***This summary aims at giving you an overview of the information contained in this document and should be read in conjunction with the full text of this document. As the following is only a summary, it does not contain all the information that may be important to you. You should read this document in its entirety before you decide to invest in the*** **[REDACTED].**

***There are risks associated with any investment. Some of the particular risks in investing in the*** **[REDACTED]** ***are set out in the section headed "Risk factors" in this document. You should read that section carefully before you decide to invest in the*** **[REDACTED].** ***Various expressions used in this summary are defined in the sections headed "Definitions" and "Glossary of technical terms" in this document.***

## BUSINESS OVERVIEW

Founded in 1992, our Group is a provider of transport management services to the logistics industry in Singapore. We offer trucking and hubbing services to our customers. Trucking services refer to the delivery of cargo, primarily containers, from our customers' designated pick up point to their designated delivery points. Hubbing services refer to the handling and storage of laden and empty containers at our logistics yard or any other location which may be designated by our customer(s).

Led by our experienced management team, we have developed reputation as a reliable transport management service provider equipped with a large vehicle fleet that is capable of handling large volumes of customer orders. As at the Latest Practicable Date, we had 160 staff under our employment of which 128 are drivers that support our vehicle fleet comprising 118 prime movers, 476 trailers, 6 reach stackers and 8 lorries, all of which were self-owned.

### Customers

Our Group's customer base mainly comprises other logistics and distribution service providers along the supply chain. The cargo that we transport for our customers include various types of plastic resin. Other cargo that we transport include scrap steel and paper products. During the Track Record Period, none of the Directors, their close associates or any Shareholder (who or which, to the knowledge of the Directors own more than 5% of the issued share capital of the Company as at the Latest Practicable Date) has any interest in any of the top five customers, all of which are Independent Third Parties. For each of the two years ended 31 December 2016, our Group's top five customers accounted for approximately 76.5% and 78.9% revenue.

**Suppliers**

Our suppliers mainly include port operators, diesel providers, logistics yard service providers and tyre providers. During the Track Record Period, none of the Directors, their associates or any Shareholders (who or which, to the knowledge of the Directors own more than 5% of the issued share capital of the Company as at the Latest Practicable Date) has any interest in any of the top five suppliers, all of which are Independent Third Parties. For each of the two years ended 31 December 2016, our Group's top five suppliers, accounted for 39.5% and 35.3%, respectively, of our total cost of sales, which includes container handling at ports, service fees for the provision of logistics yard services and operation and maintenance expenses of vehicles.

**Pricing Policy**

In determining our Group's pricing policy, we consider a variety of factors. Some of the material factors include:

Trucking
- Distance required for delivery
- Prevailing market rates offered by other transport management service providers
- Fuel prices and ease of passing on fuel cost changes to the customer
- Cost analysis taking into account potential increase in wages, fees or any third-party fees
- Determination of a reasonable profit margin
- Length of working relationship
- Number of containers transported monthly

Hubbing
- Volumetric weight of container
- Duration of container storage
- Prevailing market rates offered by other transport management service providers
- Cost analysis taking into account potential increase in any third-party fees
- Service fees paid in relation to our logistics yard
- Determination of a reasonable profit margin
- Length of working relationship

**Market share and ranking**

The market for the transportation and storage sector is highly fragmented and competitive, with each market player having a fraction of the market share. Newer industry players will have to compete against those experienced and mature transportation and logistics providers and will less likely be able to develop vast networks within a short period of time. Also, transportation services are relatively labour intensive. A shortage in local labour particularly drivers has resulted in a rise of transportation and logistics cost. According to the Ipsos Report, based upon reported revenues for 2015, the Company is ranked 5th amongst the 46 transportation and logistics companies in Singapore that had a substantial focus on land transportation activities as part of their business. For further information, please refer to the section headed "Industry overview — Competitive landscape — Market share and ranking" from pages 59 to 61 of this document.

**Competitive advantages**

The Directors believe that the following competitive advantages are the key factors to our Group's success and will enable our Group to further develop our business in the future :

— Our Group is one of the leading independent transport management services providers in Singapore;

— Our Group has a large fleet of vehicles to carry out our transport management services business;

— Our Group offers flexible transport management services to cater for our customers' supply chain requirements;

— Our Group has built up reputation in the industry due to our emphasis on providing quality services;

— Our Group's experienced and dedicated management team; and

— Our Group has a close and stable working relationship with our suppliers.

Please refer to the section headed "Business — 1. Competitive advantages" from pages 79 to 82 of this document for further details.

**Business strategies**

Our Group aims to strengthen our position as a transport management service provider in Singapore. To achieve this, our Group intends to focus on the following strategies:

— Expand and upgrade our fleet size;

— Strengthen our information technology systems;

— Continue to develop our leading market position in Singapore by maintaining long-term relationships with our top 5 customers and suppliers and expand our customer base; and

— Continue to attract, train and retain skilled employees to support future growth and expansion.

Please refer to the section headed "Business — 2. Business Strategies" from pages 82 to 84 of this document for further details.

**Use of proceeds**

Based on an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]** (being the mid-point of the **[REDACTED]** range stated in this document), the net proceeds to us from the issue of **[REDACTED]** under the **[REDACTED]** are estimated to be approximately HK$**[REDACTED]** million, after deduction of **[REDACTED]** fees and estimated expenses payable by us in connection with the **[REDACTED]** upon **[REDACTED]**. Our Company currently intends to use the net proceeds from the **[REDACTED]** as follows:

| **Approximate amount or percentage of net proceeds/utilised by period ending** | **Intended applications** |
|---|---|
| HK$**[REDACTED]** million or **[REDACTED]**%/ 30 June 2019 | Enhancement of the capacity for the provision of transportation management services through acquisition of new vehicles |
| HK$**[REDACTED]** million or **[REDACTED]**%/ 31 December 2018 | Expansion and enhancement of workforce |
| HK$**[REDACTED]** million or **[REDACTED]**%/ 30 June 2018 | Enhancement of information technology system |
| HK$**[REDACTED]** million or **[REDACTED]**%/ 31 December 2017 | Purchase of a new office to incorporate an increase in our workforce |
| HK$**[REDACTED]** million or **[REDACTED]**%/ 31 December 2017 | Working capital and other general corporate purposes |

For further details, please refer to the section headed "Future plans and use of proceeds" from pages 182 to 190 of this document.

**Summary of financial information**

The tables below summarise our combined financial information for each of the two years ended 31 December 2015 and 31 December 2016, respectively, and should be read in conjunction with our financial information included in the Accountants' Report set forth in Appendix I to this document, including the notes thereto.

**Highlight of combined statements of profit or loss**

| | Year ended 31 December | |
|---|---|---|
| | **2015** | **2016** |
| | *S$* | *S$* |
| Revenue | 27,684,381 | 27,008,662 |
| Gross Profit | 5,624,711 | 6,245,584 |
| Profit before tax | 3,590,667 | 4,044,948 |
| Profit for the year | 3,045,004 | 3,345,651 |

**Highlight of combined statements of financial position**

| | As at 31 December | |
|---|---|---|
| | **2015** | **2016** |
| | *S$* | *S$* |
| Non-current assets | 10,238,570 | 10,955,154 |
| Current assets | 7,111,613 | 6,718,466 |
| Current liabilities | 7,754,471 | 4,475,284 |
| Net current (liabilities)/assets | (642,858)* | 2,243,182 |
| Non-current liabilities | 1,979,554 | 2,236,527 |
| Net assets | 7,616,158 | 10,961,809 |

**Note:* The Company was in a net current liabilities position as at 31 December 2015 primarily due to the S$2.6 million amount due to a director. The amount due to a director had been repaid as at 31 December 2016.

**Revenue**

Our revenue is primarily derived from the provision of trucking and hubbing services by our Group. Against the backdrop of slower growth in the Singapore economy in 2016, our revenue remained fairly stable at approximately S$27.7 million for the year ended 31 December 2015 and approximately S$27.0 million for the year ended 31 December 2016.

**Cost of sales**

Cost of sales decreased by approximately S$1.3 million or 5.9% from approximately S$22.1 million for the year ended 31 December 2015 to approximately S$20.8 million for the year ended 31 December 2016. The decrease in cost of sales for the year ended 31 December 2016 was mainly due to the (i) reduction in fuel cost as a result of the decrease in diesel price, (ii) decrease in logistics yard service fees resulting from entering into a new logistics yard service agreement with a new supplier, (iii) decrease in staff cost as a result of shorter average distances per trip thus decreasing the incentive pay to drivers, and (iv) slight decrease in port and depot charges and vehicle expenses.

**Gross profit and gross profit margin**

Gross profit increased by approximately S$0.6 million or 11.0%, from approximately S$5.6 million for the year ended 31 December 2015 to approximately S$6.2 million for the year ended 31 December 2016. The increase was mainly due to the 5.9% decrease in cost of sales which was offset against the 2.4% decrease in revenue. Our gross profit margin improved from 20.3% for the year ended 31 December 2015 to 23.1% for the year ended 31 December 2016. This was mainly attributable to (i) the decrease in our fuel expenses more than offsetting the effects of the downward adjustment to our trucking rates arising from lower diesel prices, and (ii) decrease in logistic yard service fees due to entering into a new logistic and service agreement with new supplier.

For details, please refer to the section headed "Financial information — Period to period comparison of results of operations" from pages 156 to 160 of this document.

**Key financial ratios**

| | For the year ended 31 December | |
|---|---|---|
| | **2015** | **2016** |
| Gross profit margin | 20.3% | 23.1% |
| Net profit margin | 11.0% | 12.4% |
| Return on assets | 17.6% | 18.9% |
| Return on equity | 40.0% | 30.5% |
| Interest coverage ratio | 23.5 | 34.9 |

| | As at 31 December | |
|---|---|---|
| | **2015** | **2016** |
| Current ratio | 0.9 | 1.5 |
| Gearing ratio | 0.6% | 0.4% |

**Dividends**

For the year ended 31 December 2015, Nexis Logistics declared dividends totalling S$0.2 million, and all these dividends have been paid as at the Latest Practicable Date. There can be no assurance that we will be able to declare or distribute any dividend in the amount set out in any plan of the Board or at all. Our Group does not have any pre-determined dividend payout ratio and any dividends will be made at the discretion of the Board and will be based upon the Group's earnings, cash flow, financial condition, capital requirements and any other conditions that our Directors consider relevant.

For details, please refer to the section headed "Financial information — Dividends" from pages 179 to 180 of this document.

**Impact of [REDACTED] on the financial performance of our Group for the year ending 31 December 2017**

During the Track Record Period, we had not incurred **[REDACTED]**-related expenses in the profit and loss account. The total estimated expenses in relation to the **[REDACTED]** are approximately HK$**[REDACTED]** million, all of which is directly attributable to the issue of **[REDACTED]** to be borne by our Group. Out of the estimated **[REDACTED]** of approximately HK$**[REDACTED]** million to be borne by us, approximately HK$**[REDACTED]** million is expected to be charged to the profit and loss account of our Group for the year ending 31 December 2017 and the remaining HK$**[REDACTED]** million is directly attributable to the issue of **[REDACTED]** to the public and is to be accounted for as a deduction from equity upon **[REDACTED]**. The recognition of the **[REDACTED]** is expected to materially affect our financial results for the year ending 31 December 2017. The estimated **[REDACTED]**-related expenses of our Group are subject to adjustments based on the actual amount of expenses incurred/to be incurred by our Company upon the completion of the **[REDACTED]**.

## RECENT DEVELOPMENT

In February 2017, the Singapore Government introduced a volume-based duty at $0.10 per litre on automotive diesel, industrial diesel and the diesel component in biodiesel. The taxing of diesel according to usage was to incentivise users to reduce diesel consumption. To help businesses adjust, the Singapore Government will provide 100% road tax rebate for one year, and partial road tax rebate for another two years, for commercial diesel vehicles. The volume-based diesel duty will increase our fuel expenses which we expect to pass on to our customers.

As far as our Directors are aware, the logistics industry in Singapore has remained relatively stable after the Track Record Period. Save for the above, as at the Latest Practicable Date, there has been no material adverse change in the general economic and market conditions in the logistics industry in Singapore that has affected or would affect the Group's business operations or financial condition materially and adversely. For the one month ended 31 January 2017, revenue was slightly lower due to Lunar New Year holidays falling in January for 2017 as compared to Lunar New Year holidays falling in February for 2016.

Prospective investors should note that the financial performance of our Group is expected to be materially and adversely affected by the estimated non-recurring expenses in relation to the **[REDACTED]** for the year ending 31 December 2017.

## REASONS FOR [REDACTED] IN HONG KONG

Our Directors believe that the **[REDACTED]** on the Stock Exchange will facilitate the implementation of our business strategies which are aimed at strengthening our position as a transport management service provider in Singapore. The **[REDACTED]** will help strengthen our Group's competitiveness, enhance our corporate image, internal controls and corporate governance practices, allow us to expand our fleet to cater for higher demand and provide us with flexible financing options when business opportunities arise. As such, our Directors consider it is commercially justifiable and in the interest of the Group to pursue the **[REDACTED]**. For further details, please refer to the section headed "Future plans and use of proceeds — Reasons for the **[REDACTED]** and the **[REDACTED]**" from pages [•] to [•] of this document.

## STATISTICS OF THE [REDACTED]

**[REDACTED]**

## RISK FACTORS

There are risks associated with any investment. Some of the particular risks in investing in the **[REDACTED]** are set out in the section headed "Risk factors" from pages 24 to 36 of this document for further details. You should read that section carefully before you decide to invest in the Shares.

Some of the material risks relating to our business relate to the following:

— We generated a significant portion of our revenue from Customer A and any decrease or loss of business from Customer A could adversely and substantially affect our operations and financial conditions;

— Adverse development in our customers' business performance in Singapore could affect our operations and financial results;

— Any decrease in business secured from any one of our customers could affect our operations and financial results;

— An increase in fuel prices may reduce profitability;

— We currently do not own the property at Penjuru Road where we provide our hubbing services and are therefore exposed to the risk of non-renewal of the service agreement thereof; and

— Our financial results are expected to be affected by the expenses in relation to the **[REDACTED]**;

— A shortage of drivers may affect our profitability.

## CONTROLLING SHAREHOLDERS

Immediately after completion of the Reorganisation, the Capitalisation Issue and the **[REDACTED]**, each of Ventris Global and Mr. K L Chua is entitled to exercise or control the exercise of **[REDACTED]** of voting rights at general meetings of our Company (without taking into account any Shares which may be issued upon the exercise of options under the Share Option Scheme). As such, each of Ventris Global and Mr. K L Chua is regarded as a Controlling Shareholder. For further details, please refer to the section headed "Relationship with our Controlling Shareholders" from pages 119 to 123 in this document.