interest.

26. REVENUE

	FYE 31.10.2013 RM	FYE 31.10.2014 RM	FYE 31.10.2015 RM
Magazines and convenience store items	156,712,365	181,138,801	215,557,434
Food and beverages	1,075,633	977,113	1,528,479
Management services	173,874	293,004	460,348
	157,961,872	182,408,918	217,546,261

27. PROFIT BEFORE TAX

Profit before tax has been determined after charging/(crediting), amongst others, the following items:-

	FYE 31.10.2013 RM	FYE 31.10.2014 RM	FYE 31.10.2015 RM
Auditor's remuneration			
- statutory	77,066	81,942	113,000
- (Over)/Under provision in prior year	(2,220)	1,730	(900)
- Non statutory	-	-	57,000
Amortisation of investment property	2,408	-	-
Amortisation of intangible asset	600	800	800
Bad debts written off:			
- Trade	-	9,322	-
- Non-trade	-	740	-
Depreciation of property, plant and equipment	2,133,239	2,729,847	3,591,764
Directors' fee	-	-	18,000
Directors' remuneration	517,319	655,016	858,820
Interest expenses:-			
- finance lease	31,874	36,206	40,368
- term loan	546,669	540,605	515,670
- others	17,735	25,302	21,433
(Gain)/Loss on disposal of property, plant and equipment	(6,156,326)	(80,599)	8,239
Property, plant and equipment written off	193,061	235,291	252,908
Gain on disposal of investment in associate	-	(2,333)	-
Rental expenses			
- hostels	324,444	402,800	972,293
- outlets	12,317,886	15,292,641	18,944,139
- premises	289,809	86,550	86,420
Rental income	(187,808)	(299,340)	(293,561)
Dividend income from quoted investment in Malaysia	(273)	(445)	(484)
Interest income	(162,954)	(190,207)	(121,010)

Grant Thornton
An instinct for growth™

28. TAX EXPENSE

	Note	FYE 31.10.2013 RM	FYE 31.10.2014 RM	FYE 31.10.2015 RM
Income tax expense				
Recognised in profit or loss				
Taxation				
- current year		3,336,401	3,457,521	3,905,154
- (over)/under provision in prior year		(3,305)	(47,137)	139,638
Transfer to deferred taxation				
- current year		332,099	300,378	278,588
- under/(over) provision in prior year		119,000	139,000	(131,000)
		451,099	439,378	147,588
		3,784,195	3,849,762	4,192,380
Recognised in other comprehensive income				
Deferred tax related to net surplus on revaluation of land and buildings	22	-	451,000	-
		-	451,000	-

The provision for current year's taxation is determined by applying the Malaysian statutory tax rates on the chargeable income. The Malaysian statutory tax rate is 25% of the assessable profits for the financial year.

The above amounts are subject to the approval of the Inland Revenue Board of Malaysia.

28. **TAX EXPENSE (CONT'D)**

A reconciliation of income tax expense applicable to profit before tax at the statutory tax rate to income tax expense at the effective tax rate of the Group is as follows:-

	FYE 31.10.2013 RM	FYE 31.10.2014 RM	FYE 31.10.2015 RM
Profit before tax	21,639,150	16,279,320	17,702,128
Income tax at rate of 25%	5,409,787	4,069,830	4,425,532
Non-allowable expenses	360,362	347,271	425,745
Effect of income subject to the tax rate of 20% for SME*	(81,941)	(94,484)	-
Income not subject to tax	(2,015,437)	(564,241)	(654,011)
(Over)/under provision in prior year	(3,305)	(47,137)	139,638
Deferred assets not recognised in prior year	(4,271)	-	-
Utilisation of deferred assets not recognised in prior year	-	(477)	(13,524)
Under/(over) provision of deferred tax liabilities in prior year	119,000	139,000	(131,000)
Tax expense for the financial year/period	3,784,195	3,849,762	4,192,380

* A SME is defined as a company with a paid-up capital in respect of ordinary shares of RM2.5 million and below at the beginning of the basis period for the relevant year of assessment.

29. **DIVIDENDS**

	FYE 31.10.2013 RM	FYE 31.10.2014 RM	FYE 31.10.2015 RM
Dividend declared and paid	6,700,000	5,000,000	500,000
Dividends in-specie	-	5,922,194	-
	6,700,000	10,922,194	500,000

For the FYE 31 October 2014, the Group declared and distributed dividends in-specie amounting to RM5,922,194 which are settled by way of transfer of property, plant and equipment and investment property and assignment of amount due from related party amounting to RM1,522,194, RM650,000 and RM3,750,000 respectively.

Grant Thornton
An instinct for growth™

30. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	FYE 31.10.2013 RM	FYE 31.10.2014 RM	FYE 31.10.2015 RM
Acquisition of property, plant and equipment	8,484,453	9,338,298	7,807,275
Less: Financed by lease arrangements	(417,000)	(340,000)	(119,000)
Cash payments	8,067,453	8,998,298	7,688,275

31. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the Consolidated Statements of Cash Flows of the Group comprise the following;-

	FYE 31.10.2013 RM	FYE 31.10.2014 RM	FYE 31.10.2015 RM
Short-term deposits with licensed banks	632,155	924,506	924,506
Cash and bank balances	8,810,872	7,759,444	6,091,597
	9,443,027	8,683,950	7,016,103
Less: Short-term deposits pledged to a licensed bank	(527,500)	(597,500)	(597,500)
	8,915,527	8,086,450	6,418,603

32. EMPLOYEE BENEFITS EXPENSE

	FYE 31.10.2013 RM	FYE 31.10.2014 RM	FYE 31.10.2015 RM
Salaries and other emoluments	13,467,334	15,872,766	20,374,780
Defined contribution plan	1,093,262	1,211,028	1,240,829
Social security contributions	134,296	158,392	161,174
	14,694,892	17,242,186	21,776,783

GrantThornton
An instinct for growth™

32. EMPLOYEE BENEFITS EXPENSE (CONT'D)

Included in the employee benefits expense is the Directors' remuneration as below:-

	FYE 31.10.2013 RM	FYE 31.10.2014 RM	FYE 31.10.2015 RM
Salaries and other emoluments	433,973	549,894	723,267
Defined contribution plan	82,726	104,502	134,675
Social security contributions	620	620	878
	517,319	655,016	858,820

33. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Significant related party transactions during the financial year were as follows:-

	FYE 31.10.2013 RM	FYE 31.10.2014 RM	FYE 31.10.2015 RM
Transactions with an associate			
Sale to	-	(317,517)	-
Management fees charged to	-	(293,004)	(460,348)
Interest expense charged to	-	(43,678)	(44,886)
Loan to	-	1,548,172	-
Transactions with related parties			
Purchases charged by	1,310,829	1,430,653	1,398,755
Rental – office charged by	45,438	3,779	72,000
– hostel charged by	38,832	38,832	69,600
Sales to	(3,535,222)	(3,916,226)	(1,578,399)
Design fees charged by	20,000	60,000	-
Maintenance fee charged to	(84,000)	(84,000)	(42,000)
Advertising and promotion charged to	(40,398)	(53,687)	(17,862)
Loans from	392,913	-	-

33. **SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)**

(b) Compensation of key management personnel

The remuneration of Directors and other members of key management personnel during the financial year are as follows:-

	FYE 31.10.2013 RM	FYE 31.10.2014 RM	FYE 31.10.2015 RM
Salaries and other emoluments	698,804	952,404	1,321,954
Defined contribution plan	111,366	150,826	201,732
Social security contributions	2,479	2,718	3,771
	812,649	1,105,948	1,527,457

Other members of key management personnel comprise person other than the Directors of the Group, having authority and responsibility for planning, directing and controlling the activities of the group either directly or indirectly.

34. **LEASE COMMITMENTS**

Non-cancellable lease commitments pertaining to the Group in respect of rental of premises are as follows:-

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Not later than one year	8,481,445	8,868,315	15,191,534
Later than one year but not later than two years	7,192,115	5,466,962	8,882,493
Later than two year but not later than five years	186,452	45,272	3,427,709
	15,860,012	14,380,549	27,501,736

35. **CAPITAL COMMITMENTS**

Capital expenditure not provided for in the financial information are as follows:-

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Authorised and contracted for:			
-Purchase of property, plant and equipment	394,600	394,600	1,431,746

Grant Thornton
An instinct for growth™

36. CONTINGENT LIABILITIES

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Corporate guarantee in favour of related party for banking facilities granted to a related party	8,423,185	8,300,263	-
Bank guarantee in favour of an associate for security deposit of tenancy	527,500	527,500	527,500
	8,950,685	8,827,763	527,500

On 13 July 2015, the financial institution has approved in writing the discharge of the abovementioned corporate guarantee subject to the fulfillment of certain conditions stipulated therein, of which have been fulfilled and complied with.

37. CATEGORIES OF FINANCIAL INSTRUMENTS

The table below provides an analysis of financial instruments categorised as follows:-

(i) Loans and receivables ("L&R");
(ii) Available-for-sale financial assets ("AFS"); and
(iii) Other liabilities measured at amortised cost ("AC")

	Carrying amount RM	L&R RM	AFS RM	AC RM
31.10.2013				
Financial assets				
Other investment	5,192	-	5,192	-
Trade receivables	2,309,452	2,309,452	-	-
Other receivables	7,389,180	7,389,180	-	-
Amount due from associates	4,810,440	4,810,440	-	-
Amount due from related parties	620,283	620,283	-	-
Short-term deposits with licensed bank	632,155	632,155	-	-
Cash and bank balances	8,810,872	8,810,872	-	-
	24,577,574	24,572,382	5,192	-
Financial liabilities				
Trade payables	11,719,454	-	-	11,719,454
Other payables	8,973,736	-	-	8,973,736
Amount due to related parties	1,851,593	-	-	1,851,593
Amount due to a Director	67,821	-	-	67,821
Finance lease liabilities	660,725	-	-	660,725
Bank borrowings	8,805,587	-	-	8,805,587
	32,078,916	-	-	32,078,916

Grant Thornton
An instinct for growth™

37. **CATEGORIES OF FINANCIAL INSTRUMENTS (CONT'D)**

	Carrying amount RM	L&R RM	AFS RM	AC RM
31.10.2014				
Financial assets				
Other investment	5,192	-	5,192	-
Trade receivables	839,327	839,327	-	-
Other receivables	10,700,962	10,700,962	-	-
Amount due from associate	1,715,467	1,715,467	-	-
Amount due from related parties	4,385	4,385	-	-
Short-term deposits with licensed bank	924,506	924,506	-	-
Cash and bank balances	7,759,444	7,759,444	-	-
	21,949,283	21,944,091	5,192	-
Financial liabilities				
Trade payables	14,682,637	-	-	14,682,637
Other payables	10,545,730	-	-	10,545,730
Amount due to related parties	167,842	-	-	167,842
Amount due to a Director	336,675	-	-	336,675
Finance lease liabilities	784,034	-	-	784,034
Bank borrowings	10,334,765	-	-	10,334,765
	36,851,683	-	-	36,851,683
31.10.2015				
Financial assets				
Other investment	5,192	-	5,192	-
Trade receivables	4,169,387	4,169,387	-	-
Other receivables	13,666,083	13,666,083	-	-
Amount due from associate	1,243,628	1,243,628	-	-
Amount due from related parties	1,394	1,394	-	-
Short-term deposits with licensed bank	924,506	924,506	-	-
Cash and bank balances	6,091,597	6,091,597	-	-
	26,101,787	26,096,595	5,192	-
Financial liabilities				
Trade payables	21,446,386	-	-	21,446,386
Other payables	9,598,960	-	-	9,598,960
Amount due to related parties	130,774	-	-	130,774
Amount due to a Director	5,426	-	-	5,426
Finance lease liabilities	664,522	-	-	664,522
Bank borrowings	9,542,770	-	-	9,542,770
	41,388,838	-	-	41,388,838

38. **FINANCIAL RISK MANAGEMENT OBJECTIVES - POLICIES**

The Group is exposed to financial risks arising from its operations and the use of financial instruments. Financial risk management policy is established to ensure that adequate resources are available for the development of the Group's business whilst managing its credit risk, liquidity risk and interest rate risk. The Group operates within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process.

The main areas of financial risks faced by the Group and the policy in respect of the major areas of treasury activity are set out as follows:-

38.1 **Credit risk**

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It is the Group's policy to enter into financial instrument with a diversity of creditworthy counterparties. The Group does not expect to incur material credit losses of its financial assets or other financial instruments.

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the group of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group's portfolio of financial instrument is broadly diversified along industry, product and geographical lines, and transactions are entered into with diverse creditworthy counterparties, thereby mitigating any significant concentration of credit risk.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. The Group does not offer credit terms without the approval of the head of credit control.

Following are the area where the Group is exposed to credit risk:-

(i) Receivables

At the end of the reporting date, the maximum exposure to credit risk arising from receivables is limited to the carrying amounts in the statements of financial position.

With a credit policy in place to ensure the credit risk is monitored on an ongoing basis, management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than credit terms granted are deemed to have higher credit risk and are monitored individually.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various industries and geographical areas. Based on the historical information about customer default rates, management consider the credit quality of trade receivables that are not past due or impaired to be good.

Grant Thornton
An instinct for growth™

38. **FINANCIAL RISK MANAGEMENT OBJECTIVES - POLICIES (CONT'D)**

38.1 **Credit risk (cont'd)**

(i) Receivables (cont'd)

The ageing analysis of trade receivables are as follows:

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Not past due	1,809,395	580,579	3,767,824
Past due 1 to 30 days	83,634	98,877	104,550
Past due 31 to 60 days	14,337	5,155	36,617
Past due 61 to 90 days	60,986	47,031	120,366
More than 90 days	341,100	107,685	140,030
	2,309,452	839,327	4,169,387

The net carrying amount of trade receivables is considered a reasonable approximate of fair values. The maximum exposure to credit risk is the carrying value of each class of receivables mentioned above.

Trade receivables that are neither past due nor impaired are creditworthy receivables with payment records with the Group. None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

As at 31 October 2015, trade receivables of RM401,563, (2014: RM258,748 and 2013: RM500,057) for the Group respectively were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

In respect of trade receivables, the Group are not exposed to any significant credit risk exposure to any single counterparty or any group of counter parties having similar characteristics. Trade receivables consist of a larger number of customers in difference background.

Based on the historical information about customer default rates, management considers the credit quality of trade receivables.

(ii) Inter company balances

The maximum exposure to credit risk is represented by their carrying amount in the statements of financial position.

The Group provides unsecured advance to associates and related parties and monitors the results of the associate and related parties regularly. As at the end of the reporting period, there was no indication that the advances to the associates and related parties are not recoverable.

GrantThornton
An instinct for growth™

38. **FINANCIAL RISK MANAGEMENT OBJECTIVES - POLICIES (CONT'D)**

38.2 **Liquidity risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

In managing its exposures liquidity risk arises principally from its various payables, loans and borrowings, the Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

The Group aims at maintaining a balance of sufficient cash and deposits and flexibility in funding by keeping diverse sources of committed and uncommitted credit facilities from various banks.

The summary of the maturity profile based on the contractual undiscounted repayment obligation is as follows:-

	Carrying amount RM	Contractual cash flow RM	Within 1 year RM	1 to 2 years RM	2 to 5 years RM	More than 5 years RM
2013						
Trade payables	11,719,454	11,719,454	11,719,454	-	-	-
Other payables	8,973,736	8,973,736	8,973,736	-	-	-
Amount due to related parties	1,851,593	1,851,593	1,851,593	-	-	-
Amount due to a Director	67,821	67,821	67,821	-	-	-
Finance lease liabilities	660,725	732,710	239,225	267,485	226,000	-
Bank borrowing	8,805,587	10,780,329	1,432,668	1,422,297	4,194,396	3,730,968
	32,078,916	34,125,643	24,284,497	1,689,782	4,420,396	3,730,968
2014						
Trade payables	14,682,637	14,682,637	14,682,637	-	-	-
Other payables	10,545,730	10,545,730	10,545,730	-	-	-
Amount due to related parties	167,842	167,842	167,842	-	-	-
Amount due to a Director	336,675	336,675	331,249	5,426	-	-
Finance lease liabilities	784,034	867,980	267,485	538,140	62,355	-
Bank borrowing	10,334,765	13,917,644	1,740,120	1,729,749	5,116,752	5,331,023
	36,851,683	40,518,508	27,735,063	2,273,315	5,179,107	5,331,023

GrantThornton
An instinct for growth™

38. **FINANCIAL RISK MANAGEMENT OBJECTIVES - POLICIES (CONT'D)**

38.2 **Liquidity risk (cont'd)**

The summary of the maturity profile based on the contractual undiscounted repayment obligation is as follows (cont'd):-

	Carrying amount RM	Contractual cash flow RM	Within 1 year RM	1 to 2 years RM	2 to 5 years RM	More than 5 years RM
2015						
Trade payables	21,446,386	21,446,386	21,446,386	-	-	-
Other payables	9,598,960	9,598,960	9,598,960	-	-	-
Amount due to related parties	130,774	130,774	130,774	-	-	-
Amount due to a Director	5,426	5,426	5,426	-	-	-
Finance lease liabilities	664,522	725,831	254,923	207,028	263,880	-
Bank borrowing	9,542,770	11,442,730	1,741,027	1,740,120	5,220,360	2,741,223
	41,388,838	43,350,107	33,177,496	1,947,148	5,484,240	2,741,223

38.3 **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's interest rate management objective is to manage the interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation. In order to achieve this objective, the Group's targets a mix of fixed and floating debt based on assessment of its existing exposure and desired interest rate profile.

The interest rate profile of the Group's significant interest bearing financial instruments based on the carrying amounts as at the end of the reporting period were as follows:-

	As at 31.10.2013 RM	As at 31.10.2014 RM	As at 31.10.2015 RM
Fixed rate instruments			
Financial asset			
Short-term deposits with licensed bank	632,155	924,506	924,506
Financial liability			
Finance lease liabilities	660,725	784,034	664,522
Floating rate instruments			
Financial liability			
Bank borrowings	8,805,587	10,334,765	9,542,770
	10,098,467	12,043,305	11,131,798

Grant Thornton
An instinct for growth™

38. FINANCIAL RISK MANAGEMENT OBJECTIVES - POLICIES (CONT'D)

38.3 Interest rate risk (cont'd)

The Group does not account for any fixed rate financial assets and liabilities through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rate at the reporting date would not affect profit or loss for the FYE 31 October 2013 to 2015.

The following table illustrates the sensitivity of profit and equity to a reasonable possible change in interest rates of +/- 50 basis point ("bp"). These changes considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

		FYE 31.10.2013 RM	FYE 31.10.2014 RM	FYE 31.10.2015 RM
Effect on profit for the financial year and equity				
+50 bp		(44,028)	(51,674)	(47,714)
-50 bp		44,028	51,674	47,714

38.4 Fair value of financial instruments

The carrying amounts of short term receivables and payables, cash and cash equivalents and short-term borrowings approximate their fair values due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their values and carrying amounts shown in the statement of financial position.

	Fair value of financial instruments carried at fair value **Level 1** **RM**	Fair value of financial instruments not carried at fair value **Level 2** **RM**	Carrying amount **RM**
2013			
Financial asset			
Quoted shares	5,535	-	5,192
Financial liabilities			
Finance lease liabilities	-	612,041	660,725
Bank borrowings	-	8,598,842	8,805,587
2014			
Financial asset			
Quoted shares	6,150	-	5,192

38.4 Fair value of financial instruments (cont'd)

	Fair value of financial instruments carried at fair value **Level 1** **RM**	Fair value of financial instruments not carried at fair value **Level 2** **RM**	Carrying amount **RM**
Financial liabilities			
Finance lease liabilities	-	725,191	784,034
Bank borrowings	-	9,288,265	10,334,765
2015			
Financial asset			
Quoted shares	6,232	-	5,192
Financial liabilities			
Finance lease liabilities	-	628,376	664,522
Bank borrowings	-	8,673,649	9,542,770

There were no transfers between Level 1 and Level 2 during the financial year(2014 and 2013: no transfer in either direction).

Policy on transfer between levels
The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 Fair Value
Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Level 2 Fair Value
Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

39. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and determine to maintain an optimal debt-to-equity ratio and ensure that the Group complies with debt covenants imposed by bankers.

There were no changes in the Group's approaches to capital management during the financial year.

Grant Thornton
An instinct for growth™

40. **SIGNIFICANT EVENTS SUBSEQUENT TO THE STATEMENT OF FINANCIAL POSITION DATE**

There are no significant events subsequent to the statement of financial position date except as follows:

(a) On 10 December 2015, Securities Commission Malaysia ("SC") had approved the proposed admission of Bison to the Official List and the listing of and quotation for entired enlarged issued and paid-up share capital of Bison's shares on the Main Market of Bursa Malaysia Securities Berhad.

(b) 20 January 2016, Bursa Malaysia Securities Berhad ("Bursa Securities") had approved the admission of Bison to the Official List and the listing and quotation of its entire issued and paid-up share capital of RM62,014,000 comprising 310,070,000 ordinary shares of RM0.20 each under the "Trading/Services" sector on the Main Market of Bursa Securities.

41. **AUDITED CONSOLIDATED FINANCIAL STATEMENTS**

No audited Consolidated Financial Statements have been prepared in respect of any period subsequent to 31 October 2015.

14. DIRECTORS' REPORT

Date: 2 3 FEB 2016

The Shareholders of Bison Consolidated Berhad
Unit 07-02, Level 7, Persoft Tower
6B Persiaran Tropicana
Tropicana Golf & Country Club
47410 Petaling Jaya
Selangor Darul Ehsan

Dear Sir/Madam,

On behalf of the Board of Directors of Bison Consolidated (**"Bison"**), I wish to report after due inquiry by the Board of Directors of Bison, during the period from 31 October 2015 (being the date which the last audited financial statements of Bison and its subsidiaries (collectively, the "**Group**") have been made up to) to the date of this letter (being a date not earlier than 14 days before the issue of this Prospectus), that:

(a) the business of the Group has, in the opinion of the Directors, been satisfactorily maintained;

(b) in the opinion of the Directors, no circumstances have arisen since the last audited financial statements of Bison, which have adversely affected the trading or the value of the assets of the Group;

(c) the current assets of the Group appear in the books at values which are believed to be realisable in the ordinary course of business;

(d) save as disclosed in Section 11.1.4(ii) of this Prospectus, there are no contingent liabilities by reason of any guarantees or indemnities given by the Group;

(e) there has been, since the last audited financial statements of the Group, no default or any known event that could give rise to a default situation, on payments of either interest and/or principal sums in respect of any borrowings by Bison or any of its subsidiaries; and

(f) there has been, since the last audited financial statements of the Group, no material change in the published reserves or any unusual factor affecting the profits of the Group.

Yours faithfully
For and on behalf of the Board of Directors of
Bison Consolidated Berhad

Dang Tai Luk
Managing Director

BISON CONSOLIDATED BERHAD (1039846-T)
258-259, Jalan KIP 4, KIP Industrial Park, 52200 Kuala Lumpur, Malaysia Tel 603 6273 6366 Fax 603 6277 4911 Email bison@mynews.com.my
Facebook https://www.facebook.com/myNEWS.com.my

15. STATUTORY AND OTHER GENERAL INFORMATION

15.1 Share capital

(a) Save as disclosed in this Prospectus, no securities will be allotted or issued or offered on the basis of this Prospectus later than 12 months after the date of the issue of this Prospectus.

(b) There is no founder, management or deferred share in our Company. As at the date of this Prospectus, our Company has 1 class of shares, namely ordinary shares of RM0.20 each, all of which rank equally with one another.

(c) Save as disclosed in Sections 3.6, 4.3, 6.2, 6.3 and 6.4 of this Prospectus, no shares, stocks or debentures of our Group have been issued or proposed to be issued as fully or partly paid-up in cash or otherwise, within the 2 years preceding the date of this Prospectus.

(d) None of the share capital of our Company or any of our subsidiaries is under option, or agreed conditionally or unconditionally to be put under option as at the date of this Prospectus.

(e) Save for the 2,800,000 IPO Shares reserved for the Eligible Persons as disclosed in Section 4.3.3 of this Prospectus and subject to our Listing as disclosed in Section 4 of this Prospectus, there is currently no other scheme involving our employees and Directors of our Group.

(f) Our Company and our subsidiaries do not have any outstanding convertible debt security as at the date of this Prospectus.

15.2 Extracts of our Articles

The following is extracted from our Articles and is qualified in its entirety by the remainder of our Articles and by applicable law. The words and expressions appearing in the following provisions shall bear the same meanings used in our Articles unless otherwise defined or the context otherwise require:

15.2.1 Transfer of securities

The provisions in our Articles in respect of the arrangements for transfer of the securities and restrictions on their free transferability are as follows:

"Article 27

The instrument of transfer of any Securities shall be in writing and in the form approved in the Rules and shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the securities until the name of the transferee is entered in the Record of Depositors in respect thereof. The transfer of any listed Securities or class of listed Securities of the Company, shall be by way of book entry by the Bursa Depository in accordance with the Rules and, notwithstanding Sections 103 and 104 of the Act, but subject to Section 107C(2) of the Act and any exemption that may be made from compliance with Section 107C(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such listed Securities.

Article 28

Subject to the Rules and Listing Requirements, the transfer of any Securities may be suspended at such times and for such periods as the Directors may from time to time determine. Ten (10) Market Days' notice, or such other period as may from time to time be specified by the Exchange governing the Register concerned, of intention to close the Register shall be given to the Exchange. At least three (3) Market Days' prior notice shall be given to the Bursa Depository to prepare the appropriate Record of Depositors.

Article 29

The Bursa Depository may refuse to register any transfer of Deposited Security that does not comply with the Central Depositories Act and the Rules.

Article 30

Subject to the provisions of these Articles, the Directors may recognise a renunciation of any share by the allottee thereof in favour of some other person.

Article 30A

Subject to any law in Malaysia for the time being in force, neither the Company nor the Directors nor any of its officers shall incur any liability for the act of the Bursa Depository in registering or acting upon a transfer of Securities apparently made by a Member or any person entitled to the Securities by reason of death, bankruptcy or insanity of a Member although the same may, by reason of any fraud or other causes not known to the Company or the Directors or the Bursa Depository or other officers, be legally inoperative or insufficient to pass the property in the Securities proposed or professed to be transferred, and although the transfer may, as between the transferor Member and the transferee, be liable to be set aside and notwithstanding that the Company may have notice that such instrument or transfer was signed or executed and delivered by the transferor Member in the blank as to the name of the transferee, of the particulars of the Securities transferred or otherwise in defective manner. And in every case, the person registered as transferee, his executors, administrators and assignees alone shall be entitled to be recognised as the holder of such Securities and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto."

15.2.2 Remuneration of Directors

The provisions in our Articles in respect of remuneration of our Directors are as follows:

"**Article 97**

The Directors shall be paid by way of fees for their services, such fixed sum (if any) shall from time to time be determined by the Company in general meeting and such fees shall be divided among the Directors in such proportions and manner as the Directors may determine PROVIDED ALWAYS that:

(a) fee payable to Directors who hold no executive office in the Company shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover;

(b) salaries and other emoluments payable to Directors in their capacity as an executive in the Company pursuant to a contract of service need not be determined by the Company in general meeting but such salaries and emoluments may not include a commission on or percentage of turnover;

(c) fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting; and

(d) any fee paid to an alternate Director shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Article 98

(1) The Directors shall be paid for all their meeting attendance allowances, travelling, hotel and other expenses properly and necessarily expended by them in and about the business of the Company including their travelling and other expenses incurred in attending meetings of the Directors or any committee of the Directors or general meetings or otherwise.

(2) If any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) as may be determined by the Board provided that in the case of non-executive Directors, the said remuneration shall not include a commission on or percentage of profits or turnover. In the case of an executive Director, such fee may be either in addition to or in substitution for his share in the fee from time to time provided for the Directors.

Article 129(1)

A Director may from time to time nominate any person to act as his alternate Director and at his discretion remove such alternate Director, but the appointment of such alternate Director shall not take effect until approved by a majority of the other Directors PROVIDED ALWAYS that any fee paid by the Company to an alternate Director shall be deducted from that Director's remuneration.

Article 131

The remuneration of a Director holding an executive office pursuant to these Articles shall, subject to Article 97, be fixed by the Board and may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes but shall not include a commission on or percentage of turnover."

15.2.3 Voting and borrowing powers of Directors

The provisions in our Articles dealing with voting powers of our Directors in the proposals, arrangements or contracts in which they are interested in and the borrowing powers exercisable by them and how such borrowing powers can be varied are as follows:

"**Article 102**

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or subsidiary company or associate company or any related third party subject to the law including but not limited to the provisions of the Act and the Listing Requirements, as they may think fit.

Article 103

The Directors shall not borrow any money or mortgage or charge any of the Company's or its subsidiaries' undertaking, property or uncalled capital, or issue debentures or other securities, whether outright or as security, for any debt, liability or obligation of an unrelated third party.

Article 104

The Directors may establish or arrange any contributory or non-contributory pension or superannuation scheme, share option/incentive scheme and trusts or other funds for the benefit of, or pay a gratuity, pension or emolument, and to issue and allot and/or transfer shares or Securities to any person who is or has been employed by or in the service of the Company or any subsidiary of the Company, or to any person who is or has been a Director or other officer of and holds or has held salaried employment in the Company or any such subsidiary, and the widow, family or dependants of any such person. The Directors may also subscribe to any association or fund which they consider to be for the benefit of the Company or any such subsidiary or any such person as aforesaid and make payments for or towards any hospital or scholastic expenses and any Director holding such salaried employment shall be entitled to retain any benefit received by him under this Article subject only, where the Act requires, to proper disclosure to the Members and the approval of the Company in general meeting.

Article 110

Subject always to the Act and requirements of the Exchange, a Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise nor shall any such contracts, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established but the nature and extent of interest must be declared by him at the meeting of the Directors at which the contract or arrangement is determined, if the interest then exists or in any other case, at the first meeting of the Directors after the acquisition of the interest.

Article 125

A Director shall not participate in any discussion or vote in regard to any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest (and if he shall do so his vote shall not be counted).

Article 126

A Director notwithstanding his interest may, provided that none of the other Directors present disagree, be counted in the quorum present at any meeting whereat any decision is taken upon any contract or proposed contract or arrangement in which he is in any way interested PROVIDED ALWAYS that he has complied with Section 131 and all other relevant provisions of the Act and these Articles.

Article 127

A Director may vote in respect of:

(a) any arrangement for giving the Director himself or any other Directors any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; and

(b) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part, under a guarantee or indemnity or by the deposit of a security.

Article 128

A Director of the Company may be or become a director or other officer of or otherwise interested in any corporation promoted by the Company or in which the Company may be interested as shareholder or otherwise or any corporation which is directly and indirectly interested in the Company as shareholder or otherwise and no such Director shall be accountable to the Company for any remuneration or other benefit received by him as a director or officer of, or from his interest in, such corporation unless the Company otherwise directs at the time of his appointment. The Directors may exercise the voting power conferred by the shares or other interest in any such other corporation held or owned by the Company, or exercisable by them as directors of such other corporation, in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of the Directors or other officers of such corporation), and any Director may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be or is about to be appointed a director or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in the manner aforesaid."

15.2.4 Changes in capital and variation of class rights

The provisions in our Articles in respect of the changes in capital or variation of class rights, which are as stringent as those provided in the Act, are as follows:

"**Article 4**

Subject to the Act and these Articles, shares in the Company may be issued by the Directors and any such shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Directors, subject to any ordinary resolution of the Company, may determine.

Article 5

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares and subject to the provisions of these Articles, the Act and the provisions of any resolution of the Company, shares in the Company may be issued by the Directors, who may allot, or otherwise dispose of such shares to such persons, on such terms and conditions, with such preferred, deferred or other special rights, and subject to such restrictions and at such times as the Directors may determine but the Directors in making any issue of shares shall comply with the following conditions:

(a) no shares shall be issued at a discount except in compliance with the provisions of Section 59 of the Act;

(b) in the case of shares of a class, other than ordinary shares, no special rights shall be attached until the same have been expressed in these Articles and in the Members' resolution creating the same;

(c) every issue of shares or options to employees shall be approved by Members in general meeting and such approval shall specifically detail the amount of shares or options to be issued to such employees;

(d) except in the case of an issue of securities on a pro rata basis to shareholders or pursuant to a back-to-back placement undertaken in compliance with the Listing Requirements, a Director of the Company shall not participate, directly or indirectly, in an issue of ordinary shares or other securities with rights of conversion to ordinary shares or in a share issuance scheme unless the shareholders of the Company in general meeting have approved the specific allotment to be made to the Director and the Director has abstained from voting on the relevant resolution;

(e) without limiting the generality of Section 132D of the Act, the Company must not issue any ordinary shares or other securities with rights of conversion to ordinary shares if the nominal value of those shares or securities, when aggregated with the nominal value of any such shares or securities which the Company has issued during the preceding twelve (12) months, exceeds ten percent (10%) of the nominal value of the issued and paid-up capital (excluding treasury shares) of the Company, except where the shares or securities are issued with the prior shareholder approval in a general meeting of the precise terms and conditions of the issue; and

(f) in working out the number of shares or securities that may be issued by the Company, if the security is a convertible security, each such security is counted as the maximum number of shares into which it can be converted or exercised.

Article 6

Subject to the Act, any preference shares may with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed but the total nominal value of the issued preference shares shall not exceed the total nominal value of the issued ordinary shares at any time. The Company shall have the power to issue preference capital ranking equally with, or in priority to, preference shares already issued. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving notices, reports and audited accounts and attending meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the share capital or winding up or during the winding up of the Company, or on a proposal for the disposal of the whole of the Company's property, business and undertaking, or where any resolution to be submitted to the meeting directly affects their rights and/or privileges attached to the shares, or when the dividend or part of the dividend on the preference shares is in arrears for more than six (6) months.

Article 8

Subject to the provisions of Sections 55 and 65 of the Act, if at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the sanction of a special resolution passed at a separate meeting of the shareholders of that class. Where the necessary majority of such a special resolution is not obtained at the meeting, consent in writing if obtained from the holders of not less than three-fourths (3/4) of the issued shares of that class within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting. To every such separate general meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two (2) persons who are shareholders present in person or represented by proxy, one-third (1/3) of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll. To every such special resolution, the provisions of Section 152 of the Act shall with such adaptations as are necessary, apply.

Article 9

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or in all respects pari passu therewith.

Article 52

The Company may from time to time, whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully paid up or not, by ordinary resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount to be divided into shares of such respective amounts and to carry such rights or to be subjected to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company may, by the resolution authorising such increase, directs.

Article 54

Except so far as otherwise provided by the conditions of issue, any capital raised by the creation of new shares shall be considered as part of the original share capital of the Company, and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

Article 55

The Company may by ordinary resolution:

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) divide its share capital or any part thereof into shares of smaller amount than is fixed by the Memorandum of Association by subdivision of its existing shares or any of them subject nevertheless to the provisions of the Act and so that as between the resulting shares, one or more of such shares may, by the resolution by which such sub-division is effected, be given any preference or advantage as regards dividend, return of capital, voting or otherwise over the others or any other of such shares; and

(c) cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.

Article 57

The Company may, by special resolution, reduce its share capital, any capital redemption reserve fund or any share premium account in any manner and with, and subject to, any authorisation, and consent required by law."

15.3 Limitation on the right to hold securities and/or exercise voting rights

Save for Article 78 as set out below which has been reproduced from our Articles, there is no limitation on the right to own securities including limitation on the right of non-residents or foreign shareholders to hold or exercise their voting rights on our Shares imposed by law or by the constituent documents of our Company:

"**Article 78**

No person shall be entitled to be present or to vote on any resolution either as a Member or otherwise as a proxy or attorney or representative at any general meeting or demand a poll or be reckoned in the quorum in respect of any shares upon which calls are due and unpaid."

15.4 Deposited securities and rights of Depositors

As our Shares are proposed for quotation on the Official List, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of our Shares must deposit his Shares with Bursa Depository on or before the date fixed, failing which our share registrar will be required to transfer the Shares to the Minister of Finance and such Shares may not be traded on Bursa Securities.

Dealing in our Shares deposited with Bursa Depository may only be effected by a person having a securities account with Bursa Depository ("**Depositor**") by means of entries in the securities account of that Depositor.

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares shall be deemed to be our shareholder and shall be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

15.5 General

(a) Save as disclosed in Section 4.8 of this Prospectus, no commissions, discounts, brokerages or other special terms have been paid or is payable by our Group within the 2 years immediately preceding the date of this Prospectus for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any share in or debenture of our Group and in connection with the issue or sale of any capital of our Group and no Director or Promoter or expert is or are entitled to receive any such payment or any other benefits.

(b) During the last financial year and the current financial period up to the LPD, there were no:

(i) public take-over offers by third parties in respect of our Company's securities; and

(ii) public take-over offers by our Company in respect of any other company's securities.

(c) Save as disclosed in Section 9.2.2 of this Prospectus, there is no person, so far as known to us, who directly or indirectly, jointly or severally, exercise control over us.

15.6 Material contracts

Save as disclosed below, our Company and our subsidiaries have not entered into any material contract which is not in the ordinary course of our Group's business during the 2 years preceding the LPD:

(a) a sale of shares agreement dated 30 October 2014 entered into between Bison Stores and Evertop Cleaners where Bison Stores agreed to sell and Evertop Cleaners agreed to purchase Bison Stores' entire interests in Nova Dynasty representing 50% of the issued and paid up share capital of Nova Dynasty. The purchase price of RM3.00 had been arrived at taking into consideration of Evertop Cleaners' agreement to assume and accept the assignment of Bison Stores' loan to Nova Dynasty (its associate then), amounting to RM3,750,000;

(b) a sale and purchase agreement dated 30 October 2014 entered into between Bison Stores and Evertop Cleaners where Bison Stores agreed to sell and Evertop Cleaners agreed to purchase the property held under PN 12392/M1/8/72, No. Petak: 72, Tingkat No. 8, Bangunan No. M1, Lot No. 49501 Seksyen 39, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor bearing postal address of L8-10, Wisma BU8, Lebuh Bandar Utama, Bandar Utama PJU 6, 47800 Petaling Jaya, Selangor for a purchase consideration of RM650,000;

(c) a sale and purchase agreement dated 30 October 2014 entered into between Bison Stores and Evertop Cleaners where Bison Stores agreed to sell and Evertop Cleaners agreed to purchase the property held under strata title Geran 98679/M1/11/125 No. Petak: 125, No. Tingkat: 11, No. Bangunan: M1, Petak Aksesori: A261, Lot 64492, Bandar Kepong, Daerah Gombak, Negeri Selangor known as A-12-3, Blk A, Aman Puri Apartment, Jalan Aman, Desa Aman Puri, 51200 Kepong, Selangor for a purchase consideration of RM300,000;

(d) a sale and purchase agreement dated 30 October 2014 entered into between Bison Stores and Evertop Cleaners where Bison Stores agreed to sell and Evertop Cleaners agreed to purchase the property held under Geran 23514 Lot 50973, Geran 46843 Lot 53610 and Geran 46844 Lot 53611 all in Mukim Kuala Lumpur, District of Kuala Lumpur, State of Wilayah Persekutuan identified as Parcel No. A-11-1 (Type A1), Storey No. 11, Building No. A, Accessory Parcel No. L2A 48, 49 & 50, The Greens, TTDI for total a purchase consideration of RM2,907,906. This property is currently under construction and RM872,672 has been paid by Evertop Cleaners to Bison Stores, being the amount which has been paid by Bison Stores to the developer and/or rebated. The balance purchase consideration which is to be billed by the developer progressively shall be taken over and paid by Evertop Cleaners progressively when billed by the developer in due course;

(e) a sale and purchase agreement dated 30 October 2014 entered into between Bison Stores and Evertop Cleaners where Bison Stores agreed to sell and Evertop Cleaners agreed to purchase the property held under Geran 23514 Lot 50973, Geran 46843 Lot 53610 and Geran 46844 Lot 53611 all in Mukim Kuala Lumpur, District of Kuala Lumpur, State of Wilayah Persekutuan identified as Parcel No. B-23A-5 (Type B2), Storey No. 23A, Building No. B, Accessory Parcel No. L2 3 & 4, The Greens, TTDI for a purchase consideration of RM1,341,942. This property is currently under construction and RM268,688.40 has been paid by Evertop Cleaners to Bison Stores, being the amount which has been paid by Bison Stores to the developer and/or rebated. The balance purchase consideration which is to be billed by the developer progressively shall be taken over and paid by Evertop Cleaners progressively when billed by the developer in due course;

(f) a sale and purchase agreement dated 30 October 2014 entered into between Bison Stores and Evertop Cleaners where Bison Stores agreed to sell and Evertop Cleaners agreed to purchase the property identified as Parcel No. B-15-06, Storey No. 15, Building No. Wing B, Accessory Parcel No. L2-7 & L2-8, Project Urbana Residences held under the master title PN 30313, Lot 64211, Mukim Damansara, Daerah Petaling, Negeri Selangor for a purchase consideration of RM621,800. This property is currently under construction and RM80,834 has been paid by Evertop Cleaners to Bison Stores, being the amount which has been paid by Bison Stores to the developer and/or rebated. The balance purchase consideration which is to be billed by the developer progressively shall be taken over and paid by Evertop Cleaners progressively when billed by the developer in due course;

(g) a tripartite agreement dated 30 October 2014 between Bison Stores, Evertop Cleaners, DTL, DTH and DTW where DTL, DTH and DTW had agreed to assign the dividend payments due to them from Bison Stores amounting to RM5,922,194.40 to Evertop Cleaners towards the settlement of the amounts payable by Evertop Cleaners to Bison Stores in relation to the sale and purchase agreements and assignments of loans in paragraphs (a) to (f) above;

(h) a share sale and purchase agreement dated 21 April 2015 and supplemental letter dated 20 May 2015 between our Company and D&D Consolidated, DTL, DTH and DTW in respect of the Acquisitions, further details of which are set out in Section 6.2 of this Prospectus;

(i) the Retail Underwriting Agreement further details of which are set out in Section 4.9.1 of this Prospectus; and

(j) the Issuer Lock-up Agreement, further details of which are set out in Section 4.9.3 of this Prospectus.

15.7 Material litigation

Neither our Company nor our subsidiaries as at the date of this Prospectus, is involved in any material litigation or arbitration, either as plaintiff or defendant, which may have a material adverse effect on the business or financial position of our Group, and our Directors are not aware of any legal proceeding, pending or threatened, or of any fact likely to give rise to any legal proceeding which may have a material adverse effect on the business or financial position of our Group.

15.8 Consents

The written consents of our Principal Adviser, Managing Underwriter, Sole Bookrunner, Legal Advisers to our Company, Legal Advisers to the Managing Underwriter and Sole Bookrunner, Principal Bankers, Share Registrar, Issuing House and Company Secretary as set out in the Corporate Directory of this Prospectus for the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.

The written consent of the Auditors and Reporting Accountants for the inclusion of its name, Accountants' Report and Reporting Accountants' letter on our pro forma consolidated statements of financial position as at 31 October 2015, and all references thereto in the form and context in which they appear in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

The written consent of the Independent Market Researcher for the inclusion of its name and the IMR Report in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

15.9 Documents available for inspection

Copies of the following documents may be inspected at our registered office at Unit 07-02, Level 7, Persoft Tower, 6B Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan during office hours for a period of 12 months from the date of this Prospectus:

(a) our Memorandum and Articles;

(b) our material contracts referred to in Section 15.6 of this Prospectus;

(c) the Reporting Accountants' letter on the pro forma consolidated statements of financial position as at 31 October 2015 and the Accountants' Report as referred to in Sections 12.14 and 13 respectively of this Prospectus;

(d) the Directors' Report as referred to in Section 14 of this Prospectus;

(e) the letters of consent referred to in Section 15.8 of this Prospectus;

(f) the Independent Auditors' report on the combined financial statements of the Bison Group for the FYEs 31 October 2012, 31 October 2013 and 31 October 2014;

(g) the audited financial statements of Bison for the period from 26 March 2013 (date of Bison's incorporation) to 31 October 2013, and the FYEs 31 October 2014 and 31 October 2015;

(h) the audited financial statements of our subsidiaries for the years ended 31 October 2013, 31 October 2014 and 31 October 2015; and for WH Smith Malaysia for the period from 28 September 2011 (date of incorporation) to 31 December 2012, for the 8-month period ended 31 August 2013, the FYEs 31 August 2014 and 31 August 2015;

(i) the executive summary of the Independent Market Research Report dated 22 February 2016, as set out in Section 8 of this Prospectus; and

(j) the Independent Market Research Report dated 22 February 2016, prepared by Smith Zander International Sdn Bhd.

15.10 Responsibility statements

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

CIMB as the Principal Adviser, acknowledges that, based on all available information and to the best of their knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

(The rest of this page has been intentionally left blank)

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE

16.1 Opening and closing of applications

OPENING OF THE RETAIL OFFERING: 10.00 A.M., 4 MARCH 2016

CLOSING OF THE RETAIL OFFERING: 5.00 P.M., 14 MARCH 2016

Applications for the Retail Offering will open and close at the dates stated above or such other date or dates as our Directors and our Managing Underwriter in their absolute discretion may decide. If the closing date and/or time of either the Institutional Offering or the Retail Offering is extended, the Price Determination Date and dates for the balloting and allotment of our IPO Shares, and our Listing will be extended accordingly. Any such extension will be announced by us in a widely circulated Bahasa Malaysia and English daily newspaper within Malaysia.

Late applications will not be accepted.

Copies of the Application Forms together with this Prospectus may be obtained, subject to availability, from the Issuing House, CIMB and ADAs which are registered members of Bursa Securities.

16.2 Methods of application and category of investors

16.2.1 Application for our IPO Shares under the Retail Offering

Applications for our IPO Shares pursuant to the Retail Offering may be made using any of the following ways:

Type of Application Form	Category of investors
WHITE Application Form or Electronic Share Application(1) or Internet Share Application(2)	Malaysian Public (for individuals)
WHITE Application Form only	Malaysian Public (for non-individuals e.g. corporations, institutions, etc.)
PINK Application Form only	Eligible Persons

Notes:

(1) The following processing fee per Electronic Share Application will be charged by the respective Participating Financial Institution:

(i) Affin Bank Berhad – No fee will be charged for application by their account holders;

(ii) AmBank (M) Berhad – RM1.00;

(iii) CIMB Bank Berhad – RM2.50;

(iv) HSBC Bank Malaysia Berhad – RM2.50;

(v) Malayan Banking Berhad – RM1.00;

(vi) Public Bank Berhad – RM2.00;

(vii) RHB Bank Berhad – RM2.50; or

(viii) Standard Chartered Bank Malaysia Berhad (at selected branches only) – RM2.50

(2) The following processing fee per Internet Share Application will be charged by the respective Internet Participating Financial Institution:

(i) Affin Bank Berhad (www.affinOnline.com) via hyperlink to Bursa Securities' website at www.bursamalaysia.com – No fees will be charged for application by their account holders;

(ii) Affin Hwang Investment Bank Berhad (trade.affinhwang.com) via hyperlink to Bursa Securities' website at www.bursamalaysia.com – No fees will be charged for application by their account holders;

(iii) CIMB Bank Berhad (www.cimbclicks.com.my) via hyperlink to Bursa Securities' website at www.bursamalaysia.com – RM2.00 for applicants with CDS accounts held with CIMB and RM2.50 for applicants with CDS accounts with other ADAs;

(iv) CIMB Investment Bank Berhad (www.eipocimb.com) – RM2.00 for payment via CIMB Bank Berhad or Malayan Banking Berhad;

(v) Malayan Banking Berhad (www.maybank2u.com.my) via hyperlink to Bursa Securities' website at www.bursamalaysia.com – RM1.00;

(vi) Public Bank Berhad (www.pbebank.com) via hyperlink to Bursa Securities' website at www.bursamalaysia.com – RM2.00; and

(vii) RHB Bank Berhad (www.rhbgroup.com) via hyperlink to Bursa Securities' website at www.bursamalaysia.com – RM2.50.

However, applicants using the WHITE Application Form are not allowed to submit multiple applications in the same category of application. Further, applicants who have submitted their applications using the WHITE Application Form are not allowed to make additional applications using the Electronic Share Application and the Internet Share Application, and vice versa.

Eligible Persons who have made applications using the PINK Application Form may still apply for our IPO Shares offered to the Malaysian Public using the WHITE Application Form, the Electronic Share Application or the Internet Share Application.

16.2.2 Application by institutional investors and selected investors under the Institutional Offering

Institutional investors under the Institutional Offering will be contacted directly by CIMB and should follow the instructions as communicated by CIMB. Bumiputera institutional and selected investors approved by MITI who have been allocated IPO Shares will be contacted directly by MITI and should follow the instructions as communicated through MITI.

16.3 Procedures for application and acceptance

Applications must be made in relation to and subject to the terms of this Prospectus and our Memorandum and Articles. You agree to be bound by our Memorandum and Articles.

16.3.1 Application by the Malaysian Public under the Retail Offering (WHITE Application Form, Electronic Share Application or Internet Share Application)

Eligibility

You can only apply for our IPO Shares if you fulfil all of the following:

(i) You must have a CDS account. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs listed in Section 17 of this Prospectus;

(ii) You must be one of the following:

(a) a Malaysian citizen who has attained 18 years of age as at the closing date of the Retail Offering with a Malaysian address; or

(b) a corporation / institution incorporated in Malaysia where there is a majority of Malaysian citizens on your board of directors / trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or

(c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.

We will not accept applications from trustees, persons under 18 years of age, sole proprietorships, partnerships or other incorporated bodies or associations, other than corporations / institutions referred to in (ii)(b) or (c) above or the trustees thereof; and

(iii) You must not be a director or employee of the Issuing House or their immediate family members.

16.3.2 Application by Eligible Persons (PINK Application Form)

The Eligible Persons will be provided separately with PINK Application Forms and letters by us detailing their respective allocation. The applicants must follow the notes and instructions in the said documents and where relevant, in this Prospectus. The amount payable in full upon application is the Retail Price, which is RM1.10 per IPO Share.

Eligible Persons who apply for our IPO Shares under our IPO Shares allocated to Eligible Person must have a CDS account and a correspondence address in Malaysia.

Eligible Persons may request for a copy of the printed Prospectus from our Company at no cost and are given an option to have the printed Prospectus delivered to them free of charge, or to obtain the printed Prospectus from the following locations stated below:

(i) our Company;

(ii) Issuing House; and

(iii) ADAs disclosed in Section 17 of this Prospectus.

Any delivery charges, if applicable, will be borne by our Company.

Eligible Persons are not precluded from making additional applications under our IPO Shares allocated for the Malaysian Public category using the WHITE Application Form, the Electronic Share Application or the Internet Share Application.

16.4 Procedures for application by way of Application Forms

Each application for our IPO Shares under the Retail Offering must be made on the correct Application Form for the relevant category of investors issued together with this Prospectus and must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. The Application Form together with the notes and instructions shall constitute an integral part of this Prospectus. Applications which do not conform **STRICTLY** to the terms of this Prospectus or the respective category of Application Form or notes and instructions or which are illegible may not be accepted at the absolute discretion of our Directors.

Full instructions for the application for our IPO Shares and the procedures to be followed are set out in the Application Forms. All applicants are advised to read the Application Forms and the notes and instructions contained there carefully.

Malaysian Public should follow the following procedures in making their applications under the Retail Offering.

Step 1: Obtain application documents

Obtain the relevant Application Form together with the Official "A" and "B" envelopes and this Prospectus.

The **WHITE** Application Forms can be obtained subject to availability from the following:

(i) CIMB;

(ii) Participating organisations of Bursa Securities;

(iii) Members of the Association of Banks in Malaysia;

(iv) Members of the Malaysian Investment Banking Association;

(v) Issuing House; and

(vi) our Company.

Step 2: Read this Prospectus

In accordance with subsection 232(2) of the CMSA, the Application Forms are accompanied by this Prospectus. You are advised to read and understand this Prospectus before making your application.

Step 3: Complete the relevant Application Form

Complete the relevant Application Form legibly and **STRICTLY** in accordance with the notes and instructions printed on it and in this Prospectus.

(i) Personal particulars

You must ensure that your personal particulars submitted in your application are identical with the records maintained by Bursa Depository. You are required to inform Bursa Depository promptly of any changes to your personal particulars.

If you are an individual and you are not a member of the armed forces or police, the name and national registration identity card ("**NRIC**") numbers must be the same as:

- your NRIC; or
- any valid temporary identity document issued by the National Registration Department from time to time; or
- your "Resit Pengenalan Sementara (KPPK 09)" issued pursuant to Peraturan 5(5), Peraturan-Peraturan Pendaftaran Negara 1990.

If you are a member of the armed forces or police, your name and your armed forces or police personnel number, as the case may be, must be exactly as that stated in your authority card.

For corporations/institutions, the name and certificate of incorporation numbers must be the same as that stated in the certificate of incorporation or the certificate of change of name, where applicable.

If you are a non-Malaysian (in the case of PINK Forms), your name and passport number must be exactly as that stated in your passport.

(ii) CDS account number

You must state your CDS account number in the space provided in the Application Form. Invalid or nominee or third party CDS accounts will **not** be accepted.

(iii) Details of payment

You must state the details of your payment in the appropriate boxes provided in the Application Form.

(iv) Number of IPO Shares applied

Applications must be for at least 100 IPO Shares or multiples of 100 IPO Shares for applicants using the PINK and WHITE Application Forms.

Step 4: Prepare appropriate form of payment

You must prepare the correct form of payment in RM for the FULL amount payable based on the Retail Price, which is RM1.10 per IPO Share.

Payment must be made out in favour of **"MIH Share Issue Account Number 572"** and crossed **"A/C PAYEE ONLY"** and endorsed on the reverse side with your name and address. Only the following forms of payment will be accepted:

(i) Banker's Draft or Cashier's Order purchased within Malaysia only and drawn on a bank in Kuala Lumpur (differentiated by a special red band for Bumiputera applicants);

(ii) Money Order or Postal Order (for applicants from Sabah and Sarawak only); or

(iii) Guaranteed Giro Order ("**GGO**") from Bank Simpanan Nasional Malaysia Berhad (differentiated by a special red band for Bumiputera applicants).

We will not accept applications with excess or insufficient remittances or inappropriate forms of payment. Remittances must be completed in the appropriate boxes provided in the Application Forms.

Step 5: Finalise application

Insert the relevant Application Form together with payment and a legible photocopy of your identification document (NRIC / valid temporary identity document issued by the National Registration Department / "Resit Pengenalan Sementara (KPPK 09)" / authority card for armed forces or police personnel / certificate of incorporation or certificate of change of name for corporate or institutional applicant or passport (where applicable)) into the Official "A" envelope and seal it. You must write your name and address on the outside of the Official "A" and "B" envelopes.

The name and address written must be identical to your name and address as per your NRIC / valid temporary identity document issued by the National Registration Department / "Resit Pengenalan Sementara (KPPK 09)" / authority card for armed forces or police personnel / certificate of incorporation or the certificate of change of name for corporate or institutional applicant or passport (where applicable).

Affix an 80 sen stamp on the Official "A" envelope and insert the Official "A" envelope into the Official "B" envelope.

Step 6: Submit application

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

(i) despatched by **ORDINARY POST** in the official envelopes provided, to the following address:

Malaysian Issuing House Sdn Bhd (258345-X)
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan

or

P.O. Box 8269
Pejabat Pos Kelana Jaya
46785 Petaling Jaya

(ii) **DELIVERED BY HAND AND DEPOSITED** in the Drop-in Boxes provided at the front portion of Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, so as to arrive not later than 5.00 p.m. on 14 March 2016, or such later date or dates as our Directors and Managing Underwriter in their absolute discretion may decide.

We, together with the Issuing House will not issue any acknowledgement of the receipt of your Application Forms or application monies. Please direct all your enquiries in respect of the WHITE Application Form to the Issuing House.

16.5 Procedures for application by way of Electronic Share Applications

Only Malaysian individuals may apply for our IPO Shares by way of Electronic Share Application in respect of our IPO Shares made available to the Malaysian Public.

16.5.1 Steps for Electronic Share Applications through a Participating Financial Institution's ATM

(i) You must have an account with a Participating Financial Institution and an ATM card issued by that Participating Financial Institution to access the account. An ATM card issued by one of the Participating Financial Institutions cannot be used to apply for our IPO Shares at an ATM belonging to other Participating Financial Institutions;

(ii) You must have a CDS account;

(iii) You are advised to read and understand this Prospectus before making the application; and

(iv) You may apply for our IPO Shares via the ATM of the Participating Financial Institution by choosing the Electronic Share Application option. Mandatory statements required in the application are set out in Section 16.5.3 of this Prospectus. You are to submit at least the following information through the ATM, where the instructions on the ATM screen, require you to do so:

   (a) Personal Identification Number (PIN);

   (b) MIH Share Issue Account Number 572;

   (c) Your CDS account number;

   (d) Number of IPO Shares applied for and/or the RM amount to be debited from the account; and

   (e) Confirmation of several mandatory statements as set out in Section 16.5.3 of this Prospectus.

16.5.2 Participating Financial Institutions

Electronic Share Applications may be made through an ATM of the following Participating Financial Institutions and their branches:

(i) Affin Bank Berhad;

(ii) AmBank (M) Berhad;

(iii) CIMB Bank Berhad;

(iv) HSBC Bank Malaysia Berhad;

(v) Malayan Banking Berhad;

(vi) Public Bank Berhad;

(vii) RHB Bank Berhad; or

(viii) Standard Chartered Bank Malaysia Berhad (at selected branches only).

16.5.3 Terms and Conditions of Electronic Share Applications

The procedures for Electronic Share Applications at ATMs of the Participating Financial Institutions are set out on the ATM screens of the relevant Participating Financial Institutions ("**Steps**"), similar to the steps set out in Section 16.5.1 of this Prospectus. The Steps set out the actions that the applicant must take at the ATM to complete an Electronic Share Application. Please read carefully the terms of this Prospectus, the Steps and the terms and conditions for Electronic Share Applications set out below before making an Electronic Share Application.

You must have a CDS account to be eligible to use the Electronic Share Application. The CDS account must be in your own name. Invalid, nominee or third party CDS accounts will not be accepted.

Upon the completion of your Electronic Share Application transaction at the ATM, you will receive a computer-generated transaction slip ("**Transaction Record**"), confirming the details of your Electronic Share Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Share Application or any data relating to such an Electronic Share Application by our Company or the Issuing House. The Transaction Record is for your records and should not be submitted with any Application Form.

Upon the closing of the Retail Offering on 14 March 2016 at 5.00 p.m. ("**Closing Date and Time**"), the Participating Financial Institutions shall submit a magnetic tape containing their respective customers' applications for our IPO Shares to the Issuing House as soon as practicable but not later than 12.00 p.m. of the second business day after the Closing Date and Time.

You will be allowed to make only one (1) application and shall not make any other application for our IPO Shares under the Retail Offering to the Malaysian Public, whether at the ATMs of any Participating Financial Institution or using Internet Share Application or using the WHITE Application Form.

YOU MUST ENSURE THAT YOU USE YOUR OWN CDS ACCOUNT NUMBER WHEN MAKING AN ELECTRONIC SHARE APPLICATION. IF YOU OPERATE A JOINT ACCOUNT WITH ANY PARTICIPATING FINANCIAL INSTITUTION, YOU MUST ENSURE THAT YOU ENTER YOUR OWN CDS ACCOUNT NUMBER WHEN USING AN ATM CARD ISSUED TO YOU IN YOUR OWN NAME. YOUR APPLICATION WILL BE REJECTED IF YOU FAIL TO COMPLY WITH THE ABOVE.

The Electronic Share Application shall be made on, and subject to, the above terms and conditions as well as the terms and conditions appearing below and in Section 16.7 of this Prospectus:

(i) Your Electronic Share Application shall be made in relation to and subject to the terms of this Prospectus and our Memorandum and Articles.

(ii) You are required to confirm the following statements (by pressing predesignated keys (or buttons) on the ATM keyboard) and undertake that the following information given are true and correct:

   (a) You have attained 18 years of age as at the Closing Date and Time;

   (b) You are a Malaysian citizen residing in Malaysia;

   (c) You have read this Prospectus and understood and agreed with the terms and conditions of the application;

   (d) This is the only application that you are submitting; and

   (e) You give consent to the Participating Financial Institution and Bursa Depository to disclose information pertaining to yourself and your account with the Participating Financial Institution and Bursa Depository to the Issuing House and any other relevant authorities.

Your application will not be successfully completed and cannot be recorded as a completed transaction at the ATM unless you complete all the steps required by the Participating Financial Institutions. By doing so, you shall be deemed to have confirmed each of the above statements as well as giving consent in accordance with the relevant laws of Malaysia including Section 134 of the Financial Services Act 2013 and Section 45 of the SICDA to the disclosure by the relevant Participating Financial Institutions or Bursa Depository, as the case may be, of any of your particulars to the Issuing House, or any relevant regulatory bodies.

(iii) **You confirm that you are not applying for our IPO Shares as a nominee of any other person and that the Electronic Share Application that you make is made by you as the beneficial owner. You shall only make 1 Electronic Share Application and shall not make any other application for our IPO Shares under the Retail Offering to Malaysian Public, whether at the ATMs of any Participating Financial Institution or using Internet Share Application or on any prescribed Application Forms.**

(iv) You must have sufficient funds in your account with the relevant Participating Financial Institution at the time the Electronic Share Application is made, failing which the Electronic Share Application will not be completed. Any Electronic Share Application, which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Share Application is being made, will be rejected.

(v) You agree and undertake to purchase and to accept the number of IPO Shares applied for as stated on the Transaction Record or any lesser number of IPO Shares that may be allotted to you in respect of the Electronic Share Application. If we decide to allot or allocate a lesser number of such IPO Shares or not to allot or allocate any IPO Shares to you, you agree to accept any such decision as final. If the Electronic Share Application is successful, your confirmation (by your action of pressing the predesignated keys (or buttons) on the ATM keyboard) of the number of IPO Shares applied for shall signify, and shall be treated as, your acceptance of the number of IPO Shares that may be allotted to you and to be bound by our Memorandum and Articles.

(vi) The Issuing House, on the authority of our Board, reserves the right not to accept any Electronic Share Application or accept any Electronic Share Application in whole or in part only without assigning any reason therefor. Due consideration will be given to the desirability of allotting our IPO Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares.

(vii) Where an Electronic Share Application is unsuccessful or successful in part only, the relevant Participating Financial Institution will be informed of the unsuccessful or partially successful applications. If your Electronic Share Application is unsuccessful the relevant Participating Financial Institution will credit the full amount of the application monies (without interest or any share of revenue or benefit arising therefrom) into your account with that Participating Financial Institution within 2 Market Days after the receipt of confirmation from the Issuing House. The Issuing House shall inform the Participating Financial Institutions of the unsuccessful or partially successful applications within 2 Market Days after the balloting date. You may check your account on the 5th Market Day from the balloting date.

If your Electronic Share Application is accepted in part only, the relevant Participating Financial Institution will credit the balance of the application monies (without interest or any share of revenue or benefit arising therefrom) into your account with the Participating Financial Institution within 2 Market Days after the receipt of confirmation from the Issuing House. A number of applications will, however, be held in reserve to replace any successfully balloted applications, which are subsequently rejected. For such applications, which are subsequently rejected, the application monies (without interest or any share of revenue or benefit arising therefrom) will be refunded to applicants by the Issuing House by crediting into your account with the Participating Financial Institution no later than 10 Market Days from the balloting date.

Should you encounter any problems in your application, you may refer to the Participating Financial Institutions.

(viii) You request and authorise us:

(a) to credit our IPO Shares allotted to you into your CDS account; and

(b) to issue share certificate(s) representing such shares allotted in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.

(ix) You acknowledge that your Electronic Share Application is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond our control, the Issuing House, Bursa Depository or the Participating Financial Institution and irrevocably agree that if:

(a) our Company or the Issuing House does not receive your Electronic Share Application; and

(b) the data relating to your Electronic Share Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company or Issuing House,

you shall be deemed not to have made an Electronic Share Application and shall not make any claim whatsoever against our Company, Issuing House or the Participating Financial Institution for our IPO Shares applied for or for any compensation, loss or damage.

(x) All of your particulars in the records of the relevant Participating Financial Institution at the time of making the Electronic Share Application shall be deemed to be true and correct, and our Company, Issuing House and the relevant Participating Financial Institution shall be entitled to rely on the accuracy thereof.

(xi) You shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institution are correct and identical. Otherwise, your Electronic Share Application is liable to be rejected. You must inform Bursa Depository promptly of any change in address, failing which the notification letter of successful allotment will be sent to your registered address last maintained with Bursa Depository.

(xii) By making and completing an Electronic Share Application, you agree that:

(a) in consideration of us agreeing to allow and accept the making of any application for shares via the Electronic Share Application facility established by the Participating Financial Institutions at their respective ATMs, your Electronic Share Application is irrevocable;

(b) we, the Participating Financial Institutions, Bursa Depository and the Issuing House shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Share Application due to a breakdown or failure of transmission or communication facilities or to any cause beyond our/their control;

(c) notwithstanding the receipt of any payment by or on behalf of our Company, the acceptance of your offer to subscribe for and purchase our IPO Shares for which the Electronic Share Application has been successfully completed shall be constituted by the issue of notices of allotment in respect of the said IPO Shares;

(d) you irrevocably authorise Bursa Depository to complete and sign on your behalf as transferee or renouncee any instrument of transfer and/or other documents required for the issue or transfer of our IPO Shares allocated to you; and

(e) you agree that in relation to any legal action, proceedings or disputes arising out of or in relation to the contract between the parties and/or the Electronic Share Application and/or any terms here, all rights, obligations and liabilities of the parties to the Retail Offering shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies of Malaysia and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.

(xiii) If you are successful in your application, our Directors reserve the right to require you to appear in person at the registered office of the Issuing House within 14 days of the date of the notice issued to you to find out if your application is genuine and valid. Our Directors shall not be responsible for any loss or non-receipt of the said notice nor shall they be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

(xiv) The Issuing House, on the authority of our Directors reserves the right to reject applications which do not conform to these instructions.

16.6 Procedures for application by way of Internet Share Applications

Only Malaysian individuals may use the Internet Share Application to apply for our IPO Shares made available to the Malaysian Public.

Please read carefully and follow the terms of this Prospectus, the procedures, terms and conditions for Internet Share Application and the procedures set out on the internet financial services website of the Internet Participating Financial Institution before making an Internet Share Application.

Internet Participating Financial Institution

Internet Share Applications may be made through an internet financial services website of the following Internet Participating Financial Institutions:

(i) Affin Bank Berhad;

(ii) Affin Hwang Investment Bank Berhad;

(iii) CIMB Bank Berhad;

(iv) CIMB Investment Bank Berhad;

(v) Malayan Banking Berhad;

(vi) Public Bank Berhad; or

(vii) RHB Bank Berhad.

Step 1: Set up of account

Before making an application by way of Internet Share Application, you **must have all** of the following:

(i) an existing account with access to internet financial services with:

(a) Affin Bank Berhad at www.affinOnline.com (via hyperlink to Bursa Securities' website at www.bursamalaysia.com); or

(b) Affin Hwang Investment Bank Berhad at trade.affinhwang.com (via hyperlink to Bursa Securities' website at www.bursamalaysia.com); or

(c) CIMB Bank Berhad at www.cimbclicks.com.my (via hyperlink to Bursa Securities' website at www.bursamalaysia.com); or

(d) CIMB Investment Bank Berhad at www.eipocimb.com; or

(e) Malayan Banking Berhad at www.maybank2u.com.my (via hyperlink to Bursa Securities' website at www.bursamalaysia.com); or

(f) Public Bank Berhad at www.pbebank.com (via hyperlink to Bursa Securities' website at www.bursamalaysia.com); or

(g) RHB Bank Berhad at www.rhbgroup.com (via hyperlink to Bursa Securities' website at www.bursamalaysia.com).

You need to have your user identification and PIN / password for the internet financial services facility; and

(ii) an individual CDS account registered in your name (and not in a nominee's name) and in the case of a joint account an individual CDS account registered in your name which is to be used for the purpose of the application if you are making the application instead of a CDS account registered in the joint account holder's name.

Step 2: Read this Prospectus

You are advised to read and understand this Prospectus before making your application.

Step 3: Apply through internet

The following steps for an application of our IPO Shares via Internet Share Application have been set out for illustration purposes only.

PLEASE NOTE THAT THE ACTUAL STEPS FOR INTERNET SHARE APPLICATIONS CONTAINED IN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION MAY DIFFER FROM THE STEPS OUTLINED BELOW.

(i) Connect to the internet financial services website of the Internet Participating Financial Institution with which you have an account;

(ii) Log in to the internet financial services facility by entering your user identification and PIN / password;

(iii) Navigate to the section of the website on applications in respect of our IPO;

(iv) Select the counter in respect of our IPO Shares to launch the Electronic Prospectus and the terms and conditions of the Internet Share Application;

(v) Select the designated hyperlink on the screen to accept the abovementioned terms and conditions, having read and understood such terms and conditions;

(vi) At the next screen, complete the online application form;

(vii) Check that the information contained in the online application form, such as the share counter, NRIC number, CDS account number, number of IPO Shares applied for and the account number to debit are correct, and select the designated hyperlink on the screen to confirm and submit the online application form;

(viii) After selecting the designated hyperlink on the screen, you will have to confirm and undertake that the following mandatory statements are true and correct:

(a) You have attained 18 years of age as at the Closing Date and Time;

(b) You are a Malaysian citizen residing in Malaysia;

(c) You have, prior to making the Internet Share Application, received and/or have had access to a printed/electronic copy of this Prospectus, the contents of which you have read and understood;

(d) You agree to all the terms and conditions of the Internet Share Application as set out in this Prospectus and have carefully considered the risk factors set out in this Prospectus, in addition to all other information contained in this Prospectus, before making the Internet Share Application;

(e) Your Internet Share Application is the only application that you are submitting for our IPO Shares under the offering to the Malaysian Public;

(f) You authorise the financial institution with which you have an account to deduct the full amount payable for our IPO Shares from your account with the said financial institution ("**Authorised Financial Institution**");

(g) You give express consent in accordance with the relevant laws of Malaysia (including but not limited to Section 134 of the Financial Services Act 2013 and Section 45 of the SICDA) to the disclosure by the Internet Participating Financial Institution, the Authorised Financial Institution and/or Bursa Depository, as the case may be, of information pertaining to you, the Internet Share Application made by you or your account with the Internet Participating Financial Institution, to the Issuing House and the Authorised Financial Institution, the SC and any other relevant regulatory bodies;

(h) You are not applying for our IPO Shares as a nominee of any other person and the application is made in your own name, as beneficial owner and subject to the risks referred to in this Prospectus; and

(i) You authorise the Internet Participating Financial Institution to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, Bursa Securities or other relevant parties in connection with the Retail Offering, all information relating to you if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institution, necessary for the provision of the Internet Share Application services or if such disclosure is requested or required in connection with the Retail Offering. Further, the Internet Participating Financial Institution will take reasonable precautions to preserve the confidentiality of information provided by you to the Internet Participating Financial Institution in connection with the use of the Internet Share Application services;

(ix) Upon submission of the online application form, you will be linked to the website of the Authorised Financial Institution to effect the online payment for your Application;

(x) You must pay for our IPO Shares through the website of the Authorised Financial Institution, failing which the Internet Share Application is **not completed**, despite the display of the Confirmation Screen. "**Confirmation Screen**" refers to the screen which appears or is displayed on the internet financial services website, which confirms that the Internet Share Application has been completed and states the details of your Internet Share Application, including the number of IPO Shares applied for, which can be printed out by you for record purposes;

(xi) As soon as the transaction is completed, a message from the Authorised Financial Institution pertaining to the payment status will appear on the screen of the website through which the online payment for our IPO Shares is being made. Subsequently, the Internet Participating Financial Institution shall confirm that the Internet Share Application has been completed, via the Confirmation Screen on its website; and

(xii) You are advised to print out the Confirmation Screen for reference and retention.

16.7 Terms and conditions

The terms and conditions outlined below supplement the additional terms and conditions for Internet Share Application contained in the internet financial services website of the Internet Participating Financial Institution. Please refer to the Internet Financial Services website of the Internet Participating Financial Institution for the exact terms and conditions and instructions.

(i) You are required to pay the Retail Price of RM1.10 for each IPO Share applied for.

(ii) You can submit only 1 application for our IPO Shares offered to the Malaysian Public. For example, if you submit an application using a WHITE Application Form, you cannot submit an Electronic Share Application or Internet Share Application.

However, if you have made an application using the PINK Application Form, you may still apply for our IPO Shares offered to the Malaysian Public using the WHITE Application Form, Electronic Share Application or Internet Share Application.

The Issuing House, acting under the authority of our Directors has the discretion to reject applications that appear to be multiple applications under each category of applicants.

We wish to caution you that if you submit more than 1 application in your own name or by using the name of others, with or without their consent, you will be committing an offence under Section 179 of the CMSA and may be punished with a minimum fine of RM1,000,000 and a jail term of up to 10 years under Section 182 of the CMSA.

(iii) Each application under the PINK and WHITE Application Forms, Electronic Share Application and Internet Share Application must be for at least 100 IPO Shares or multiples of 100 IPO Shares.

(iv) Each application must be made in connection with and subject to this Prospectus and our Memorandum and Articles. You agree to be bound by our Memorandum and Articles should you be allotted any Shares.

(v) Your submission of an application does not necessarily mean that your application will be successful. Any submission of application is irrevocable.

(vi) We or the Issuing House will not issue any acknowledgement of the receipt of your application or application monies.

(vii) You must ensure that your personal particulars submitted in your application and/or your personal particulars as recorded by the Internet Participating Financial Institution are correct and accurate and identical with the records maintained by the Bursa Depository. Otherwise, your application is liable to be rejected. You will have to promptly notify the Bursa Depository of any change in your address failing which the notification letter of successful allocation will be sent to your registered / correspondence addresses last maintained with the Bursa Depository.

(viii) No application shall be deemed to have been accepted by reason of the remittances having been presented for payment.

Our acceptance of your application to subscribe for or purchase our IPO Shares shall be constituted by the issue of notices of allotment for our IPO Shares to the applicants.

(ix) Submission of your CDS account number in your application includes your authority / consent in accordance with Malaysian laws of the right of the Bursa Depository, the Participating Financial Institution and Internet Participating Financial Institution (as the case may be) to disclose information pertaining to your CDS account and other relevant information to us, the Issuing House and any relevant authorities (as the case may be).

(x) **You agree to accept our decision as final should we decide not to allot any IPO Shares to you or to allot a lesser number of IPO Shares than the number of IPO Shares applied for.**

(xi) Additional terms and conditions for Electronic Share Application are as follows:

(a) You agree and undertake to subscribe for or purchase and to accept the number of IPO Shares applied for as stated in the Transaction Record or any lesser amount that may be allotted to you.

(b) Your confirmation by pressing the key or button on the ATM shall be treated as your acceptance of the number of IPO Shares allotted to you.

(c) Should you be allotted any IPO Shares, you shall be bound by our Memorandum and Articles.

(d) You confirm that you are not applying for IPO Shares as a nominee of other persons and that your Electronic Share Application is made on your own account as a beneficial owner.

(e) You request and authorise us to credit our IPO Shares allotted to you into your CDS account and to issue share certificate(s) representing those Shares allotted in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send them to the Bursa Depository.

(f) You acknowledge that your application is subject to electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events which are not in the control of our Company, the Issuing House, the Participating Financial Institution or the Bursa Depository. You irrevocably agree that you are deemed not to have made an application if we or the Issuing House do not receive your application or your application data is wholly or partially lost, corrupted or inaccessible to us or the Issuing House. You shall not make any claim whatsoever against us, the Issuing House, the Participating Financial Institution or the Bursa Depository.

(g) You irrevocably authorise the Bursa Depository to complete and sign on your behalf as transferee or renouncee any instrument of transfer and/or other documents required for the transfer of our IPO Shares allotted to you.

(h) You agree that in the event of legal disputes arising from the use of Electronic Share Applications, the mutual rights, obligations and liabilities of the parties to the Retail Offering shall be determined under the laws of Malaysia and be bound by decisions of the Courts of Malaysia.

(xii) Additional terms and conditions for Internet Share Application are as follows:

(a) Your application will not be successfully completed and cannot be recorded as a completed application unless you have completed all relevant application steps and procedures for the Internet Share Application which would result in the internet financial services website displaying the Confirmation Screen. You are required to complete the Internet Share Application by the Closing Date and Time.

(b) You irrevocably agree and undertake to subscribe for or purchase and to accept the number of IPO Shares applied for as stated on the Confirmation Screen or any lesser amount that may be allotted to you. Your confirmation by clicking the designated hyperlink on the relevant screen of the website shall be treated as your acceptance of the number of IPO Shares allotted to you.

(c) You request and authorise us to credit our IPO Shares allotted to you into your CDS account and to issue share certificate(s) representing those Shares allotted in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send them to the Bursa Depository.

(d) You irrevocably agree and acknowledge that the Internet Share Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, faults with computer software, problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, fires, acts of God and other events beyond the control of our Company, the Issuing House, the Internet Participating Financial Institution and/or the Authorised Financial Institution. If, in any such event, our Company, the Issuing House and/or the Internet Participating Financial Institution and/or the Authorised Financial Institution do not receive your Internet Share Application and/or payment, or if any data relating to the Internet Share Application or the tape or any other devices containing such data is wholly or partially lost, corrupted, destroyed or otherwise not accessible for any reason, you shall be deemed not to have made an Internet Share Application and you shall have no claim whatsoever against our Company, the Issuing House or the Internet Participating Financial Institution and the Authorised Financial Institution.

(e) You irrevocably authorise the Bursa Depository to complete and sign on your behalf as transferee or renouncee any instrument of transfer and/or other documents required for the transfer of our IPO Shares allotted to you.

(f) You agree that in the event of legal disputes arising from the use of Internet Share Application, the mutual rights, obligations and liabilities of the parties to the Retail Offering shall be determined under the laws of Malaysia and be bound by the decisions of the Courts of Malaysia.

(g) You shall hold the Internet Participating Financial Institution harmless from any damages, claims or losses whatsoever, as a consequence of or arising from any rejection of your Internet Share Application by our Company, the Issuing House and/or the Internet Participating Financial Institution for reasons of multiple application, suspected multiple application, inaccurate and/or incomplete details provided by the applicant, or any other cause beyond the control of the Internet Participating Financial Institution.

(h) You are not entitled to exercise any remedy of rescission for misrepresentation at any time after we have accepted your Internet Share Application.

(i) In making the Internet Share Application, you have relied solely on the information contained in this Prospectus. Our Company, our Promoters, and CIMB and any other person involved in the Retail Offering shall not be liable for any information not contained in this Prospectus which may have been relied by you in making the Internet Share Application.

16.8 Authority of our Directors and the Issuing House

You will be selected in a manner to be determined by our Directors. Due consideration will be given to the desirability of allotting our IPO Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares.

The Issuing House, on the authority of our Directors reserves the right to:

(i) reject applications which do not conform to the instructions in this Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable) or are illegible, incomplete or inaccurate;

(ii) reject or accept any application, in whole or in part, on a non-discriminatory basis without assigning any reason therefor; and

(iii) bank in all application monies (including those from unsuccessful/partially successful applicants) which would subsequently be refunded, where applicable (without interest or any share of revenue or benefit arising therefrom), by crediting into your bank account for purposes of cash dividend/distribution if you have provided such bank account information to Bursa Depository or by ordinary post/registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository.

If you are successful in your application, our Directors reserve the right to require you to appear in person at the registered office of the Issuing House within 14 days of the date of the notice issued to you to find out if your application is genuine and valid. Our Directors are not responsible for any loss or non-receipt of the said notice nor shall they be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

16.9 Over / Under-subscription

In the event of over-subscription in the Retail Offering, the Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of distributing our IPO Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market in the trading of our Shares.

Pursuant to the Listing Requirements we are required to have a minimum of 25% of our Shares for which Listing is sought to be held by at least 1,000 public shareholders holding not less than 100 Shares each upon completion of this IPO and at the time of Listing. We expect to achieve this at the point of Listing. If the above requirement is not met, we may not be allowed to proceed with the Listing. In the event thereof, monies paid in respect of all applications will be returned in full (without interest or any share of revenue or benefit arising therefrom).

If such monies are not returned within 14 days after our Company becomes liable to repay it, then in addition to the liability of our Company, the officers of our Company shall be jointly and severally liable to return such monies with interest at the rate of 10% a year or at such other rate as may be prescribed by the SC from the expiration of that period.

In the event of an under-subscription, subject to the clawback and reallocation as set out in Section 4.3.4 of this Prospectus, all our IPO Shares not applied for under the Retail Offering will be underwritten.

16.10 Unsuccessful / Partially successful applicants

Application monies in respect of the unsuccessful / partially successful applicants will be returned without interest or any share of revenue or benefit arising therefrom in the following manner.

16.10.1 For applications by way of Application Forms

(i) The application monies or the balance of it, as the case may be, will be returned to you via the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account for purposes of cash dividend / distribution if you have provided such bank account information to Bursa Depository or by registered post to your address maintained at Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot if you have not provided such bank account information to Bursa Depository.

(ii) If your application was rejected because you did not provide a CDS account number, your application monies will be sent to your address as stated in the NRIC or "Resit Pengenalan Sementara" (KPPK 09) or any valid temporary identity document issued by the National Registration Department from time to time at your own risk.

(iii) A number of applications will be reserved to replace any balloted applications which are rejected. The application monies relating to these applications which were subsequently rejected or unsuccessful or only partly successful will be refunded (without interest or any share of revenue or benefit arising therefrom) by the Issuing House as per item (i) and (ii) above (as the case may be).

(iv) The Issuing House reserves the right to bank in all application monies from unsuccessful applicants. These monies will be refunded within 10 Market Days from the date of the final ballot by crediting into your bank account for purposes of cash dividend / distribution if you have provided such bank account information to Bursa Depository or by ordinary / registered post to your address maintained at Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

16.10.2 For applications by way of Electronic Share Application

(i) The Issuing House shall inform the Participating Financial Institutions of the unsuccessful or partially successful applications within 2 Market Days after the balloting date. The application monies or the balance of it will be credited without interest or any share of revenue or benefit arising therefrom into your account with the Participating Financial Institution within 2 Market Days after the receipt of confirmation from the Issuing House.

(ii) You may check your account on the 5th Market Day from the balloting day.

(iii) A number of applications will be reserved to replace any balloted applications which are rejected. The application monies relating to these applications which are subsequently rejected will be refunded (without interest or any share of revenue or benefit arising therefrom) by the Issuing House by crediting into your account with the Participating Financial Institution not later than 10 Market Days from the balloting date.

16.10.3 For applications by way of Internet Share Application

(i) The Issuing House shall inform the Internet Participating Financial Institutions of the unsuccessful or partially successful applications within 2 Market Days after the balloting date. The Internet Participating Financial Institution will arrange with the Authorised Financial Institution to credit the application monies or the balance of it (without interest or any share of revenue or benefit arising therefrom) into your account with the Authorised Financial Institution within 2 Market Days after the receipt of confirmation from the Issuing House.

(ii) You may check your account on the 5th Market Day from the balloting day.

(iii) A number of applications will be reserved to replace any balloted applications which are rejected. The application monies relating to these applications which are subsequently rejected will be refunded (without interest or any share of revenue or benefit arising therefrom) by the Issuing House by crediting into your account with the Internet Participating Financial Institution not later than 10 Market Days from the balloting date.

16.11 Successful applicants

If you are successful in your application:

(i) Our IPO Shares allotted to you will be credited into your CDS account. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

(ii) A notice of allotment will be despatched to you at the address last maintained with the Bursa Depository, at your own risk, before the Listing. This is your only acknowledgement of acceptance of the application.

(iii) If the Final Retail Price is lower than the Retail Price, the difference will be refunded without any interest thereon. The refund will be credited into your bank account for purposes of cash dividend/distribution if you have provided such bank account information to Bursa Depository or sent by ordinary post to your address last maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository for applications made via WHITE Application Form or by crediting into your account with the Participating Financial Institution for applications made via the Electronic Share Application or by crediting into your account with the Internet Participating Financial Institution for applications made via the Internet Share Application, within 2 Market Days after receiving confirmation from the Issuing House.

16.12 Enquiries

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Forms	Issuing House at telephone no. +603 7841 8289
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution and Authorised Financial Institution

You may also check the status of your application by calling your respective ADA at the telephone number as stated in Section 17 of this Prospectus or the Issuing House at telephone no. +603 7841 8289 between 5 to 10 Market Days (during office hours only) after the balloting date.

(The rest of this page has been intentionally left blank)

17. LIST OF ADAS

The list of ADAs and their respective addresses, telephone numbers and broker codes are as follows:

Name	Address and telephone number	Broker code
KUALA LUMPUR		
AFFIN HWANG INVESTMENT BANK BERHAD	Ground, Mezzanine & 3rd Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel. No.: +603 2143 8668	068-018
AFFIN HWANG INVESTMENT BANK BERHAD	38A & 40A Jalan Midah 1 Taman Midah 56000 Cheras Kuala Lumpur Tel. No.: +603 9130 8803	068-021
AFFIN HWANG INVESTMENT BANK BERHAD	2nd Floor, Bangunan AHP No. 2, Jalan Tun Mohd Fuad 3 Taman Tun Dr. Ismail 60000 Kuala Lumpur Tel. No.: +603 7710 6688	068-009
ALLIANCE INVESTMENT BANK BERHAD	17th Floor, Menara Multi-Purpose Capital Square 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Tel. No.: +603 2697 6333	076-001
AMINVESTMENT BANK BERHAD	15th Floor, Bangunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Tel. No.: +603 2078 2788	086-001
BIMB SECURITIES SDN BHD	32nd Floor, Menara Multi Purpose Capital Square No. 8 Jalan Munshi Abdullah 50100 Kuala Lumpur Tel. No.: +603 2691 8887	024-001
CIMB INVESTMENT BANK BERHAD	Level 17, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Tel. No.: +603 2261 8888	065-001
FA SECURITIES SDN BHD	A10-17 & A-10-1 Level 10, Menara UOA Bangsar No.5 Jalan Bangsar Utama 1 59000 Kuala Lumpur Tel. No. +603 2288 1676	021-002

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
KUALA LUMPUR *(Cont'd)*		
HONG LEONG INVESTMENT BANK BERHAD	Level 7, Menara HLA No. 3, Jalan Kia Peng 50450 Kuala Lumpur Tel. No.: +603 2168 1168	066-001
HONG LEONG INVESTMENT BANK BERHAD	Level 18, Menara Raja Laut 288, Jalan Raja Laut 50350 Kuala Lumpur Tel. No.: +603 2691 0200	066-006
HONG LEONG INVESTMENT BANK BERHAD	Level 25 & 26 Menara LGB No 1, Jalan Wan Kadir 60000 Taman Tun Dr Ismail Kuala Lumpur Tel. No.: +603 7723 6300	066-007
INTER-PACIFIC SECURITIES SDN BHD	West Wing, Level 13 Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur Tel. No.: +603 2117 1888	054-001
INTER-PACIFIC SECURITIES SDN BHD	Ground Floor, 7-0-8 Jalan 3/109F Danau Business Centre, Danau Desa 58100 Kuala Lumpur Tel. No.: +603 7984 7796	054-003
INTER-PACIFIC SECURITIES SDN BHD	No. 33-1 (First Floor) Jalan Radin Bagus Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel. No.: +603 9056 2921	054-007
JUPITER SECURITIES SDN BHD	Level 8 & 9, Menara Olympia 8, Jalan Raja Chulan 50200 Kuala Lumpur Tel. No.: +603 2034 1888	055-001
KAF-SEAGROATT & CAMPBELL SECURITIES SDN BHD	11th-14th Floor, Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel. No.: +603 2171 0228	053-001
KENANGA INVESTMENT BANK BERHAD	8th Floor, Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur Tel. No.: +603 2164 9080	073-001

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
KUALA LUMPUR *(Cont'd)*		
KENANGA INVESTMENT BANK BERHAD	1st Floor West Wing Bangunan ECM Libra 8, Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur Tel. No.: +603 2089 2888	073-021
KENANGA INVESTMENT BANK BERHAD	1st Floor, Wisma Genting Jalan Sultan Ismail 50250 Kuala Lumpur Tel. No.: +603 2178 1133	073-029
KENANGA INVESTMENT BANK BERHAD	M3-A-7 & M3-A-8 Jalan Pandan Indah 4/3A Pandan Indah 55100 Kuala Lumpur Tel. No.: +603 4297 8806	073-020
M & A SECURITIES SDN BHD	Level 1-3, No. 45 & 47 The Boulevard, Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Tel. No.: +603 2282 1820	057-002
M & A SECURITIES SDN BHD	22A-1 Jalan Kuchai Maju 1 Kuchai Enterpreneurs' Park Off Jalan Kuchai Lama 58200 Kuala Lumpur Tel. No.: +603 7983 9890	057-004
MALACCA SECURITIES SDN BHD	55-1, Jalan Metro Perdana Barat 1 Taman Usahawan Kepong 52100 Kuala Lumpur Tel No : 03-62418595	012-009
MALACCA SECURITIES SDN BHD	No. 76-1, Jalan Wangsa Delima 6 Pusat Bandar Wangsa Maju (KLSC) Setapak 53300 Kuala Lumpur Tel No : 03-41442565	012-012
MAYBANK INVESTMENT BANK BERHAD	5-13 Floor, Maybanlife Tower Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel. No.: +603 2297 8888	098-001
MERCURY SECURITIES SDN BHD	L-7-2, No. 2 Jalan Solaris Solaris Mont Kiara 50480 Kuala Lumpur Tel. No.: +603 6203 7227	093-002

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
KUALA LUMPUR *(Cont'd)*		
MIDF AMANAH INVESTMENT BANK BERHAD	9 – 12th Floor, Menara MIDF 82, Jalan Raja Chulan 50200 Kuala Lumpur Tel. No.: +603 2173 8888	026-001
PUBLIC INVESTMENT BANK BERHAD	27th Floor, Public Bank Building No. 6, Jalan Sultan Sulaiman 50000 Kuala Lumpur Tel. No.: +603 2268 3000	051-001
PM SECURITIES SDN BHD	Mezzanine & 1st Floor Menara PMI No. 2, Jalan Changkat Ceylon 50200 Kuala Lumpur Tel. No.: +603 2146 3000	064-001
RHB INVESTMENT BANK BERHAD	Level 3A, Tower One RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel. No.: +603 9287 3888	087-001
RHB INVESTMENT BANK BERHAD	4th Floor, Plaza OSK Jalan Ampang 50450 Kuala Lumpur Tel. No.: +603 2333 8333	087-018
RHB INVESTMENT BANK BERHAD	No. 62 & 64, Vista Magna Jalan Prima, Metro Prima 52100 Kuala Lumpur Tel. No.: +603 6257 5869	087-028
RHB INVESTMENT BANK BERHAD	No. 5 & 7 Jalan Pandan Indah 4/33 Pandan Indah 55100 Kuala Lumpur Tel. No.: +603 4280 4798	087-054
RHB INVESTMENT BANK BERHAD	Ground, 1st, 2nd & 3rd Floor No. 55, Zone J4 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel. No.: +603 9058 7222	087-058
TA SECURITIES HOLDINGS BERHAD	Menara TA One No. 22, Jalan P. Ramlee 50250 Kuala Lumpur Tel. No.: +603 2072 1277	058-003

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
KUALA LUMPUR *(Cont'd)*		
UOB KAY HIAN SECURITIES (M) SDN BHD	N-1-3 Plaza Damas 60, Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur Tel. No.: +603 6205 6000	078-004
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 19th Floor Menara Keck Seng 203 Jalan Bukit Bintang 55100 Kuala Lumpur Tel. No.: +603 2147 1888	078-010
SELANGOR DARUL EHSAN		
AFFIN HWANG INVESTMENT BANK BERHAD	3rd & 4th Floor Wisma Meru No. 1, Lintang Pekan Baru Off Jalan Meru 41050 Klang Selangor Darul Ehsan Tel. No.: +603 3343 9999	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	Lot 229, 2nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel. No.: +603 7729 8016	068-020
AFFIN HWANG INVESTMENT BANK BERHAD	No. 79-1 & 79-2 Jalan Batu Nilam 5 Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel. No.: +603 3322 1999	068-023
AFFIN HWANG INVESTMENT BANK BERHAD	16th, 18th-20th Floor, Plaza Masalam No. 2, Jalan Tengku Ampuan Zabedah E9/E Section 9 40100 Shah Alam Selangor Darul Ehsan Tel. No.: +603 5513 3288	068-002
AFFIN HWANG INVESTMENT BANK BERHAD	East Wing & Centre Link Floor 3A, Wisma Consplant 2 No. 7, Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel. No.: +603 5635 6688	068-010

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
SELANGOR DARUL EHSAN *(Cont'd)*		
AMINVESTMENT BANK BERHAD	4th Floor, Plaza Damansara Utama No. 2, Jalan SS21/60 47400 Petaling Jaya Selangor Darul Ehsan Tel. No.: +603 7710 6613	086-003
CIMB INVESTMENT BANK BERHAD	Level G & Level 1 Tropicana City Office Tower No. 3 Jalan SS20/27 47400 Petaling Jaya Selangor Darul Ehsan Tel. No.: +603 7717 3388	065-009
HONG LEONG INVESTMENT BANK BERHAD	Level 10 1 First Avenue Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan Tel. No.: +603 7724 6888	066-002
JF APEX SECURITIES BERHAD	6th Floor, Menara Apex Off Jalan Semenyih, Bukit Mewah 43000 Kajang Selangor Darul Ehsan Tel. No.: +603 8736 1118	079-001
JF APEX SECURITIES BERHAD	16th Floor Menara Choy Fook On No. 1B, Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Tel. No.: +603 7620 1118	079-002
JF APEX SECURITIES BERHAD	Block J-6-3A, Setia Walk PSN Wawasan Pusat Bandar Puchong 47160 Puchong Selangor Darul Ehsan Tel. No.: +603 5879 0163	079-004
JUPITER SECURITIES SDN BHD	No. 42-46, 3rd Floor Jalan SS19/1D 47500 Subang Jaya Selangor Darul Ehsan Tel. No.: +603 5632 4838	055-004
KENANGA INVESTMENT BANK BERHAD	Ground – Fifth Floor East Wing, Quattro West No. 4, Lorong Persiaran Barat 46200 Petaling Jaya Selangor Darul Ehsan Tel. No.: +603 7862 6200	073-005

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
SELANGOR DARUL EHSAN *(Cont'd)*		
KENANGA INVESTMENT BANK BERHAD	No. 55C, 2nd Floor Jalan USJ 10/1A 47610 UEP Subang Jaya Selangor Darul Ehsan Tel. No.: +603 8024 1773	073-006
KENANGA INVESTMENT BANK BERHAD	Lot 240, 2nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel. No.: +603 7725 9095	073-016
KENANGA INVESTMENT BANK BERHAD	Level 1 East Wing Wisma Consplant 2 No. 7, Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel. No.: +603 5621 2118	073-030
KENANGA INVESTMENT BANK BERHAD	35 (Ground, 1st Floor & 2nd Floor) Jalan Tiara 3 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel. No.: +603 3348 8080	073-035
MALACCA SECURITIES SDN BHD	No. 16, Jalan SS15/4B 47650 Subang Jaya Selangor Darul Ehsan Tel. No.: +603 5636 1533	012-002
MALACCA SECURITIES SDN BHD	No. 58 & 60 Jalan SS2/67 47300 Petaling Jaya Selangor Darul Ehsan Tel. No.: +603 7876 1533	012-003
MALACCA SECURITIES SDN BHD	No. 39-2, Jalan Temenggung 21/9 Seksyen 9, Bandar Mahkota Cheras 43200 Cheras Selangor Darul Ehsan Tel. No.: +603 9011 5913	012-011
MAYBANK INVESTMENT BANK BERHAD	Suite 8.02, Level 8, Menara Trend Intan Millenium Square No. 68, Jalan Batai Laut 4 Taman Intan 41300 Klang Selangor Darul Ehsan Tel. No.: +603 3050 8888	098-003

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
SELANGOR DARUL EHSAN *(Cont'd)*		
MAYBANK INVESTMENT BANK BERHAD	Wisma Bentley Music Level 1, No.3, Jalan PJU 7/2 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel. No.: +603 7718 8888	098-004
PM SECURITIES SDN BHD	No. 157, Jalan Kenari 23/A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel. No.: +603 8070 0773	064-003
PM SECURITIES SDN BHD	No. 18 & 20, Jalan Tiara 2 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel. No.: +603 3341 5300	064-007
RHB INVESTMENT BANK BERHAD	24, 24M, 24A, 26M, 28M, 28A & 30 Jalan SS 2/63 47300 Petaling Jaya Selangor Darul Ehsan Tel. No.: +603 7873 6366	087-011
RHB INVESTMENT BANK BERHAD	No. 37, Jalan Semenyih 43000 Kajang Selangor Darul Ehsan Tel. No.: +603 8736 3378	087-045
RHB INVESTMENT BANK BERHAD	1st Floor 10 & 11 Jalan Maxwell 48000 Rawang Selangor Darul Ehsan Tel. No.: +603 6092 8916	087-047
RHB INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 87 & 89, Jalan Susur Pusat Perniagaan NBC Batu 1½, Jalan Meru 41050 Klang Selangor Darul Ehsan Tel. No.: +603 3343 9180	087-048
RHB INVESTMENT BANK BERHAD	Unit 1B, 2B & 3B Jalan USJ 10/1A Pusat Perniagaan USJ 10 47610 UEP Subang Jaya Selangor Darul Ehsan Tel. No.: +603 8022 1888	087-059

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
SELANGOR DARUL EHSAN *(Cont'd)*		
SJ SECURITIES SDN BHD	Ground Floor, Podium Block Wisma Synergy Lot 72, Persiaran Jubli Perak Section 22 40200 Shah Alam Selangor Darul Ehsan Tel. No.: +603 5192 0202	096-001
SJ SECURITIES SDN BHD	101B, Jalan SS15/5A 47500 Subang Jaya Selangor Darul Ehsan Tel. No.: +603 5631 7888	096-002
SJ SECURITIES SDN BHD	No. 47-2 Jalan Batu Nilam 5 Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel. No.: +603 3322 1915	096-004
SJ SECURITIES SDN BHD	No. A-3-11 Block Alamanda 10 Boulevard Lebuhraya Sprint, PJU 6A 47400 Petaling Jaya Selangor Darul Ehsan Tel No : +603 7732 3862	096-005
TA SECURITIES HOLDINGS BERHAD	No. 2-1, 2-2, 2-3 & 4-2 Jalan USJ 9/5T Subang Business Centre 47620 UEP Subang Jaya Selangor Darul Ehsan Tel. No.: +603 8025 1880	058-005
TA SECURITIES HOLDINGS BERHAD	2nd Floor, Wisma TA No. 1A, Jalan SS 20/1 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Tel. No.: +603 7729 5713	058-007
MELAKA		
CIMB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 191, Taman Melaka Raya Off Jalan Parameswara 75000 Melaka Tel. No.: +606 2898 800	065-006
KENANGA INVESTMENT BANK BERHAD	71 (A&B) & 73 (A&B) Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel. No.: +606 2881 720	073-028

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
MELAKA *(Cont'd)*		
KENANGA INVESTMENT BANK BERHAD	22A & 22A-1 and 26 & 26-1 Jalan MP 10 Taman Merdeka Permai 75350 Batu Berendam Melaka Tel. No.: +606 3372 550	073-034
MALACCA SECURITIES SDN BHD	No. 1, 3 & 5, Jalan PPM9 Plaza Pandan Malim (Business Park) Balai Panjang, 75250 Melaka Tel. No.: +606 3371 533	012-001
MERCURY SECURITIES SDN BHD	81, 81A & 81B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel. No.: +606 2921 898	093-003
PM SECURITIES SDN BHD	No. 6-1, Jalan Lagenda 2 Taman 1 Lagenda 75400 Melaka Tel. No.: +606 2880 050	064-006
RHB INVESTMENT BANK BERHAD	No. 19, 21 & 23 Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel. No.: +606 2833 622	087-002
RHB INVESTMENT BANK BERHAD	579, 580 & 581 Taman Melaka Raya 75000 Melaka Tel. No.: +606 2825 211	087-026
TA SECURITIES HOLDINGS BERHAD	59, 59A, 59B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel. No.: +606 2862 618	058-008
UOB KAY HIAN SECURITIES (M) SDN BHD	7-2 Jalan PPM8 Malim Business Park 75250 Melaka Tel No : +606 3352 511	078-014
PERAK DARUL RIDZUAN		
AFFIN HWANG INVESTMENT BANK BERHAD	21, Jalan Stesen 34000 Taiping Perak Darul Ridzuan Tel. No.: +605 8066 688	068-003

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
PERAK DARUL RIDZUAN *(Cont'd)*		
AFFIN HWANG INVESTMENT BANK BERHAD	2^{nd} & 3^{rd} Floor No. 22, Persiaran Greentown 1 Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel. No.: +605 2559 988	068-015
CIMB INVESTMENT BANK BERHAD	Ground, 1^{st}, 2^{nd} and 3^{rd} Floor No. 8, 8A-8C Persiaran Greentown 4C Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel. No.: +605 2088 688	065-010
HONG LEONG INVESTMENT BANK BERHAD	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel. No.: +605 2530 888	066-003
KENANGA INVESTMENT BANK BERHAD	Ground, 1^{st}, 2^{nd} & 4^{th} Floor No. 63 Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel. No.: +605 2422 828	073-022
KENANGA INVESTMENT BANK BERHAD	No. 7B-1, Jalan Laman Intan Bandar Baru Teluk Intan 36000 Teluk Intan Perak Darul Ridzuan Tel. No.: +605 6222 828	073-026
KENANGA INVESTMENT BANK BERHAD	Ground Floor No. 25 & 25A Jalan Jaya 2, Medan Jaya 32000 Sitiawan Perak Darul Ridzuan Tel. No.: +605 6939 828	073-031
M & A SECURITIES SDN BHD	M & A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel. No.: +605 2419 800	057-001
MALACCA SECURITIES SDN BHD	No. 3, 1^{st} Floor Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel. No.: 05-2541 533	012-013

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
PERAK DARUL RIDZUAN *(Cont'd)*		
MAYBANK INVESTMENT BANK BERHAD	B-G-04 (Ground Floor), Level 1 & 2 No.42 Persiaran Greentown 1 Pusat Perdagangan Greentown 30450 Ipoh Perak Darul Ridzuan Tel. No.: +605 2453 400	098-002
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 17, Jalan Intan 2, Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel. No.: +605 6236 498	087-014
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 23 & 25 Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Tel. No.: +605 6921 228	087-016
RHB INVESTMENT BANK BERHAD	21-25, Jalan Seenivasagam Greentown 30450 Ipoh Perak Darul Ridzuan Tel. No.: +605 2415 100	087-023
RHB INVESTMENT BANK BERHAD	Ground Floor, No. 40, 42 & 44 Jalan Berek 34000 Taiping Perak Darul Ridzuan Tel. No.: +605 8088 229	087-034
RHB INVESTMENT BANK BERHAD	72, Ground Floor Jalan Idris 31900 Kampar Perak Darul Ridzuan Tel. No.: +605 4651 261	087-044
RHB INVESTMENT BANK BERHAD	No. 1 & 3, 1st Floor Jalan Wawasan Satu Taman Wawasan Jaya 34200 Parit Buntar Perak Darul Ridzuan Tel. No.: +605 7170 888	087-052
TA SECURITIES HOLDINGS BERHAD	Ground, 1st & 2nd Floor Plaza Teh Teng Seng No. 227, Jalan Raja Permaisuri Bainun 30250 Ipoh Perak Darul Ridzuan Tel. No.: +605 2531 313	058-001

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
PERAK DARUL RIDZUAN *(Cont'd)*		
UOB KAY HIAN SECURITIES (M) SDN BHD	27-1, Jalan Intan 2 Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel. No.: +605 6216 010	078-009
UOB KAY HIAN SECURITIES (M) SDN BHD	153A Jalan Raja Musa Aziz 30303 Ipoh Perak Darul Ridzuan Tel No : +605 2411 290	078-013
PULAU PINANG		
ALLIANCE INVESTMENT BANK BERHAD	Ground & Mezzanine Floor Bangunan Berkath 21 Lebuh Pantai 10300 Pulau Pinang Tel. No.: +604 2611 688	076-015
AMINVESTMENT BANK BERHAD	3rd Floor, Menara Liang Court No. 37, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel. No.: +604 2261 818	086-004
CIMB INVESTMENT BANK BERHAD	Ground Floor Suite 1.01, Menara Boustead Penang 39, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel. No.: +604 2385 900	065-001
AFFIN HWANG INVESTMENT BANK BERHAD	Level 2, 3, 4, 5, 7 & 8, Wisma Sri Pinang 60, Green Hall 10200 Pulau Pinang Tel. No.: +604 2636 996	068-001
AFFIN HWANG INVESTMENT BANK BERHAD	No. 2 & 4 Jalan Perda Barat Bandar Perda 14000 Bukit Mertajam Pulau Pinang Tel. No.: +604 5372 882	068-006
INTER-PACIFIC SECURITIES SDN BHD	Canton Square Level 2 (Unit 1) & Level 3 No 56 Cantontment Road 10250 Penang Tel. No.: +604 2268 288	054-002
JF APEX SECURITIES BERHAD	368-2-5 Jalan Burmah Belissa Row 10350 Pulau Tikus Pulau Pinang Tel No : +604 2289 118	079-005

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
PULAU PINANG *(Cont'd)*		
JUPITER SECURITIES SDN BHD	20-1 Persiaran Bayan Indah Bayan Bay Sungai Nibong 11900 Bayan Lepas Penang Tel. No.: +604 6412 881	055-003
KENANGA INVESTMENT BANK BERHAD	7th, 8th & 16th Floor Menara Boustead Penang 39, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel. No.: +604 2283 355	073-023
M & A SECURITIES SDN BHD	332H-1 & 332G-2 Harmony Square, Jalan Perak 11600 Georgetown, Pulau Pinang Tel. No.: +604 2817 611	057-005
M & A SECURITIES SDN BHD	216, 216A, 218 and 218A Pengkalan Weld Lebuh Macallum 10300 Pulau Pinang Tel. No.: +604 2617 611	057-008
MALACCA SECURITIES SDN BHD	No. 39-1, Jalan Lenggong Vantage Point 11600 Jelutong Penang Tel No : +604 8981 525	012-004
MALACCA SECURITIES SDN BHD	48 Jalan Todak 2 13700 Seberang Jaya Pulau Pinang Tel No : +604 3905 669	012-006
MALACCA SECURITIES SDN BHD	No 17, 1st Floor Persiaran Bayan Indah Taman Bayan Indah 11900 Bayan Lepas Pulau Pinang Tel No : +604 6421 533	012-007
MAYBANK INVESTMENT BANK BERHAD	Lot 1.02, 1st Floor Bangunan KWSP Jalan Sulatn Ahmad Shah 10050 Georgetown Pulau Pinang Tel. No.: +604 2196 888	098-006

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
PULAU PINANG *(Cont'd)*		
MERCURY SECURITIES SDN BHD	Ground, 1st, 2nd & 3rd Floor Wisma UMNO Lorong Bagan Luar Dua 12000 Butterworth Pulau Pinang Tel. No.: +604 3322 123	093-001
MERCURY SECURITIES SDN BHD	2nd Floor, Standard Chartered Bank Chambers 2 Lebuh Pantai 10300 Pulau Pinang Tel. No.: +604 2639 118	093-004
MERCURY SECURITIES SDN BHD	D' Piazza Mall 70-1-22 Jalan Mahsuri 11900 Bandar Bayan Baru Penang Tel. No.: +604 6400 822	093-006
PM SECURITIES SDN BHD	Level 3, Wisma Wang 251-A, Jalan Burmah 10350, Pulau Pinang Tel. No.: +604 2273 000	064-004
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 2677, Jalan Chain Ferry Taman Inderawasih 13600 Seberang Prai Pulau Pinang Tel. No.: +604 3900 022	087-005
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 11A, Jalan Keranji Off Jalan Padang Lallang 14000 Bukit Mertajam Pulau Pinang Tel. No.: +604 5402 888	087-015
RHB INVESTMENT BANK BERHAD	834, Ground & 1st Floor 835, 1st Floor Jalan Besar, Sungai Bakap 14200 Sungai Jawi Seberang Perai Selatan Pulau Pinang Tel. No.: +604 5831 888	087-032
RHB INVESTMENT BANK BERHAD	64 & 64-D Ground – 3rd Floor, 5th – 8th Floor Lebuh Bishop 10200 Pulau Pinang Tel. No.: +604 2634 222	087-033

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
PULAU PINANG *(Cont'd)*		
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 15-G-5, 15-G-6, 15-1-5, 15-1-6, 15-2-5, 15-2-6 & 15-2-24 Medan Kampung Relau (Bayan Point) 11950 Pulau Pinang Tel. No.: +604 6404 888	087-042
SJ SECURITIES SDN BHD	12th Floor, Office Tower Hotel Royal Penang No. 3 Jalan Larut 10050 Georgetown Pulau Pinang Tel. No.: +604 2289 836	096-003
TA SECURITIES HOLDINGS BERHAD	3rd Floor, Bangunan Heng Guan No 171, Jalan Burmah 10050 Pulau Pinang Tel No : +604 2272 339	058-010
UOB KAY HIAN SECURITIES (M) SDN BHD	1st Floor Bangunan Heng Guan 171 Jalan Burmah 10050 Pulau Pinang Tel. No.: +604 2299 318	078-002
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 1st Floor No. 2, Jalan Perniagaan 2 Pusat Perniagaan Alma 14000 Bukit Mertajam Pulau Pinang Tel. No.: +604 5541 388	078-003
PERLIS INDRA KAYANGAN		
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 39, Taman Suriani Persiaran Jubli Emas 01000 Kangar Perlis Indra Kayangan Tel. No.: +604 9793 888	087-060
KEDAH DARUL AMAN		
ALLIANCE INVESTMENT BANK BERHAD	Lot T-30, 2nd Floor, Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel. No.: +604 7317 088	076-004

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
KEDAH DARUL AMAN *(Cont'd)*		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 70 A, B, C, Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel. No.: +604 4256 666	068-011
RHB INVESTMENT BANK BERHAD	No. 112, Jalan Pengkalan Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel. No.: +604 4204 888	087-017
RHB INVESTMENT BANK BERHAD	35, Ground Floor Jalan Suria 1, Jalan Bayu 09000 Kulim Kedah Darul Aman Tel. No.: +604 4964 888	087-019
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor 214-A, 214-B, 215-A & 215-B Medan Putra, Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel. No.: +604 7209 888	087-021
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 4, 5 & 5A 1st Floor EMUM 55 No. 55, Jalan Gangsa Kawasan Perusahan Mergong 2 Seberang Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel. No.: +604 7322 111	078-007
NEGERI SEMBILAN DARUL KHUSUS		
AFFIN HWANG INVESTMENT BANK BERHAD	1st Floor 105, 107 & 109, Jalan Yam Tuan 70000 Seremban Negeri Sembilan Darul Khusus Tel. No.: +606 7612 288	068-007
AFFIN HWANG INVESTMENT BANK BERHAD	No. 6, Upper Level Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel. No.: +606 4553 188	068-013

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
NEGERI SEMBILAN DARUL KHUSUS *(Cont'd)*		
KENANGA INVESTMENT BANK BERHAD	1C-1 & 1D-1, Ground & First Floor Jalan Tunku Munawir 70000 Seremban Negeri Sembilan Tel. No.: +606 7655 998	073-033
MAYBANK INVESTMENT BANK BERHAD	Wisma HM No. 43, Jalan Dr Krishnan 70000 Seremban Negeri Sembilan Tel No : +606 7669 555	098-005
PM SECURITIES SDN BHD	1st, 2nd & 3rd Floor 19-21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel. No.: +606 7623 131	064-002
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 32 & 33, Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel. No.: +606 7641 641	087-024
RHB INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 346 & 347, Batu ½ , Jalan Pantai 71000 Port Dickson Negeri Sembilan Darul Khusus Tel. No.: +606 6461 234	087-046
JOHOR DARUL TAKZIM		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 7, Johor Bahru City Square (Office Tower) 106-108, Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel. No.: +607 2222 692	068-004
ALLIANCE INVESTMENT BANK BERHAD	No. 73, Ground & 1st Floor Jalan Rambutan 86000 Kluang Johor Darul Takzim Tel. No.: +607 7717 922	076-006
AMINVESTMENT BANK BERHAD	3rd Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel. No.: +607 4342 282	086-002

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
JOHOR DARUL TAKZIM *(Cont'd)*		
AMINVESTMENT BANK BERHAD	18th Floor, Selesa Tower Jalan Dato' Abdullah Tahir 80300 Johor Bahru Johor Darul Takzim Tel. No.: +607 3343 855	086-006
CIMB INVESTMENT BANK BERHAD	No. 73, Ground Floor No. 73A & 79A, First Floor Jalan Kuning Dua 80400 Johor Bahru Johor Darul Takzim Tel. No.: +607 3405 888	065-011
INTER-PACIFIC SECURITIES SDN BHD	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel. No.: +607 2231 211	054-004
JUPITER SECURITIES SDN BHD	30-1 Jalan Molek 1/10 Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel. No.: +607 3538 878	055-002
KENANGA INVESTMENT BANK BERHAD	Level 2, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel. No.: +607 3333 600	073-004
KENANGA INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 34 Jalan Genuang 85000 Segamat Johor Darul Takzim Tel. No.: +607 9333 515	073-009
KENANGA INVESTMENT BANK BERHAD	No. 33 & 35 (A&B) Ground Floor Jalan Syed Abdul Hamid Sagaff 86000 Kluang Johor Darul Takzim Tel. No.: +607 7771 161	073-010
KENANGA INVESTMENT BANK BERHAD	Ground Floor No. 4, Jalan Dataran 1 Taman Bandar Tangkak 84900 Tangkak Johor Darul Takzim Tel. No.: +606 9782 292	073-011

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
JOHOR DARUL TAKZIM *(Cont'd)*		
KENANGA INVESTMENT BANK BERHAD	No. 24, 24A & 24B Jalan Penjaja 3 Kim Park Centre Batu Pahat, 83000 Johor Darul Takzim Tel. No.: +607 4326 963	073-017
KENANGA INVESTMENT BANK BERHAD	Suite 16-02, 16-03, 16-03A Level 16 Menara MSC Cyberport No. 5 Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Tel. No.: +607 2237 423	073-019
KENANGA INVESTMENT BANK BERHAD	No. 57, 59 & 61, Jalan Ali 84000 Muar Johor Darul Takzim Tel. No.: +606 9532 222	073-024
KENANGA INVESTMENT BANK BERHAD	Ground Floor No. 234, Jalan Besar Taman Semberong Baru 83700 Yong Peng Johor Darul Takzim Tel. No.: +607 4678 885	073-025
M & A SECURITIES SDN BHD	Suite 5.3A, Level 5 Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel. No.: +607 3381 233	057-003
M & A SECURITIES SDN BHD	No. 27, 27A & 27B Jalan Molek 3/10, Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel. No.: +607 3351 988	057-007
MALACCA SECURITIES SDN BHD	74 Jalan Serampang Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel. No.: +607 3351 533	012-005
MALACCA SECURITIES SDN BHD	1735-B Jalan Sri Putri 4 Taman Putri Kulai 81000, Kulaijaya Johor Darul Takzim Tel. No.: +607 6638 877	012-010

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
JOHOR DARUL TAKZIM *(Cont'd)*		
MERCURY SECURITIES SDN BHD	Suite 17.1, Level 17, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel. No.: +607 3316 992	093-005
PM SECURITIES SDN BHD	Ground & 1st Floor No. 43 & 43A, Jalan Penjaja 3 Taman Kim's Park, Business Centre 83000 Batu Pahat Johor Darul Takzim Tel. No.: +607 4333 608	064-008
RHB INVESTMENT BANK BERHAD	6th Floor, Wisma Tiong-Hua 8, Jalan Keris, Taman Sri Tebrau 80050 Johor Bahru Johor Darul Takzim Tel. No.: +607 2788 821	087-006
RHB INVESTMENT BANK BERHAD	53, 53-A & 53-B, Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel. No.: +607 4380 288	087-009
RHB INVESTMENT BANK BERHAD	No. 33-1, 1st & 2nd Floor Jalan Ali 84000 Muar Johor Darul Takzim Tel. No.: +606 9538 262	087-025
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 119 & 121 Jalan Sutera Tanjung 8/2 Taman Sutera Utama 81300 Skudai Johor Darul Takzim Tel. No.: +607 5577 628	087-029
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 3, Jalan Susur Utama 2/1 Taman Utama 85000 Segamat Johor Darul Takzim Tel. No.: +607 9321 543	087-030
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 40, Jalan Haji Manan 86000 Kluang Johor Darul Takzim Tel. No.: +607 7769 655	087-031

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
JOHOR DARUL TAKZIM *(Cont'd)*		
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 10, Jalan Anggerik 1 Taman Kulai Utama 81000 Kulai Johor Darul Takzim Tel. No.: +607 6626 288	087-035
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 343, Jalan Muar 84900 Tangkak Johor Darul Takzim Tel. No.: +606 9787 180	087-038
RHB INVESTMENT BANK BERHAD	No. 2, 1st Floor Jalan Makmur Taman Sri Aman 85300 Labis Johor Darul Takzim Tel. No.: +607 9256 881	087-039
RHB INVESTMENT BANK BERHAD	Ground 1st & 2nd Floor Nos. 21 and 23 Jalan Molek 1/30 Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel. No.: +607 3522 293	087-043
TA SECURITIES HOLDINGS BERHAD	7A Jalan Genuang Perdana Taman Genuang Perdana 85000 Segamat Johor Darul Takzim Tel. No.: +607 9435 278	058-009
UOB KAY HIAN SECURITIES (M) SDN BHD	Level 6 & 7, Menara MSC Cyberport No. 5, Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Tel. No.: +607 3332 000	078-001
UOB KAY HIAN SECURITIES (M) SDN BHD	42-8, Main Road Kulai Besar 81000 Kulai Johor Darul Takzim Tel. No.: +607 6635 651	078-005
UOB KAY HIAN SECURITIES (M) SDN BHD	No. 70 Jalan Rosmerah 2/17 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel. No.: +607 3513 218	078-006

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
JOHOR DARUL TAKZIM *(Cont'd)*		
UOB KAY HIAN SECURITIES (M) SDN BHD	No. 171 (Ground Floor) Jalan Bestari 1/5 Taman Nusa Bestari 81300 Skudai Johor Darul Takzim Tel. No.: +607 5121 633	078-008
PAHANG DARUL MAKMUR		
ALLIANCE INVESTMENT BANK BERHAD	Ground, Mezzanine and 1st Floor B400, Jalan Beserah 25300 Kuantan Pahang Darul Makmur Tel. No.: +609 5660 800	076-002
CIMB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. A-27 (Aras G, 1 & 2) Jalan Dato' Lim Hoe Lek 25200 Kuantan Pahang Darul Makmur Tel. No.: +609 5057 800	065-007
JUPITER SECURITIES SDN BHD	2nd Floor, Lot No. 25 Jalan Chui Yin 28700 Bentong Pahang Darul Makmur Tel. No.: +609 2234 136	055-005
KENANGA INVESTMENT BANK BERHAD	A15, A17 & A19, Ground Floor Jalan Tun Ismail 2, Sri Dagangan 2 25000 Kuantan Pahang Darul Makmur Tel. No.: +609 5171 698	073-027
MALACCA SECURITIES SDN BHD	P11-3, Jalan Chui Yin 28700 Bentong Pahang Darul Makmur Tel No : +609 2220 993	012-008
RHB INVESTMENT BANK BERHAD	B32& B34, Lorong Tun Ismail 8 Seri Dagangan II 25000 Kuantan Pahang Darul Makmur Tel. No.: +609 5173 811	087-007
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor 98 Jalan Pasdec 28700 Bentong Pahang Darul Makmur Tel. No.: +609 2234 943	087-022

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
PAHANG DARUL MAKMUR *(Cont'd)*		
RHB INVESTMENT BANK BERHAD	Ground Floor No. 76-A, Persiaran Camelia 4 Tanah Rata 39000 Cameron Highlands Pahang Darul Makmur Tel. No.: +605 4914 913	087-041
KELANTAN DARUL NAIM		
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 3953-H, Jalan Kebun Sultan 15350 Kota Bharu Kelantan Darul Naim Tel. No.: +609 7430 077	087-020
TA SECURITIES HOLDINGS BERHAD	298, Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel. No.: +609 7432 288	058-004
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground &1st Floor Lot 712, Sek 9, PT 62 Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No : +609 7473 906	078-015
TERENGGANU DARUL IMAN		
ALLIANCE INVESTMENT BANK BERHAD	Ground & Mezzanine Floor Wisma Kam Choon 101, Jalan Kampung Tiong 20100 Kuala Terengganu Terengganu Darul Iman Tel. No.: +609 6317 922	076-009
FA SECURITIES SDN BHD	No. 51 & 51A Ground, Mezzanine & 1st Floor Jalan Tok Lam 20100 Kuala Terengganu Terengganu Darul Iman Tel. No.: +609 6238 128	021-001
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor 9651, Cukai Utama Jalan Kubang Kurus 24000 Kemaman Terengganu Darul Iman Tel. No.: +609 8583 109	087-027

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
TERENGGANU DARUL IMAN *(Cont'd)*		
RHB INVESTMENT BANK BERHAD	1st Floor, 59, Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel. No.: +609 6261 816	087-055
UOB KAY HIAN SECURITIES (M) SDN BHD	37-B, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel. No.: +609 6224 766	078-016
SARAWAK		
AFFIN HWANG INVESTMENT BANK BERHAD	Ground Floor & 1st Floor No.1, Jalan Pending 1st Floor, No.3, Jalan Pending 93450 Kuching Sarawak Tel. No.: +6082 341 999	068-005
AMINVESTMENT BANK BERHAD	No. 164, 166 & 168 1st Floor Jalan Abell 93100 Kuching Sarawak Tel. No.: +6082 244 791	086-001
AFFIN HWANG INVESTMENT BANK BERHAD	No. 282, 1st Floor Park City Commercial Centre Phase 4, Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel. No.: +6086 330 008	068-016
CIMB INVESTMENT BANK BERHAD	Level 1, Wisma STA 26, Jalan Datuk Abang Abdul Rahim 93450 Kuching Sarawak Tel. No.: +6082 358 606	065-001
CIMB INVESTMENT BANK BERHAD	No. 6A, Ground Floor Jalan Bako, Off Brooke Drive 96000 Sibu Sarawak Tel. No.: +6084 367 700	065-001
KENANGA INVESTMENT BANK BERHAD	Lot 2465, Jalan Boulevard Utama Boulevard Commercial Centre 98000 Miri Sarawak Tel. No.: +6085 435 577	073-002

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
SARAWAK *(Cont'd)*		
KENANGA INVESTMENT BANK BERHAD	Level 2 - 4, Wisma Mahmud Jalan Sungai Sarawak 93100 Kuching Sarawak Tel. No.: +6082 338 000	073-003
KENANGA INVESTMENT BANK BERHAD	No. 11-12 (Ground & 1st Floor) Lorong Kampung Datu 3 96000 Sibu Sarawak Tel. No.: +6084 313 855	073-012
KENANGA INVESTMENT BANK BERHAD	Ground Floor of Survey Lot No. 4203 Parkcity Commerce Square Phase 6, jalan Diwarta 97000 Bintulu Sarawak Tel. No.: +6086 337 588	073-018
KENANGA INVESTMENT BANK BERHAD	Suites 9 & 10, 3rd Floor,Yung Kong Abell Lot 365 Abell Road 93100 Kuching Sarawak Tel. No.: +6082 248 877	073-036
MERCURY SECURITIES SDN BHD	1st Floor 16, Jalan Getah 96100 Sarikei Sarawak Tel No : +6084 659 019	093-007
RHB INVESTMENT BANK BERHAD	Yung Kong Abell Units No. 1-10, 2nd Floor Lot 365, Section 50, Jalan Abell 93100 Kuching Sarawak Tel. No.: +6082 250 888	087-008
RHB INVESTMENT BANK BERHAD	Lot 1268, 1st & 2nd Floor Lot 1269, 2nd Floor Centre Point Commercial Centre Jalan Melayu 98000 Miri Sarawak Tel. No.: +6085 422 788	087-012
RHB INVESTMENT BANK BERHAD	102, Pusat Pedada Jalan Pedada 96000 Sibu Sarawak Tel. No.: +6084 329 100	087-013

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
SARAWAK *(Cont'd)*		
RHB INVESTMENT BANK BERHAD	Ground Floor & 1st Floor No. 221, Parkcity Commerce Square Phase 111, Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel. No.: +6086 311 770	087-053
TA SECURITIES HOLDINGS BERHAD	12G, H & I Jalan Kampong Datu 96000 Sibu Sarawak Tel. No.: +6084 319 998	058-002
TA SECURITIES HOLDINGS BERHAD	2nd Floor, (Bahagian Hadapan) Bangunan Binamas, Lot 138 Section 54, Jalan Pandung 93100 Kuching Sarawak Tel. No.: +6082 236 333	058-006
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 1265, Level 1 Centre Point Commercial Centre Jalan Melayu 98000 Miri Sarawak Tel. No.: +6085 324 128	078-017
SABAH		
AFFIN HWANG INVESTMENT BANK BERHAD	Suite 1-9-E1, 9th Floor, CPS Tower Centre Point Sabah No. 1, Jalan Centre Point 88000 Kota Kinabalu Sabah Tel. No.: +6088 311 688	068-008
CIMB INVESTMENT BANK BERHAD	1st & 2nd Floor Central Building No.28, Jalan Sagunting 88000 Kota Kinabalu Sabah Tel. No.: +6088 328 878	065-001
KENANGA INVESTMENT BANK BERHAD	Aras 8, Wisma Great Eastern 68, Jalan Gaya 88000 Kota Kinabalu Sabah Tel. No.: +6088 236 188	073-032
RHB INVESTMENT BANK BERHAD	2nd Floor, 81 & 83, Jalan Gaya 88000 Kota Kinabalu Sabah Tel. No.: +6088 269 788	087-010

17. LIST OF ADAS *(cont'd)*

Name	Address and telephone number	Broker code
SABAH *(Cont'd)*		
RHB INVESTMENT BANK BERHAD	Ground Floor, Block 2 Lot 4 & Lot 5, Bandar Indah, Mile 4 North Road 91000 Sandakan Sabah Tel. No.: +6089 229 286	087-057
UOB KAY HIAN SECURITIES (M) SDN BHD	11, Equity House, Block K Sadong Jaya, Karamunsing 88100 Kota Kinabalu Sabah Tel. No.: +6088 234 090	078-011
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 177 & 178, Ground Floor Block 17, Phase 2, Prima Square Mile 4, North Road 90000 Sandakan Sabah Tel No : +6089 218 681	078-012

(The rest of this page has been intentionally left blank)

The real estate property depicted here does not belong to the Bison Group

BISON

BISON CONSOLIDATED BERHAD

258-259, Jalan KIP 4, KIP Industrial Park,
52200 Kuala Lumpur, Malaysia

Tel : 603 6273 6366
Fax : 603 6277 4911

www.bisonconsolidated.com