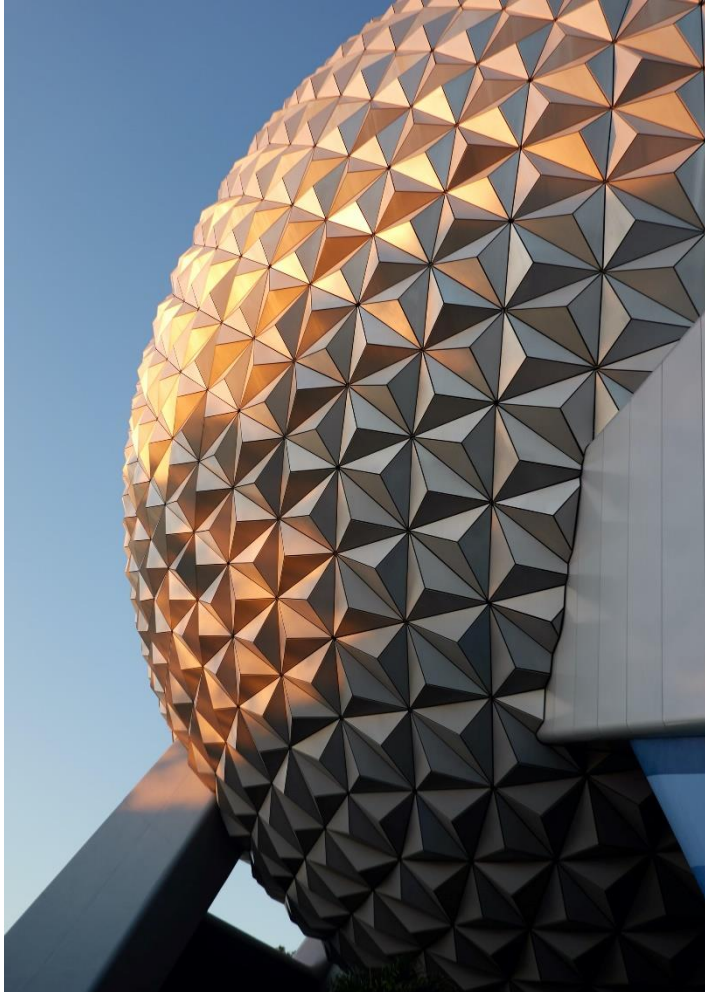




Smart decisions. Lasting value.

Listing your company on Bursa Malaysia

IPOs in 2021



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What can Crowe Malaysia do for you in an IPO?

1. Introduction

We live in interesting times where wealth can be created in numerous ways. One of them is to list a company.

A listed company's shares become a form of currency which can be used for a variety of purposes. An example would be to use the shares as currency for the acquisition of businesses to grow the listed company. A bigger and more competitive company is always more attractive to future investors.

In a nutshell, success builds upon success. Many other opportunities will also follow. Access to capital is not only restricted to issuing of shares but to having access to the capital market by way of bonds, convertible loan stocks, etc.

Truly, one just needs some imagination to be able to harness the power of the stock exchange.

We are honored to share with you in this publication some of our knowledge on IPOs based on our many years of experience in this field as IPO advisers, reporting accountants, listed company auditors, listed company tax consultants and listed company internal auditors.

If you are contemplating an IPO, please feel free to contact us for a chat. We will be most glad to travel on this interesting journey with you. Like the quote says **“If you want to go fast go alone. If you want to go far go together.”**

Together, we can work to make your IPO a great success!



Onn Kien Hoe
Partner, Corporate Advisory

2. How to list on Bursa Malaysia?

2. How to list on Bursa Malaysia?

To give you a clearer picture on how to list your company on Bursa Malaysia, we have tabulated the criteria for listing and the process involved.

2.1 General view of criteria

All listing candidates have to meet certain criteria whether quantitative or qualitative. Details of criteria which are not elaborated in this report can be found in the Bursa Malaysia website.

	Quantitative criteria	Qualitative criteria	Additional criteria for foreign companies	Key listing criteria
1. LEAP Market – primary listing	Yes	Yes	-	-
2. ACE Market – primary listing	Yes	Yes	Yes	-
3. Main Market – primary listing	Yes	Yes	Yes	-
4. Main Market – secondary listing	-	Yes	-	-
5. Main Market - Special Purpose Acquisition Companies (SPAC)	-	-	-	Yes

2.2 Criteria for listing

Bursa Malaysia has 3 markets on which companies can be listed - LEAP, ACE and Main Market. The 3 markets cater to different sizes of companies. Details of the criteria for listing are as follows:

Main	ACE	LEAP
2.2.1 Quantitative Admission Criteria		
<p>A company to be listed on the Main Board has to meet either the profit test or the market capitalisation test below.</p> <p>a) Profit Test</p> <ul style="list-style-type: none"> • Uninterrupted profit of 3 to 5 full financial years (“FY”), with aggregate after-tax profit of at least RM20 million; • After-tax profit of at least RM6 million for the most recent FY; and • Have been operating in the same core business over at least the profit track record years prior to submission. <p>b) Market Capitalisation Test (expected market capital value on listing)</p> <ul style="list-style-type: none"> • A total market capitalisation of at least RM500 million upon listing; and • Incorporated and generated operating revenue for at least one full FY prior to submission. <p>2.2.1.2 An Infrastructure Project Corporation has to meet the criteria below:</p> <p><u>Infrastructure Project Corporation Test</u></p> <ul style="list-style-type: none"> • Must have the right to build and operate an infrastructure project in or outside Malaysia, with project costs of not less than RM500 million; and • The concession or licence for the infrastructure project has been awarded by a government or a state agency, in or outside Malaysia, with a remaining concession or licence period of at least 15 years from the date of submission. 	<p>No minimum operating track record or profit requirement. In practice, a profit of RM3 million to RM4 million is required.</p>	<p>No minimum operating track record or profit requirement. In practice, a profit record is required to facilitate valuation of the IPO shares.</p>

2.2 Criteria for listing (cont'd)

Main	ACE	LEAP						
2.2.2 Public Spread This refers to the percent of shares that must be sold to the public and the minimum number of shareholders that a listed entity must have.								
At least 25% of the company's total number of shares; and a minimum of 1,000 public shareholders holding not less than 100 shares each.	At least 25% of the company's total number of shares; and a minimum of 200 public shareholders holding not less than 100 shares each.	At least 10% of the company's total number of ordinary shares at admission.						
<u>With effect from 1 March 2021</u> Bursa may consider a lower public spread if the company applies to Bursa with the following quantitative and qualitative criteria met:		Not applicable						
Quantitative	<table border="1" style="width: 100%;"> <thead> <tr> <th style="background-color: #FFC000;">Market Capitalisation</th> <th style="background-color: #FFC000;">Min Lower Spread</th> </tr> </thead> <tbody> <tr> <td>>RM1 bil up to RM3 bil</td> <td>20%</td> </tr> <tr> <td>>RM3 bil</td> <td>15%</td> </tr> </tbody> </table>		Market Capitalisation	Min Lower Spread	>RM1 bil up to RM3 bil	20%	>RM3 bil	15%
Market Capitalisation	Min Lower Spread							
>RM1 bil up to RM3 bil	20%							
>RM3 bil	15%							
Qualitative	<ol style="list-style-type: none"> 1. Sufficient liquid market – consider the concentration, number of securities and spread between bid and ask price of trade volume. 2. Orderly and fair trading – any queries on Unusual Market Activity (UMA) and indication of manipulative activities. 3. Satisfactory corporate governance conduct and compliance record – Any enforcement / action against the company or its directors by authorities (including Securities Commission). 4. Reasonable justification for the lower public spread – e.g. actual non-compliance beyond control of listed company, controlling shareholder or its directors. 							

2.2 Criteria for listing (cont'd)

Main	ACE	LEAP
<p>2.2.3 Bumiputera Equity Requirement* This refers to the % of IPO shares that must be allocated to the Bumiputeras for subscription in an IPO.</p>		
<p>Allocation of 50% of the public spread requirement to Bumiputera investors at the point of listing.</p>	<p>No requirement at the point of listing.</p> <p>Allocation of 12.5% of the enlarged share capital to Ministry of International Trade and Industry (MITI) for subscription by recognised Bumiputera investors.</p> <p>Allocation must be done within 1 year after achieving Main Market profit track record, or 5 years after being listed on ACE Market, whichever is the earlier.</p>	<p>No requirement at the point of listing.</p>
<p>* <i>Companies with Multimedia Super Corridor (MSC) status, BioNexus status and companies with predominantly foreign-based operations are exempted from the Bumiputera equity requirement.</i></p>		
<p>2.2.4 Sponsorship pre and post-listing This refers to the appointment of a sponsor to advise and support a listing under the Bursa Listing Rules.</p>		
<p>Not applicable. Although a sponsor is not required, an Adviser is required.</p>	<p>Engage a Sponsor to assess the suitability for listing. Sponsorship is required for at least 3 full financial years post listing and the Sponsor who submitted the listing application must act as the Sponsor for at least 1 full financial year following admission.</p> <p>For ACE Market corporations that have met the Main Market admission criteria, sponsorship is for one full financial year.</p>	<p>Engage an Approved Adviser to assess the suitability for listing.</p> <p>Secure and maintain a Continuing Adviser for at least 3 years post listing and the Approved Adviser who submitted the listing application must act as the Continuing Adviser for at least 1 financial year after admission.</p>

2.2 Criteria for listing (cont'd)

Main	ACE	LEAP
2.2.5 Core Business		
<p>An identifiable core business in which the listing candidate has majority ownership and management control.</p> <p>Core business must not be holding of investments in other listed companies.</p>	<p>Core business must not be holding of investments in other listed companies.</p>	<p>A clearly identifiable core business.</p>
2.2.6 Management Continuity and Capability		
<p>Continuity of substantially the same management for at least 3 full financial years prior to submission; or</p> <p>For market capitalisation test or infrastructure project corporation test, continuity is for the period since the commencement of operations (if less than 3 full financial years).</p>	<p>Continuity of substantially the same management for 3 full financial years prior to submission or since its incorporation (if less than 3 full financial years).</p>	<p>Not applicable.</p>
2.2.7 Financial Position & Liquidity		
<ul style="list-style-type: none"> • Sufficient level of working capital for at least 12 months from the date of prospectus; • Positive cash flow from operating activities for listing via profit test and market capitalisation test; and • No accumulated losses based on its latest audited financial statements for listing via profit test. 	<p>Sufficient level of working capital for at least 12 months from the date of prospectus.</p>	<p>Not applicable.</p>

2.2 Criteria for listing (cont'd)

Main	ACE	LEAP
<p>2.2.8 Moratorium on Shares This refers to the period during which the IPO shares are not allowed to be disposed of.</p>		
<p>Applies to promoters' entire shareholdings for 6 months from the date of admission.</p> <p>Subsequent sell down is allowed with conditions for companies listed under infrastructure project corporation test.</p>	<p>Applies to promoters' entire shareholdings for 6 months from the date of admission.</p> <p>Subsequently, at least 45% must be retained for another 6 months and thereafter, further sell down is allowed on a staggered basis over a period of 3 years.</p> <p>Moratorium applies to promoters of ACE Market corporations that have met the Main Market admission criteria for a period of 6 months from the date of admission.</p>	<p>Applies to promoters' entire shareholdings for 12 months from the date of admission.</p> <p>Subsequently, at least 45% must be retained for another 36 months.</p>
<p>2.2.9 Transactions with Related Parties</p>		
<p>Must be based on terms and conditions which are not unfavourable to the company.</p> <p>All trade debts exceeding the normal credit period and all non-trade debts, owing by the interested persons to the company or its subsidiary companies must be fully settled prior to listing.</p>	<p>Must be based on terms and conditions which are not unfavourable to the company.</p> <p>All trade debts exceeding the normal credit period and all non-trade debts, owing by the interested persons to the company or its subsidiary companies must be fully settled prior to listing.</p>	<p>Must be based on terms and conditions which are not unfavourable to the company.</p> <p>All trade debts exceeding the normal credit period and all non-trade debts, owing by the interested persons to the company or its subsidiary companies must be fully settled prior to listing.</p>
<p>2.2.10 Additional Requirements for: Mineral, Oil and Gas Exploration and Extraction Corporations or Assets</p>		
<p>Sufficient level of working capital for at least 18 months from the date of prospectus.</p>	<p>Not applicable.</p>	<p>Not applicable.</p>

2.2 Criteria for listing (cont'd)

Main	ACE	LEAP
2.2.11 Type of Investors This refers to the type of investors who are allowed to subscribe for the IPO shares.		
Members of the public.	Members of the public.	Only Sophisticated Investors (as prescribed under the Capital Markets and Services Act 2007) are allowed to subscribe.
2.2.12 Place of Incorporation		
From a jurisdiction with standards of laws and regulations equivalent to those in Malaysia, particularly with respect to: corporate governance; shareholders and minority interest protection; and regulation of take-overs and mergers. The company making variations to its constituent documents has to provide those standards (if the jurisdiction does not provide comparable standards above and such variations are possible).		The rules are silent on this but in practice, the rules for ACE should apply.
2.2.13 Approval of Regulatory Authorities of Foreign Jurisdiction		
Prior approval of all relevant regulatory authorities of the jurisdiction(s) in which the listing candidate is incorporated or carries out its core business operations before issuing its prospectus.		The rules are silent on this but in practice, the rules for ACE should apply.
2.2.14 Registration		
Must be registered as a foreign company under the Companies Act 2016.		The rules are silent on this but in practice, the rules for ACE should apply.
2.2.15 Accounting Standards		
Accounting standards must be in accordance with the Financial Reporting Act 1997, which include International Accounting Standards.		The rules are silent on this but in practice, the rules for ACE should apply.

2.2 Criteria for listing (cont'd)

Main	ACE	LEAP
2.2.16 Auditing Standards		
Standards applied in Malaysia or International Standards of Auditing.	The rules are silent on this but in practice, the rules for ACE should apply.	
2.2.17 Translation of Documents		
All documents to be submitted to the authorities (including financial statements), which are in a language other than English, must be accompanied by a certified English translation.	The rules are silent on this but in practice, the rules for ACE should apply.	
2.2.18 Valuation Of Assets		
Standards applied in Malaysia or International Valuation Standards.	The rules are silent on this but in practice, the rules for ACE should apply.	
2.2.19 Currency Denomination		
The applicant is required to consult Bursa Malaysia and obtain approval of Bank Negara Malaysia for quotation of securities in a foreign currency.	The rules are silent on this but in practice, the rules for ACE should apply.	
2.2.20 Resident Directors		
<p>Companies with predominantly Malaysian-based operations must have a majority of directors whose principal or only place of residence is in Malaysia.</p> <p>Companies with predominantly foreign-based operations must have at least two independent directors whose principal or only place of residence is in Malaysia and at least one of these directors must be a member of the company's audit committee.</p>	The rules are silent on this but in practice, the rules for ACE should apply.	

2.3 Listing of Special Purpose Acquisition Companies (“SPAC”)

Main	ACE	LEAP
2.3.1 Listing Board		
SPAC is allowed to be listed on Main Market only.	-	-
2.3.2 Place of Incorporation		
Must be incorporated in Malaysia under the Companies Act 2016.	-	-
2.3.3 Minimum Funds Raised		
RM150 million.	-	-
2.3.4 Management Team Credibility		
Members of its management team must have the experience, qualification and competence to: a) Achieve the SPAC’s business objective and strategy disclosed in the prospectus; and b) Perform their individual roles, including understanding of the nature of their obligations and those of the SPAC.	-	-
2.3.5 Management Team Ownership		
Must in aggregate own at least 10% equity interest in the SPAC on the date of its listing.	-	-

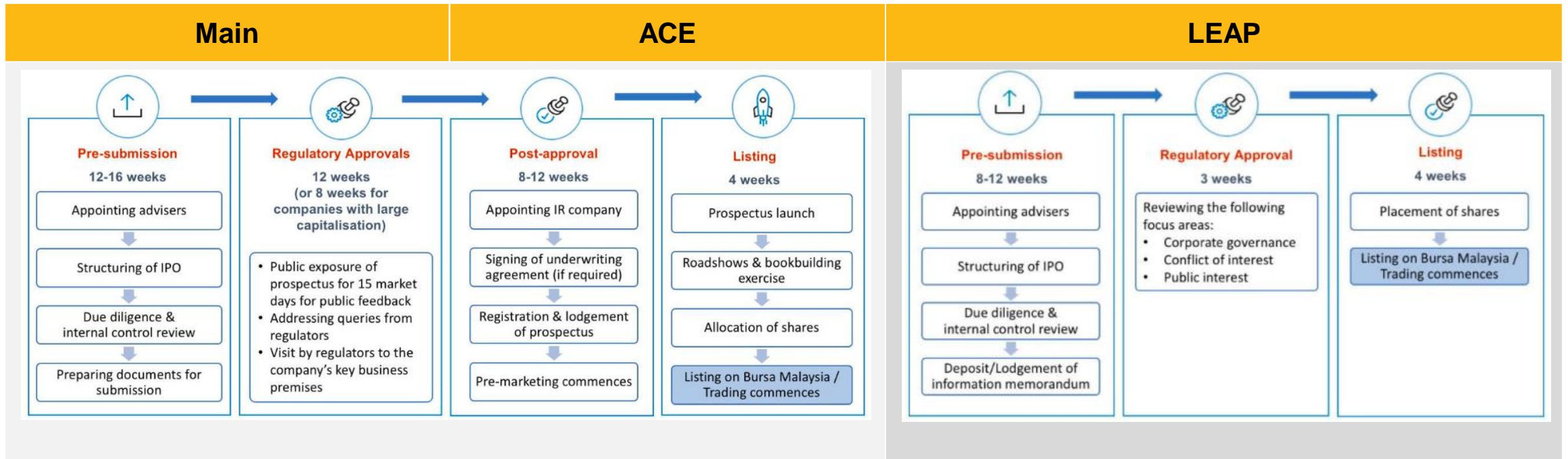
2.3 Listing of Special Purpose Acquisition Companies (“SPAC”) (cont’d)

Main	ACE	LEAP
2.3.6 Moratorium on Securities		
<p>Management team's entire interest from date of listing until completion of the qualifying acquisition.</p> <p>Upon completion of the qualifying acquisition, sell down is allowed on a staggered basis over a period of two years.</p>	-	-
2.3.7 Management of Proceeds		
<p>Must place at least 90% of the gross proceeds raised in a trust account and may only be released by the custodian upon termination of the trust account.</p> <p>At least 80% of the amount in trust account to be used for qualifying acquisition.</p>	-	-
2.3.8 Qualifying Acquisition		
<p>Must complete qualifying acquisition within 36 months from the listing date.</p>	-	-

2.4 Listing process

The listing process is shown below and the time frame from submission of the listing documents to the Securities Commission until actual listing can be up to 7 months.

The diagrams below are obtained from Bursa Malaysia's website and publications.



Source: Bursa Malaysia

2.4 Listing process (cont'd)

The timeline below gives you an estimated indication of the duration of your listing process from start to finish:



Source: Bursa Malaysia

3. How much can you raise in an IPO?

3. How much can you raise in an IPO?

3.1 Proceeds from an IPO

The proceeds that can be raised in an IPO will depend on the valuation of your company and the percentage of the total shares that will be sold to the public.

Amount raised

**= Valuation of your company (say RM80 mil) x % sold to the public (say 25%)
= RM20 million**

3.2 Valuation of your company

The valuation of your company depends on the profit track record, the nature of the business, the growth rate of your company in terms of turnover and profits, dividend policy and many other factors. Eventually, based on these factors, investors will arrive at an earnings multiple to be placed on your company known as the Price Earnings (PE) ratio. The PE ratio should be comparable to companies in your industry which are already listed on the stock exchange, after adjusting for discounts or uplifts to take into consideration certain factors eg competitive strengths, size of your company, management quality and etc.

To arrive at the valuation, this PE ratio will be multiplied by your company's profit after tax (PAT). The PAT is usually the sustainable PAT in the coming year.

Valuation

= PE ratio (say 8 times) x profit after tax (say RM10 mil) = RM80 million

3.3 Recipient of the IPO proceeds

The proceeds of the IPO can flow either to your company or to the shareholders of your company depending on whether the sale of shares to the public is a public issue or an offer for sale. In a public issue, your company will be issuing new shares to the public, in which event, the proceeds from the new issue will flow to your company. However, if the shares to be sold to the public are from the existing shareholders who wish to sell down their existing shareholding, the proceeds from the offer for sale will flow to the shareholders of your company.

**Proceeds flowing
to your company**

**= new issue of shares (say 6 million shares) x IPO share price (say RM2 each)
= RM12 million**

**Proceeds flowing
to the shareholders
of your company**

**= offer for sale (say 4 million shares) x IPO share price (say RM2 each)
= RM8 million**

Total proceeds from the IPO = RM20 million.

In most cases, an IPO would involve a public issue solely or a combination of both public issue and offer for sale. It is very rare for the IPO to consist solely of an offer for sale.

4. What are the costs of listing?

4. What are the costs of listing?

The costs of listing depend on a number of factors which are principally the size of the listing and the market listed on. A summary of the main costs involved are as follows:

4.1 Expenses

	Type of expense	Basis of expense
1.	Bursa processing fee	
	a) Main Market	RM80,000 & 0.05% of the total market value of securities to be listed and nominal value of any additional securities issued or to be issued subject to a maximum of RM800,000 (inclusive of fees for review of asset valuation, if any)
	a) Ace Market	RM30,000
	a) LEAP Market	RM9,000
2.	Fee for registration of prospectus payable to Securities Commission	RM15,000 for Main Market and Ace Market
3.	Fee for lodgment of Information Memorandum (LEAP)	RM500
4.	Initial listing fee	a) Main Market and Ace Market – 0.01% of the total market value of share capital (Minimum of RM10,000 for ACE Market and RM20,000 for Main Market; and maximum of RM20,000 for ACE Market and RM200,000 for Main Market). b) LEAP Market - RM3,000

4.1 Expenses (cont'd)

Type of expense	Basis of expense
5. Annual listing fee	a) Main Market – 0.0025% of the total market value of share capital (Minimum of RM20,000 and maximum of RM100,000). b) Ace Market - 0.012% of the total market value of share capital (Minimum of RM10,000 and maximum of RM20,000). c) LEAP Market - RM5,000
6. Professional fees (legal advisers, reporting accountants, auditors, valuers, company secretary, internal auditors, independent market researchers, etc)	Volume of work and complexity involved
7. Issuing house	Volume of work and complexity involved
8. Investment Bank's fees	
a) Advisory fee	Volume of work and complexity involved
a) Underwriting and placement fee	Usually 2% of shares underwritten or placed
a) Brokerage fee	Usually 1% of shares offered to Malaysian public via ballot
9. Printing charges, advertising and miscellaneous	As incurred

4.2 Overall estimated costs of listing

Type of fees	Main	ACE	LEAP
Approximate minimum fees	RM4+ million	RM3 mil to RM4 mil	RM1 mil to RM2 mil

4.3 Advisers

Adviser	Role	Main	ACE	LEAP
1. Adviser or sponsor	To advise on the IPO and submit the application to the SC and Bursa	Yes - Adviser	Yes - Sponsor	Yes – Approved Adviser
2. Legal adviser	To advise on the legal issues in the IPO and ensure that they are properly dealt with	Yes	Yes	Yes
3. Reporting accountants	To issue an Accountant's Report for incorporation into the Prospectus	Yes	Yes	Yes in practice but not stipulated in the Listing Rules
4. Auditors	To audit the financial statements and ensure they meet Malaysian Financial Reporting Standards. Auditors have to be AOB registered partners and firms.	Yes	Yes	Yes
5. Valuer	To value the properties of the listing candidate, if applicable	Yes	Yes	Yes
6. Independent market researcher	To perform an independent market research on the business of the listing candidate	Yes	Yes	Yes in practice but not stipulated in the Listing Rules
7. Company secretary	To manage the secretarial records and registers of the listed company	Yes	Yes	Yes
8. Book running agent	To act as the lead underwriter and marketing agent for large IPOs	Maybe	Not likely	No
9. Placement agent	To sell the IPO shares privately to the placement agent's clients	Maybe	Maybe	Maybe
10. Underwriter	To assume the risk of buying the entire inventory of shares issued in the IPO and sell it to the public at the IPO price	Yes	Yes	No
11. Issuing house	To manage the applications for shares issued to the public including the balloting process	Yes	Yes	No

5. IPOs on Bursa Malaysia in 2021

IPO listings on Bursa Malaysia in 2021



In 2021, Crowe had the highest number of IPOs (7) amongst the accounting firms in Malaysia

Total IPOs in 2021

30 listings*

[19 listings in 2020]

* Excludes ETFs

LEAP Market	12	listings
ACE Market	11	listings
Main Market	7	listings

Total IPO funds raised

RM2.7 bil

[RM2.01 bil in 2020]

Market capitalization

RM10.4 bil

[RM13.48bil in 2020]

Average listing costs as % of funds raised

3.3%

[3.7% in 2020]

LEAP Market	33.0%
ACE Market	11.3%
Main Market	3.5%

Average PE of the IPOs

20.5

[13.1 in 2020]

LEAP Market	21.4
ACE Market	14.0
Main Market	30.5



Average gains on listing

62%

[30% in 2020]

LEAP Market	92%
ACE Market	60%
Main Market	6%



Average turnover

RM112 mil

[RM288 mil in 2020]

LEAP Market	RM29 mil
ACE Market	RM107 mil
Main Market	RM285 mil



Profit After Tax

RM12 mil

[RM27 mil in 2020]

RM2.7 mil
RM10 mil
RM32 mil

5. IPOs on Bursa Malaysia in 2021

Company information			Shares for sale				Listing info			Share price info						Performance stats			IPO costs vs funds raised			Others
	Company	Nature of business	Public issue ('000 units)	Offer for sale ('000 units)	Pte placement ('000 units)	Total shares sold ('000 units)	Market	Issued capital ('000 units)	Listing date	Issue price RM	Share price on listing day	EPS (PAT before IPO / enlarged cap)	PE based on issue price & enlarged cap	Gain / (Loss) on listing (%)	Market cap after listing (RM'000)	Financial year before IPO (audited)	Revenue RM'000 in yr before IPO (audited)	PAT RM'000 in yr before IPO (audited)	IPO costs (RM'000)	Proceeds from IPO (RM'000)	IPO costs / funds raised	RA / auditors
1	SWIFT HAULAGE BERHAD	Provision of integrated logistics services	157,143	157,000	-	314,143	Main	889,804	21-Dec-21	1.03	0.96	0.0477	21.57	-7%	854,212	31.12.2020	555,838	42,480	10,000	323,757	3%	
2	AURELIUS TECHNOLOGIES BERHAD	Provision of electronic manufacturing services	77,010	26,860	-	103,870	Main	358,180	16-Dec-21	1.36	1.7	0.0421	32.27	25%	608,906	31.01.2021	362,165	15,096	7,085	141,263	5%	
3	ALPHA OCEAN RESOURCES BERHAD	Commercial deep-sea fishing and trading of seafood products	-	-	10,000	10,000	LEAP	100,000	8-Dec-21	0.30	1.28	0.0260	11.54	327%	128,000	30.06.2021	28,378	2,599	1,280	3,000	43%	
4	SUNMOW HOLDING BERHAD	Construction contract works and provision of construction support services	-	-	-	-	LEAP	233,940	25-Nov-21	0.50	0.69	0.0110	45.35	38%	161,419	31.12.2020	62,613	2,579	700	-	N/A	Crowe
5	ECOMATE HOLDINGS BERHAD	Manufacturing of furniture and ready-to-assemble furniture products	49,000	30,000	-	79,000	ACE	350,000	8-Nov-21	0.33	0.485	0.0243	13.56	47%	169,750	28.02.2021	56,342	8,519	2,900	26,070	11%	Crowe
6	STEEL HAWK BERHAD	Provision of onshore and offshore support services for the O&G industry	-	-	16,000	16,000	LEAP	160,000	29-Oct-21	0.20	0.50	0.0184	10.85	150%	80,000	31.12.2020	19,865	2,949	1,300	3,200	41%	
7	CEKD BERHAD	Manufacturing of die-cutting moulds and trading of related consumables and tools	50,590	-	31,132	81,722	ACE	194,573	29-Sep-21	0.48	0.545	0.0310	15.47	14%	106,042	31.08.2020	26,355	6,038	3,000	24,283	12%	
8	IGB COMMERCIAL REAL ESTATE INVESTMENT TRUST	Real Estate Investment Trust (REIT)	-	378,000	282,000	660,000	Main	2,307,300	30-Jul-21	1.00	0.70	0.0255	39.18	-30%	1,615,110	31.12.2020	194,095	58,888	7,730	450,313	2%	

5. IPOs on Bursa Malaysia in 2021 (con't)

Company information			Shares for sale				Listing info			Share price info						Performance stats			IPO costs vs funds raised			Others
	Company	Nature of business	Public issue ('000 units)	Offer for sale ('000 units)	Pte placement ('000 units)	Total shares sold ('000 units)	Market	Issued capital ('000 units)	Listing date	Issue price RM	Share price on listing day	EPS (PAT before IPO / enlarged cap)	PE based on issue price & enlarged cap	Gain / (Loss) on listing (%)	Market cap after listing (RM'000)	Financial year before IPO (audited)	Revenue RM'000 in yr before IPO (audited)	PAT RM'000 in yr before IPO (audited)	IPO costs (RM'000)	Proceeds from IPO (RM'000)	IPO costs / funds raised	RA / auditors
9	CARZO HOLDINGS BERHAD	Wholesale of fruits, management services and investment holding	-	-	-	-	LEAP	88,270	9-Sep-21	0.285	0.935	0.0268	10.65	228%	82,532	31.12.2020	47,840	2,362	900	-	NA	
10	LIM SEONG HAI CAPITAL BERHAD	Provision of construction-related products and services	-	-	-	-	LEAP	355,045	30-Jul-21	0.13	0.28	0.0116	11.16	115%	99,413	30.09.2020	48,124	4,135	1,000	-	NA	Crowe (auditors)
11	DYNAFRONT HOLDINGS BERHAD	Life insurance applications	-	-	12,000	12,000	LEAP	72,000	23-Jul-21	0.21	0.26	0.0177	11.88	24%	18,720	30.06.2020	9,620	1,273	850	2,520	34%	
12	HAILY GROUP BERHAD	Building construction and rental of construction machinery	30,000	18,000	-	48,000	ACE	178,321	21-Jul-21	0.68	0.74	0.0586	11.61	9%	131,958	31.12.2020	166,132	10,444	3,200	32,640	10%	
13	CTOS DIGITAL BERHAD	Credit reporting, digital software related services, outsourcing and training services and investment holding	200,000	900,000	-	1,100,000	Main	2,200,000	19-Jul-21	1.10	1.62	0.0173	63.72	47%	3,564,000	31.12.2020	140,496	37,977	6,098	1,210,000	1%	
14	YENHER HOLDINGS BERHAD	Manufacturing and distribution of animal health and nutrition products	64,431	41,757	-	106,188	Main	300,000	15-Jul-21	0.95	0.90	0.0747	12.72	-5%	270,000	31.12.2020	202,635	22,397	3,800	100,879	4%	
15	RAMSSOL GROUP BERHAD	Provision of HCM and student management solutions, IT staff augmentation services, etc.	55,760	22,304	-	78,064	ACE	223,052	13-Jul-21	0.45	0.51	0.0314	14.34	13%	113,757	31.12.2020	25,311	7,000	4,580	35,129	13%	Crowe
16	NOVELPLUS TECHNOLOGY BERHAD	Development and management of an online social reading and writing platform	-	-	40,000	40,000	LEAP	400,000	1-Jul-21	0.15	0.275	0.0019	78.02	83%	110,000	31.12.2020	4,822	769	800	6,000	13%	Crowe (auditors)

5. IPOs on Bursa Malaysia in 2021 (con't)

Company information			Shares for sale				Listing info			Share price info						Performance stats			IPO costs vs funds raised			Others
	Company	Nature of business	Public issue ('000 units)	Offer for sale ('000 units)	Pte placement ('000 units)	Total shares sold ('000 units)	Market	Issued capital ('000 units)	Listing date	Issue price RM	Share price on listing day	EPS (PAT before IPO / enlarged cap)	PE based on issue price & enlarged cap	Gain / (Loss) on listing (%)	Market cap after listing (RM'000)	Financial year before IPO (audited)	Revenue RM'000 in yr before IPO (audited)	PAT RM'000 in yr before IPO (audited)	IPO costs (RM'000)	Proceeds from IPO (RM'000)	IPO costs / funds raised	RA / auditors
17	NESTCON BERHAD	Construction services for building and civil engineering and infrastructure projects	160,955	32,192	-	193,147	ACE	643,822	29-Jun-21	0.28	0.32	0.0222	12.61	14%	206,023	31.12.2020	344,479	14,301	4,000	54,081	7%	
18	PEKAT GROUP BERHAD	Design, supply and installation of solar photovoltaic (PV) systems and other related electrical products	138,668	32,248	-	170,916	ACE	644,968	23-Jun-21	0.32	0.815	0.0210	15.20	155%	525,649	31.12.2020	125,562	13,574	3,700	54,693	7%	
19	OM HOLDINGS LTD (FOREIGN COMPANY)	Mining and trading raw ores, and smelting and marketing of processed ferroalloys	NA	NA	NA	NA	Main	NA	22-Jun-21	2.57	2.83	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
20	RTS TECHNOLOGY HOLDINGS BERHAD	Supplying, installing, commissioning, and maintenance of expressway toll collection system	-	-	5,325	5,325	LEAP	124,404	11-Jun-21	0.16	0.16	0.0203	7.90	0%	19,905	31.12.2020	16,776	2,521	214	852	25.12%	
21	TUJU SETIA BERHAD	Provision of construction services	80,000	27,000	-	107,000	Main	316,829	19-May-21	0.70	0.74	0.0513	13.63	6%	234,453	31.12.2020	255,768	16,268	5,000	74,900	6.68%	
22	ONETECH SOLUTIONS HOLDINGS BERHAD	Provision of enterprise software solutions and related support services	-	-	7,695	7,695	LEAP	76,950	4-May-21	0.20	0.26	0.0131	15.24	30%	20,007	31.12.2020	5,316	1,010	760	1,539	49.38%	Crowe
23	BV LAND HOLDINGS BERHAD	Building construction service provider	-	-	13,574	13,574	LEAP	135,600	9-Apr-21	0.19	0.30	0.0088	21.49	58%	40,680	31.10.2020	11,817	1,199	1,000	2,578	38.79%	
24	VOLCANO BERHAD	Manufacturing of parts used in the E&E and automotive industries	25,000	35,000	-	60,000	ACE	165,000	6-Apr-21	0.35	0.485	0.0205	17.07	39%	80,025	31.12.2020	52,527	3,383	3,200	21,000	15.24%	

5. IPOs on Bursa Malaysia in 2021 (con't)

Company information			Shares for sale				Listing info			Share price info						Performance stats			IPO costs vs funds raised			Others
	Company	Nature of business	Public issue ('000 units)	Offer for sale ('000 units)	Pte placement ('000 units)	Total shares sold ('000 units)	Market	Issued capital ('000 units)	Listing date	Issue price RM	Share price on listing day	EPS (PAT before IPO / enlarged cap)	PE based on issue price & enlarged cap	Gain / (Loss) on listing (%)	Market cap after listing (RM'000)	Financial year before IPO (audited)	Revenue RM'000 in yr before IPO (audited)	PAT RM'000 in yr before IPO (audited)	IPO costs (RM'000)	Proceeds from IPO (RM'000)	IPO costs / funds raised	RA / auditors
25	FLEXIDYNAMIC HOLDINGS BERHAD	Engineering, installation and commissioning of glove chlorination systems, storage tanks and process tanks	75,231	-	-	75,231	ACE	283,891	30-Mar-21	0.20	0.43	0.0162	12.33	115%	122,073	31.12.2020	56,886	4,604	3,000	15,046	19.94%	
26	UCI RESOURCES BERHAD	Manufacturing and supply of precast concrete products	-	-	33,400	33,400	LEAP	333,400	23-Mar-21	0.15	0.185	0.0054	27.81	23%	61,679	31.12.2020	20,682	1,798	1,000	5,010	19.96%	
27	TELADAN SETIA GROUP BERHAD	Property development	161,060	40,800	-	201,860	ACE	805,298	16-Mar-21	0.48	0.57	0.0314	15.29	19%	459,020	31.12.2020	149,566	25,279	5,200	96,893	5.37%	
28	MOBILIA HOLDINGS BERHAD	Design and manufacturing of home furniture	60,000	40,000	-	100,000	ACE	400,000	23-Feb-21	0.23	0.555	0.0216	10.63	141%	222,000	31.12.2020	76,404	8,655	3,000	23,000	13.04%	Crowe
29	JISHAN BERHAD	Manufacturing of paper and plastic packaging products	-	-	-	-	LEAP	235,151	8-Feb-21	0.18	0.23	0.0373	4.82	28%	54,085	31.12.2020	72,225	8,776	800	-	N/A	
30	HPP HOLDINGS BERHAD	Production of paper-based packaging	88,669	20,000	-	108,669	ACE	388,430	20-Jan-21	0.36	0.71	0.0227	15.86	97%	275,785	31.05.2020	101,203	8,815	3,900	39,121	9.97%	

5. What can Crowe do for you in an IPO?

5. What can Crowe do for you in an IPO?

Crowe Malaysia is glad to be of service to you in your IPO. We are able to act in the following capacities:

a) IPO adviser to advise on preparing a company for an IPO

(if Crowe Malaysia are not the external auditors)

Embarking on the journey from being a private company to becoming a publicly listed one can be exciting but complex. With strategies to consider, procedures to follow, tasks to complete and decisions to be made at every turn, having trusted consultants whom you can count on every step of the way will be a deciding factor on whether your IPO will make or break.

As the number one IPO leader in Malaysia with over 20 years' experience in successful IPO executions, Crowe Malaysia has assisted public and private company clients in reaching their goals through audit, tax, advisory, risk, and performance services. We are ready to help you overcome the hurdles to becoming a public listed company on the road of the long and demanding IPO process.

b) Reporting Accountants for an IPO

As 'Reporting Accountants', we provide assurance on the reliability of financial information disclosed in IPO documents prepared for submission to Bursa Malaysia and the Securities Commission of Malaysia. The submission documents take the form of an Information Memorandum for the LEAP Market and a Prospectus for the Main and ACE Market.

c) External auditors of the IPO company

Generally, all companies are required to circulate their financial statements to shareholders within 6 months from their financial year end and file their audited financial statements with the Companies Commission of Malaysia within thirty days thereafter. Companies which are listed on Bursa Malaysia have additional requirements to file their audited financial statements and annual reports with the Companies Commission of Malaysia and Bursa Malaysia within 4 months of their financial year end.

Crowe Malaysia is uniquely positioned to assist clients to comply with these audit requirements. With 15 offices throughout Malaysia, and our position as the 5th largest accounting firm with more than 1,300 employees, we have the resources, industry knowledge and experience to conduct audits of companies in different industries with multiple business locations, and of different sizes and complexity.

5. What can Crowe do for you in an IPO? (cont'd)

d) Internal auditors for internal audits and Enterprise Risk Management of the IPO company (if Crowe Malaysia are not the external auditors)

Internal audits are an important corporate function to deter corporate fraud and to assess whether company policies and procedures are being followed. Internal audits are a mandatory requirement for all companies listed on the Bursa Malaysia (Malaysian Stock Exchange). Such audits can be conducted in-house or outsourced to a firm such as Crowe Malaysia.

In some cases, internal audit may be co-sourced where both the company's own internal audit team and Crowe Malaysia work collaboratively to perform internal audits so as to leverage off Crowe Malaysia's deep expertise.

One of the key requirements of the Malaysian Code on Corporate Governance is for the Board to establish an effective risk management and internal control framework, disclose the key features of the framework and the adequacy and effectiveness of the framework. At Crowe, we help clients develop the framework by identifying significant risks affecting the organization, assessing the risks and developing controls to mitigate and manage these risks. In addition, we can review existing internal control frameworks to assess whether they are still adequate and effective to comply with regulatory requirements, and accordingly, provide our recommendations to address any gaps noted.

e) Tax consultants for IPOs

IPOs require pre-IPO restructuring, a process that raises significant and costly tax issues if not handled properly. We have extensive experience in assisting clients manage these tax issues in an IPO. We can also act as corporate tax agents to manage the compliance tax affairs of the IPO company prior to and post listing.

Talk to us about your IPO aspirations today



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About Crowe Malaysia PLT

Crowe Malaysia PLT is the 5th largest accounting firm in Malaysia and an independent member of Crowe Global. The firm in Malaysia has 14 offices, employs over 1,200 staff, serves mid-to-large companies that are privately-owned, publicly-listed and multinational entities, and is registered with the Audit Oversight Board in Malaysia and the Public Company Accounting Oversight Board in the US.

About Crowe Global

Crowe Global is one of the top 10 accounting networks with over 200 independent accounting and advisory firms in more than 145 countries. For almost 100 years, Crowe has made smart decisions for multinational clients working across borders. Our leaders work with governments, regulatory bodies and industry groups to shape the future of the profession worldwide. Their exceptional knowledge of business, local laws and customs provide lasting value to clients undertaking international projects.

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