



Prepared by  
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# Business Proposal



**Created For :**  
Early Investors

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## ANNEXURES

# 1. EXECUTIVE SUMMARY



## Quick Note

The Business report contains forward-looking information/statements relating to Past-Present-Future, business and financial performances to-date along with future projections. Like many Lautan Variasi was not spared with the ongoing COVID-19 crisis that took a hit on our revenues, but this did not hamper our aspirations, focus and vision from deviating our growth plans.

This document contains presentation and reconciliation of our business driving strength of our consumer offering. Five years ago, we were awarded with NFP (Network Facility Provider) and NSP (Network Service Provider) and this enabled us to ventured into the telecom space offerings which include VSAT and wireless services, high speed broadband, enterprise services including national & international long-distance services to carriers.

In terms of the economics of this evolution, our revenue since 2016 has been always on the upward trend which has prompted us to invest consistently in research & development. Year 2018 and 2019 was planned to drive this trend with more spend on innovative product and service offering in Information Communications Technology (ICT) space keeping in mind of being consistent with our operating margin goals. We have to date spend over MYR 25million and there is plenty of financial room for more investment to be done in the telecom and IT based service offering.

Our strategic technology partnership investments have brought various achievements on table like the software-based access point, handheld devices using LoRa and mobile platform solutions. This has helped us to make a breakthrough in offering wide range of end user services.

## The virtuous accomplishment

- *Concession Project awarded from Sabah Government (Tourism) to safeguarding and providing internet broadband services to the tourists and the community in Sabah.*
- 
- *The Digital Sabah, an initiative by Lautan Variasi to support Government program JENDELA*
- 
- *Launch of mobile platform OnDeGo to service retail F&B (restaurants) industry.*

The inoculating of vaccinations for COVID-19 will be in the mainstream focus globally and with that tourism is expected to boost around mid of 2022. It the same time we will be commercially ready to launch our services and capitalize the opportunity, simultaneous rollout of OnDeGo services around the same time will see surge in the merchant and customer acquisitions giving us a unique market space in the F&B segment, with the help of successful merchant associations partnerships giving us a massive heads start for launch.

With the telecommunications network readiness we also see a great opportunity to offer services as a neutral host to the telco's and content players looking out for bandwidth and capacity. The promise of "quality connectivity" has become a reality faster than many of us expected. And the balance of risks and rewards that we all associated with managing the evolution of our business model across the digital divide has shifted in our favour more quickly than we forecast it would. As a consequence, we have more upside in the business than ever before domestically. Continuous improvements in the our service have been a key component in our success. Done correctly, it drives organic growth, lower gross margin, lower SAC, lower churn and higher lifetime value.

**Objective note:** The financial expression of this interplay is the relationship between gross margin, acquisition cost, and churn.

**The rollout of above projects attracts investment of RM 500mil in phase 1;**

- *5% of initial is reserved for early investors*
- *15% from Bank borrowing*
- *25% for Pre IPO investors,*
- *40% will be raised through IPO and balance*
- *15% against Debt financing*

This business report focuses around detailing and information sharing for early investors to come in and lock the opportunity providing redeemable preferential shares fully convertible to equity during IPO listing. Our thrust is to give first opportunity to tech partners who can reap the benefits of being part of commercial rollout and get dual benefits.

Our overarching objective is to drive that same virtuous cycle of success. And we look forward to reporting on our IPO progress in the months to come.

## 2. THE INSIGHT

### From the desk of Managing Director

*The best journeys in life rarely have a final destination—rather a series of key milestones. Lautan Variasi's, is all set to get public listed and traded company (Bursa Exchange-Malaysia), this is one such milestone that we're excited to share with you.*

*The last 5 years have made for quite the journey, and we know the best parts are yet to come. As we all set to ring the opening bell on the Bursa Stock Market to welcome public shareholders, I want to pause and invite the telecom, IT companies and finance institutions to tap in the early investment opportunity which holds a once in life time secured privileged opportunity to grab in, if you are a tech company from the ICT space, we would be more than happy to associate you with both hands as it adds value not only financially but also bringing in technological strength and resources optimizing to collaborate and work as partners for the upcoming secured projects.*

*I also thank the people who made this a reality. We wouldn't be in ready for Bursa today without the valuable contributions and support of our leadership team, employees and their families, Board of Directors, and partners.*

*I'm inspired every day by our customers whose curiosity leads them to listen to the diverse voices and opinions of the people who are important. Whether you are a from service sector or a production house or a GLC corporation looking for ways to improve their connectivity performances, we are proud to help you keep connected to make your business or home meaningful.*

*Lautan Variasi fundamentally changed the way we can provide connectivity and bridge the digital divide. We are a leader in this growing category today. We have a simple mission that inspires our employees: 'Power the Curious.' Our products and services help individuals and organizations stay connected and act on the opinions that drive success. We now have over 200 active users across more than diverse organizational domains, including 82% of the GLCs. Our customers, spanning rural underserved landscape and territories, connect over 20,000 miles to help stay connected improve their customer service, employee engagement, patient satisfaction, and more. Across our line of individual, team, and enterprise services, our platform turns curiosity into action.*

*A big part of what makes Lautan Variasi different is our people. The strength of our company culture and our dynamic employee base is a tribute, in part, to our chariman Dato Rashid leadership. Lautan Variasi embodies who Dato was as a person—curious, helpful, approachable, and at the same time powerful.*

*Lautan Variasi is a place where the curious come to grow, where we strive to create a supportive work environment that empowers employees to challenge the status quo, be authentic, fulfill their passions, and balance work goals with life goals. We believe the best way for leaders to win in these competitive times is to ask questions, listen, and relentlessly self-improve. We bring this ethos to our product development process, our focus on customer operations, employee culture, and business performance.*

*Before initiating the journey as public company, I would like the early investors grab our offers and be part of this significant opportunity which will elevate our brand and we've would be building together into our new journey over the years. Today, we are showcasing the power of unique, timely, and pre engaging the partnering who will also be the key influencers as we near to the IPO listing before end of 2021.*

*Going public also affords us a special opportunity to introduce Lautan Variasi for Good, our corporate social responsibility program, which will amplify our impact in our industry and the communities in which we work. As we often do, we used our own products to find out what would be the most meaningful way we could give back. The answer sits squarely with who we are as a company: Lautan Variasi for Good's mission is to speak up for those without a voice to advance equality and make a positive impact on society.*

*We are confident we have the team, the strategy, and the operational rigor to continue our successful journey and deliver for all our stakeholders. We don't have all the answers, but as Warren Buffett says, you just have to "keep asking questions."*

Stay Curious,  
**Datuk Syed Nasir Hussin**  
Managing Director, Lautan Variasi

### 3. THE BUSINESS

#### 3.a. Entry point business

##### **What we do**

Incorporated our business in August 2015, as a wholly Bumiputera-owned company, to provide an end-to-end enabler of Telecom Services and a licensed Broadband Network Operator via Satellite & Terrestrial Technologies using VSAT. Building, Operating and Leasing Telecommunication Towers to Telco's, offering High Speed Broadband Internet Access via Satellite and Long Range Wi-Fi Solutions are our core services which under operation via our full suite of licences - Network Service Provider (NSP), Network Facilities Provider & Application Service Provider (ASP).

##### **Service Offerings**

As a broadband service provider for the underserved, our range of services covers Fixed VSAT, VSAT on the Move, VSAT on Pause, Cellular Backhaul and SCADA Applications. Our Land Area Service Coverage (For Ku-Band only) is Geo orbit satellite with Bent Pipe payload configuration. With this satellite, we can offer our customers for both East/West Malaysia throughout 6 beams.

Customer base: Starting 2015 our satisfied customer base since then has being around 300 plus installations which cover mainly remote government agencies, Banks, Hospitals, hotels and resorts and rural villages.

Investments: Infrastructure & installations RM 4Mil plus, Operating costs RM 2.4mil plus

Revenue Earned: MYR 15million plus.



### 5 Years in retail space of satellite broadband

**CONSUMER**

**CORPORATE**

**WHOLESALE**

Has enabled us to understand the potential, our research and business team collectively has been working relentlessly with various government agencies on how the technology can lead and contribute to the nation's national broadband initiatives. We have taken regular initiatives to showcase how the technology can help resolve the internet issues. Under Ministry of Education we have pilot deployment for one of the schools, for Sabah Parks we have deployed internet connectivity to remote centres ensuring internet connectivity, like wise we the exhaustive list for GLC's.

### 3.b. Tracker Buddy- Tracking & Monitoring Service Management

PROJECT	SMART MONITORING SOLUTION: TRACK, TRACE, MONITOR				
OBJECTIVE	Set Benchmark in Making Malaysia, the most preferred & safe tourist destination. Tourism become the key contributor to the country GDB. Creating new employment and business opportunity. Achieving excellence by adopting innovative ICT				
ADDRESSING THE NEED	<b>MEDICAL, LIFE THREAT, LOCATING, MONITORING</b>				
THE SOLUTION	<p><b><u>TRACK AND MANAGE MULTIPLE OBJECTS</u></b> Filter objects to swiftly search needed ones, group them into clusters for viewing on the map in small scale.</p> <p><b><u>ACCURATE REAL-TIME POSITIONING</u></b> The best mapping on the market, modern methods of geolocation and real time data update on the screen.</p> <p><b><u>RESPONSIVE DASHBOARD</u></b> handle SOS Beefs, Alerts, Geofence location enabled response team. Code Red alert (Police, Hospital, Fire Station)</p>				
FEATURES & SERVICES	<p><b><u>VISITORS</u></b> Always connected, Geofence Alerts, Proactive check, 2way interaction, Navigation</p> <p><b><u>AUTHORITIES</u></b> Realtime monitoring, emergency response centre, interactive dashboards, AI data mining, Push notifications</p>				
THE DEVICE	<p><b>GENERAL</b> <b>Durability:</b> Water resistant - IPX8 tested <b>Sensors:</b> Accelerometer/pedometer, temperature sensor, GPS/GLONASS receiver with omni-directional antennas. <b>CONNECTIVITY:</b> BLE 4.1, <b>WAN Network</b>, <b>GPS, GLONASS, BeiDou, and Galileo</b> GNSS systems support <b>BATTERY LIFE:</b> Up to one week of battery on a single charge. <b>Charging Dock:</b> Charging via 5V charger, Solar panel dock <b>DATA SECURITY PROTOCOL:</b> Government-level data privacy, TrustChip Technology AES-128 and AES-256 encryption, Intrusion resistant hardware</p>				
TECHNOLOGY	Low Power Wide Area Network ( <b>LPWAN</b> ) with end user device and application for tracking and monitoring. Use of Solar panel as alternative source of power and multiplatform enabled features				
CONNECTIVITY	VSAT as Backhaul				
BUSINESS MODEL	<p>Track &amp; trace services RM 40 entry level Market Footfall : 3-5 million tourists per annum Retail Broadband services RM 10 entry level Market Footfall: 500k users per month (including locals and tourists)</p>				
INVESTED	MYR 6.25mil				
	<b>PROTOTYPE DESIGN &amp; TECHNOLOGY INCLUDING POC</b>				
	2022	2023	2024	2025	2026
PROJECTED INVESTMENT	RM 325mil				
PROJECTED REVENUE	RM 114mil	136mil	203mil	268mil	270mil



### 3.c. LVConnect

PROJECT	INTERNET SERVICE PROVIDER																		
OBJECTIVE	Providing commercial internet broadband services in and around Sabah parks and tourist locations in Sabah using VSAT as backhaul and Wi-Fi network.																		
ADDRESSING THE NEED	<b>ENABLE INTERNET CONNECTIVITY IN ALL TOURIST LOCATIONS IN SABAH, PROVIDING NETWORK TO SMS, COMPLIMENTING TELCOS AS CARRIERS OF CARRIERS (NEUTRAL HOST)</b>																		
THE SOLUTION	LV broadband supports the new digital Sabah initiative providing internet connectivity to Sabah Airport, Hotels & Resorts in Sabah. Provide Datacentre, Backhaul, Last mile to SMS-Trackerbuddy covering all the Sabah parks and tourist locations in Sabah Optimize network and be carriers of carriers (neutral host)																		
FEATURES & SERVICES	One Digital Infrastructure to run all things wireless simultaneously Software application using X86 Servers Software defined access points to handle multiple protocols including IoTs Sub-Ms Latency Experience																		
TECHNOLOGY	VSAT AS BACKHAUL PROVIDE ACCESS POINT DETAILS																		
BUSINESS MODEL	Corporate Wi-Fi services RM 462 Sqft Per room RM 600 entry level Market Footfall: Tourist attraction businesses and hotels  Retail Broadband services RM 30 entry level Market Footfall: 500k to 700mil users per month (including locals and tourists)																		
INVESTED	MYR 5mil																		
	<b>PROTOTYPE DESIGN &amp; TECHNOLOGY INCLUDING POC</b>																		
	<table border="1"> <thead> <tr> <th></th> <th>2022</th> <th>2023</th> <th>2024</th> <th>2025</th> <th>2026</th> </tr> </thead> <tbody> <tr> <td>PROJECTED INVESTMENT</td> <td>RM 272mil</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>PROJECTED REVENUE</td> <td>129m</td> <td>237m</td> <td>241m</td> <td>246m</td> <td>250m</td> </tr> </tbody> </table>		2022	2023	2024	2025	2026	PROJECTED INVESTMENT	RM 272mil					PROJECTED REVENUE	129m	237m	241m	246m	250m
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PROJECTED REVENUE	129m	237m	241m	246m	250m														



### 3.d. OnDeGo – One Stop Restaurant mobile platform

PROJECT	ONDEGO – END-TO-END MOBILE PLATFORM FOR F&B (RESTAURANTS)				
OBJECTIVE	Offer meaningful Software As A Service to the restaurant owners which will cover operations, delivery, marketing and A&P platform				
ADDRESSING THE NEED	<b>A SINGLED PLATFORM FOR restaurant owners and customers for 3Ds</b> <b>Dine- Delivery – Discounts</b>				
THE SOLUTION	<p>A Single Platform for Merchants to service their customers.</p> <p><b>Restaurant Owners</b>  All in SAAS Platform at pre-fixed cost to effectively manage their Restaurant Business and Customers  Reasons to accept are unlimited  Restaurant and Customers Saves 30-40% to add to their business profits, which is a substantial revenues.</p> <p><b>Customers</b>  Dine – Delivery – Discounts all from same mobile app  Delivered to your Door Steps (No Jurisdiction boundary for ordering)  Save 30-40 % on food bills with additional discounts and offers direct from restaurants</p>				
TECHNOLOGY	A software solution designed and developed using Java technologies				
BUSINESS MODEL	<p>Merchants  RM 150 per month SAAS bundled suite including devices  20% on bill (accumulated margin including Dine-in, delivery, discounts)  Merchants advertisements &amp; promotions services</p> <p>Customers  Free</p>				
INVESTED	RM 2.00mil				
	2022	2023	2024	2025	2026
PROJECTED INVESTMENT	RM 30mil				
PROJECTED REVENUE	RM 3.5mil	RM 24mil	RM 41mil	RM 54mil	RM 68mil

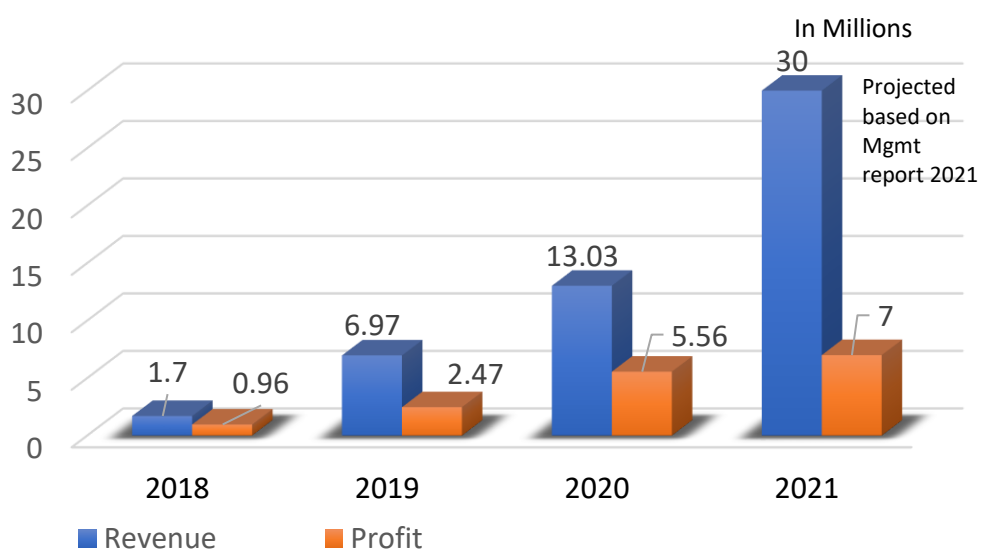




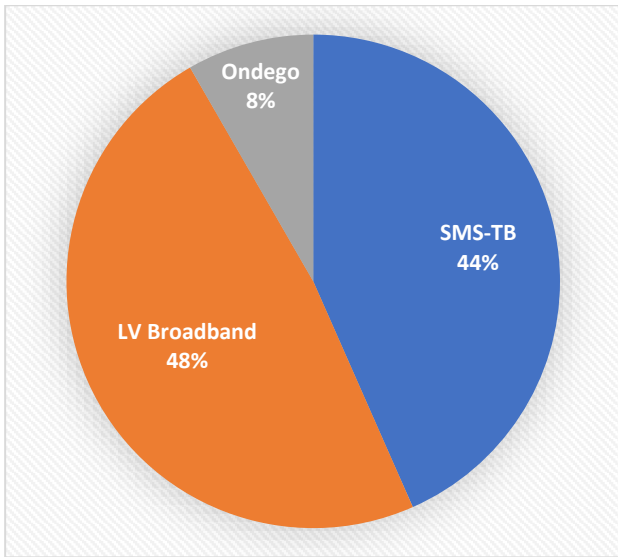
## 4. LV FINANCIAL REPORTING

### 4.a. Profit & Loss – Balance Sheet 2019 - 2020

PARTICULARS	MGMT	AUDITED	AUDITED	AUDITED
	2021 (AUG)	2020	2019	2018
	RM	RM	RM	RM
Revenue	6,000,600	13,036,519	6,968,810	1,719,158
Cost of goods sold	-2,385,845	-3,666,979	-2,109,994	-225,234
<b>Gross profit</b>	<b>3,614,754</b>	<b>9,369,541</b>	<b>4,858,816</b>	<b>1,944,392</b>
Other income			91	20,350
Administrative Costs	-222,501	-2,050,286	-1,604,402	-1,767,592
Profit from operations	3,392,253	7,319,254	3,254,505	97,150
Finance costs		-182	-425	-558
Profit before taxation		7,319,072	3,254,080	96,592
Taxation		-1,756,577	-780,979	
<b>Net profit Financial year</b>	<b>3,392,253</b>	<b>5,562,495</b>	<b>2,473,101</b>	<b>96,592</b>

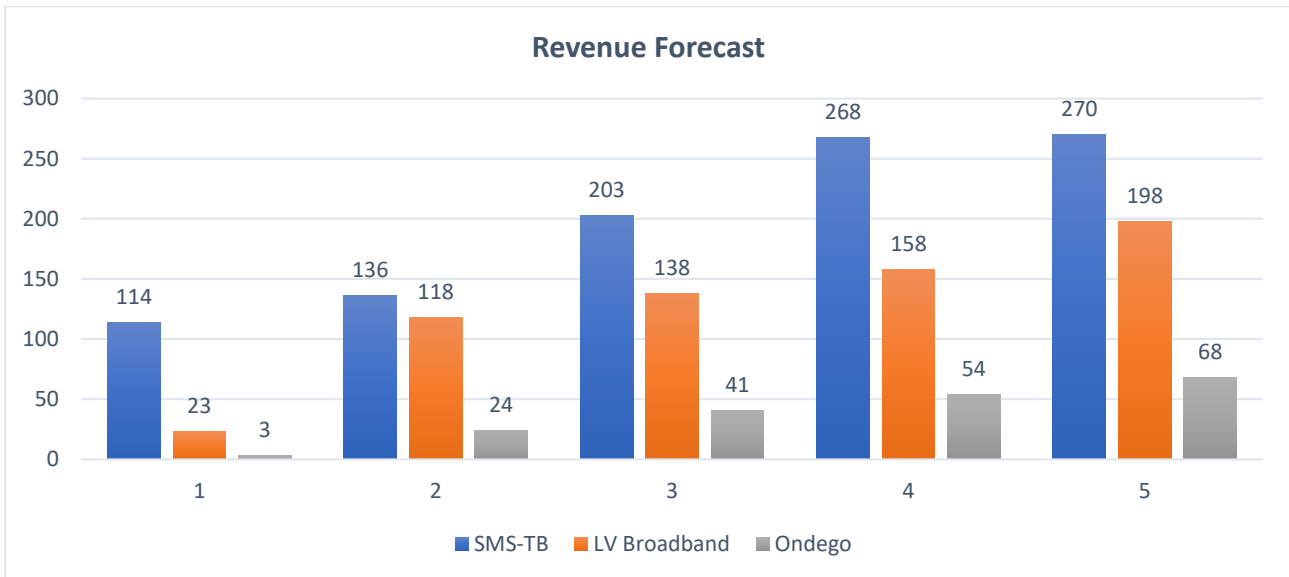


#### 4.b. Projections & Revenue Forecast



#### Revenue Forecast

Projects	2022	2023	2024	2025	2026
<b>TB</b>	114	136	203	268	270
<b>LVConnect</b>	129	237	241	246	250
<b>Ondego</b>	3	24	41	54	68
<b>Total</b>	246	397	485	568	588



#### 4.c. Business Valuation

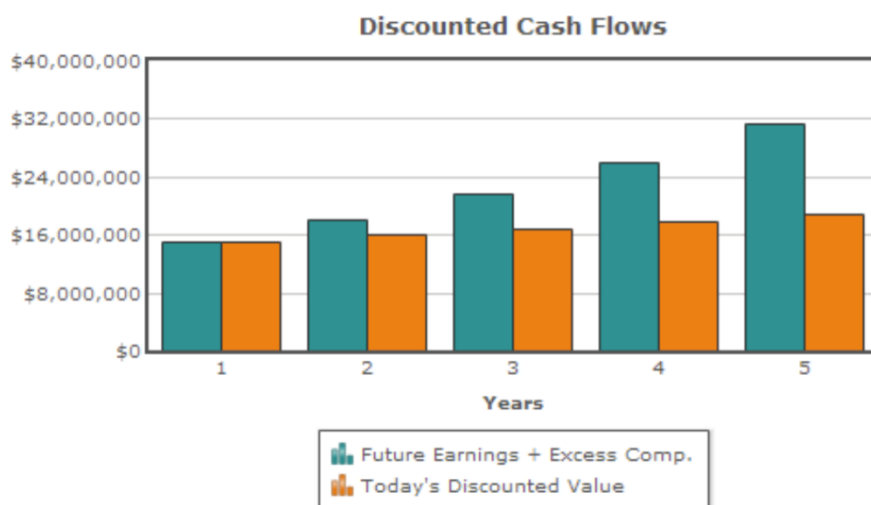
The value of a business can be expressed as the present value of expected future earnings. We use the method to determine the value of Lautan Variasi today based on discounted future cash flows with consideration to "excess compensation" paid to owners, level of risk, and possible adjustments for small size or lack of marketability.

### Current value analysis

Based on Year 2020 revenue a calculated discount rate of 13.5%, estimated business value is **RM 152,251,454**.

#### SUMMARY

Total Future Earnings/Excess Compensation	389,380,232
Calculated Discount Rate	13.5%
Present Value Of Today's Earnings/Excess Compensation	195,194,172
Less Adjustment For Small Size/Lack Of Marketability	42,942,718
Estimated Business Value	<b>152,251,454</b>



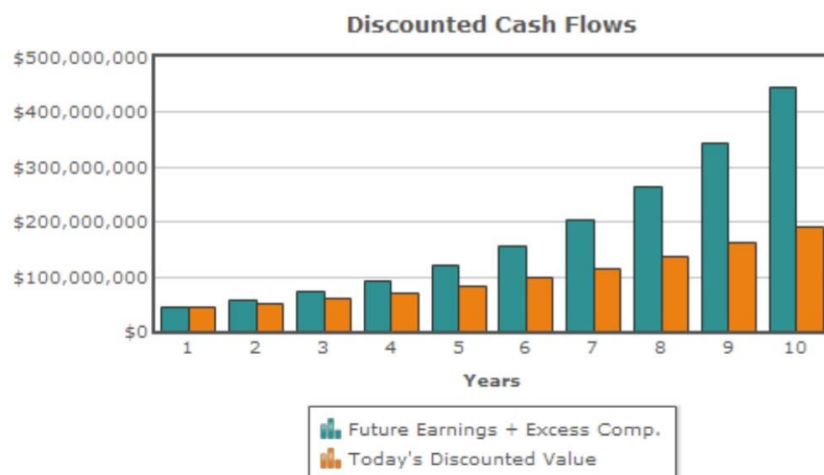
Year	Future Earnings	Today's Discounted Value
2020	15,000,000	15,000,000
2021	18,000,000	15,859,031
2022	21,600,000	16,767,257
2023	25,920,000	17,727,497
2024	31,104,000	18,742,728

## FORCASTED VALUE ANALYSIS POST LAUNCH OF NEW PROJECTS

Based on Year 2021 revenue a calculated discount rate of 10.5%, estimated business value is **RM 777,484,203**

### SUMMARY

Total Future Earnings/Excess Compensation	1,790,018,886
Calculated Discount Rate	10.0%
Present Value of Today's Earnings/Excess Compensation	996,774,619
Less Adjustment for Small	
Size/Lack of Marketability	219,290,416
Estimated Business Value	<b>777,484,203</b>



### Summary of Inputs

Annual earnings before interest, taxes, depreciation, and amortization	140,000,000
"Excess compensation" paid to owners (if any)	3,500,000
Anticipated rate of earnings/compensation growth (0 if level)	5.00%
Number of years earnings are expected to continue (maximum 10 which assumes perpetuity)	10
Level of business/industry/financial risk (Typically, Government projects are lower risk than commercial rollout)	Average
Discount for lack of marketability	10.00%

### Forecasted value of Share

Opening Value per share	40 cents
Discount	30%
Growth Rate	3%
Terminal Growth rate	2%
Growth Value	79 cents
Terminal value	44 cents
Intrinsic value	1%
margin safety	15%
Intrinsic value per share	96 cents

## 5.COMMERCIAL DISCLOSURE

### Telco Operators License: Network Facility Provider (NFP)



## COMMUNICATIONS AND MULTIMEDIA ACT 1998

COMMUNICATIONS AND MULTIMEDIA (LICENSING) REGULATIONS 2000

### INDIVIDUAL LICENCE

**ORIGINAL**

Serial No: 4

Licence No: NFP/I/2000/313

PURSUANT TO SECTIONS 30 AND 126 OF THE  
COMMUNICATIONS AND MULTIMEDIA ACT 1998

A licence is granted to

**LAUTAN VARIASI SDN. BHD.**  
**(1155177-W)**

whose registered office is at 568-10-40, 10<sup>th</sup> Floor, Mutiara Kompleks, 3 ½ Miles Jalan Ipoh,  
51200 Wilayah Persekutuan Kuala Lumpur

to own or provide any **network facilities**

with effect from **9 MAY 2017** until **8 MAY 2027** subject to

the following conditions:



**COMMUNICATIONS AND MULTIMEDIA ACT 1998**

COMMUNICATIONS AND MULTIMEDIA (LICENSING) REGULATIONS 2000

**INDIVIDUAL LICENCE**

**ORIGINAL**

Serial No: 5

Licence No: NSP/I/2000/297

PURSUANT TO SECTIONS 30 AND 126 OF THE  
COMMUNICATIONS AND MULTIMEDIA ACT 1998

A licence is granted to

**LAUTAN VARIASI SDN. BHD.**  
**(1155177-W)**

whose registered office is at 568-10-40, 10<sup>th</sup> Floor, Mutiara Kompleks, 3 ½ Miles Jalan Ipoh,  
51200 Wilayah Persekutuan Kuala Lumpur

to provide any **network service**

with effect from **9 MAY 2017** until **8 MAY 2027** subject to  
the following conditions:



## Letter Of Award Sabah Parks : Project Tracker Buddy



### LEMBAGA PEMEGANG AMANAH TAMAN-TAMAN SABAH (THE BOARD OF TRUSTEES OF SABAH PARKS)

Lot 45 & 46, Tingkat 1-5, Block H Signature Office, KK Times Square,  
Coastal Highway, 88100 Kota Kinabalu, Sabah, MALAYSIA.  
Peti Surat 10626, 88806 Kota Kinabalu, Sabah, MALAYSIA.

(Sila nyatakan rujukan pejabat ini apabila menjawab surat ini)

Ruj. Kami: TTS/IP/100-10/0 Jld.3

08 Disember 2020

Pengarah Urusan  
LautanVariasi Sdn Bhd  
No. F-2-11 Block F,  
Jalan GC 3 Glomac Cyberjaya, Cyber 12,  
63200 Cyberjaya, Selangor Darul Ehsan, Malaysia.  
(U.P: YBhg. Dato' Syed Nasir Hussin)

YBhg. Dato',

#### SISTEM PEMANTAUAN KESELAMATAN-TRACKER BUDDY MENERUSI CAPAIAN INTERNET JALUR LEBAR BERKELAJUAN TINGGI MENERUSI TEKNOLOGI VSAT DI KAWASAN PELANCONGAN DAN PERANGINAN DI TAMAN-TAMAN SABAH

Dengan hormatnya surat TTS/IP/100-10/0 Jld.3 bertarikh 28 Mei 2019 adalah dirujuk.

01. Untuk makluman pihak pengurusan LautanVariasi Sdn Bhd, pihak Lembaga Pemegang Amanah Taman-Taman Sabah tiada halangan untuk meneruskan projek Sistem Pemantauan Keselamatan-Tracker Buddy Menerusi Capaian Internet Jalur Lebar Berkelajuan Tinggi Menerusi Teknologi VSAT Di Kawasan Pelancongan Dan Peranginan Taman-taman Sabah.

02. Oleh yang demikian, sebarang tindakan dan usaha daripada pihak pengurusan LautanVariasi Sdn. Bhd. Untuk memastikan perlaksanaan Sistem Pemantauan Keselamatan ini dapat diteruskan sejajar dengan keperluan pihak Taman.

Sekian terima kasih.

#### "BERKHIDMAT UNTUK NEGARA"

Saya yang menjalankan amanah,

  
(MOHD AMIN BIN ABDUL MEM)

Pengerusi  
Lembaga Pemegang Amanah Taman-Taman Sabah

Sk. Penolong Pengarah (TMTS/TPS)  
Fail Lembaga Pemegang Amanah Taman-Taman Sabah

Makluman tuan

### "SABAH MAJU JAYA"

Tel:+6088 - 523500 Faks:+6088 - 523535, 486434, 486435 & 486436 Email: [sabahparks@sabah.gov.my](mailto:sabahparks@sabah.gov.my) / [sabahparks@gmail.com](mailto:sabahparks@gmail.com)  
Laman Web: <http://www.sabahparks.org.my>

## OnDeGo : MOU with PRESMA

### MEMORANDUM OF UNDERSTANDING SIGNING

#### BETWEEN

**PERSATUAN PENGUSAHA RESTORAN MUSLIM MALAYSIA**

**&**

**LAUTAN VARIASI SDN BHD**



This is a strategic understanding to provide SAAS services to all the restaurants registered under PRESMA who will benefit from our Single Mobile Platform – OnDeGo which will take care of end-to-end operations and services for the owners by using our software and mobile platform

## 6. LV MANAGEMENT

The core team of Lutan Variasi has some of the most experienced Industry Software Architects, Business transformation expertise with entrepreneurial ability

### BOARD OF DIRECTORS



PROF. DATO'SRI DR. TS. HJ ABDUL  
RASHID BIN MAIDIN  
- CHAIRMAN -



DATUK SYED NASIR  
- FOUNDER/MG DIRECTOR -



DATIN NOORHAYATI  
- FOUNDER/EXE DIRECTOR/CFO -

### MANAGEMENT TEAM

- WE ARE STRONGER -



RAJESH BHATT  
CEO



NIRMESH RAJYAGURU  
COO

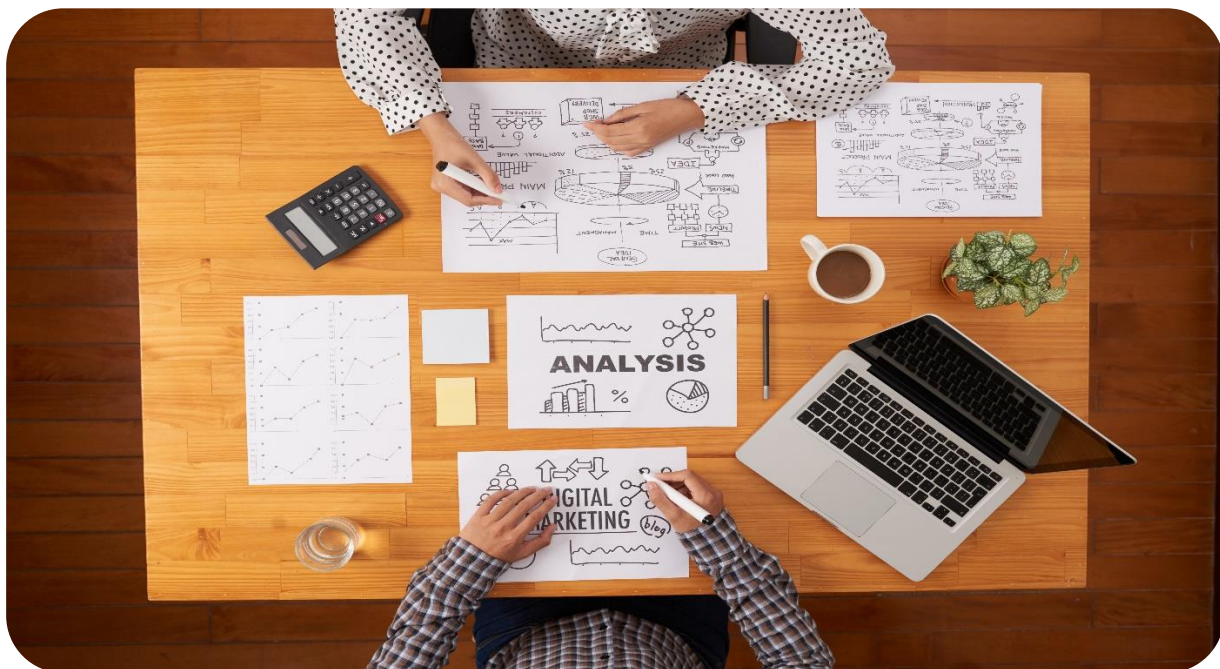
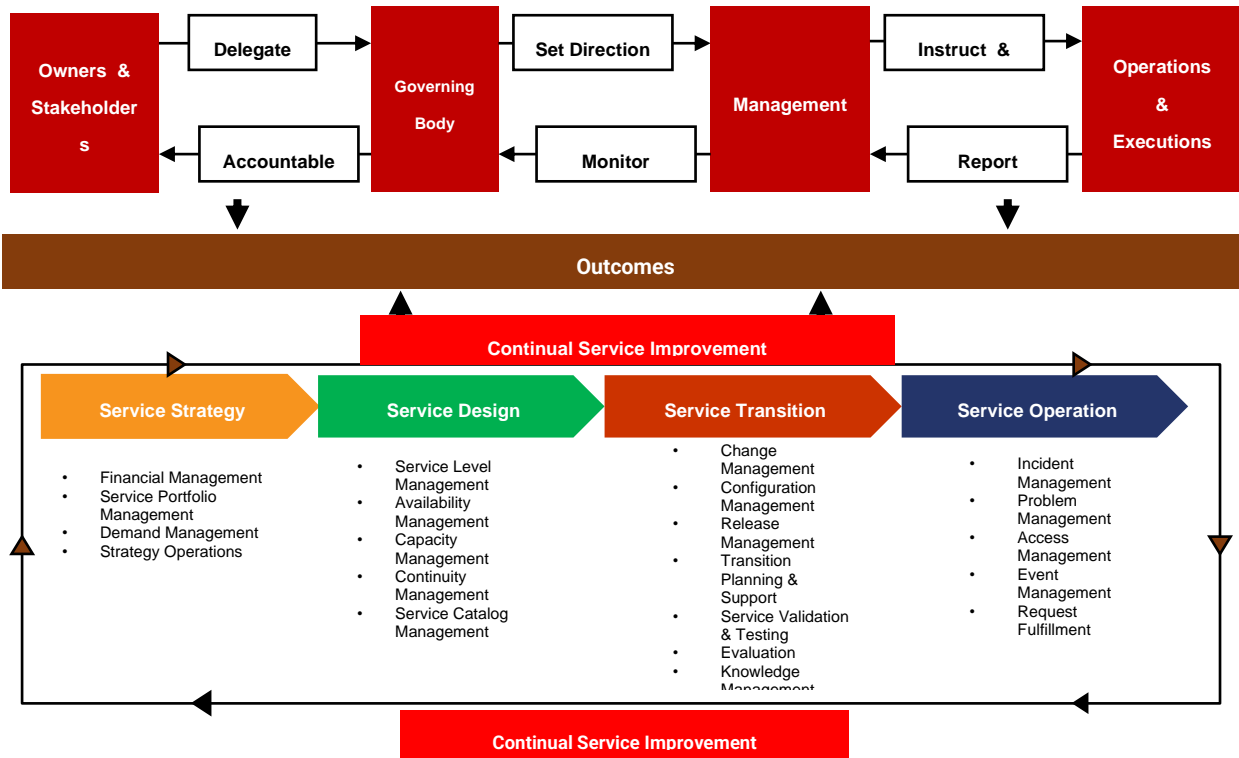


DATIN NOORHAYATI  
EX-DIRECTOR/CFO



AMIRUDDIN KEMAT  
SVP-FINANCE

# 7. CORPORATE GOVERNANCE FRAMEWORK

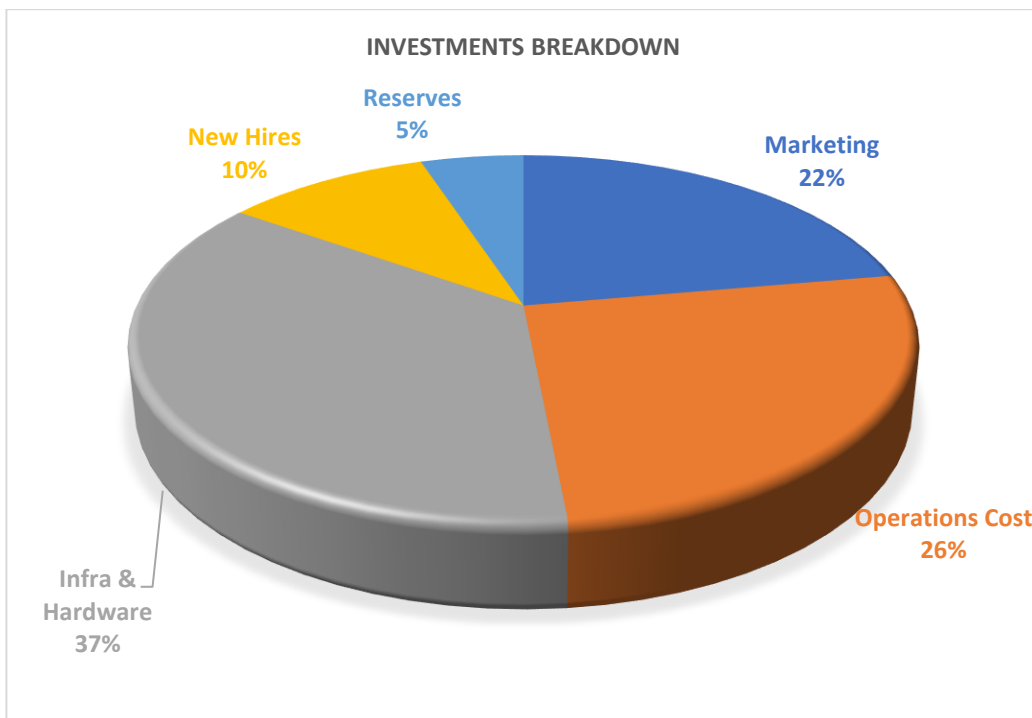
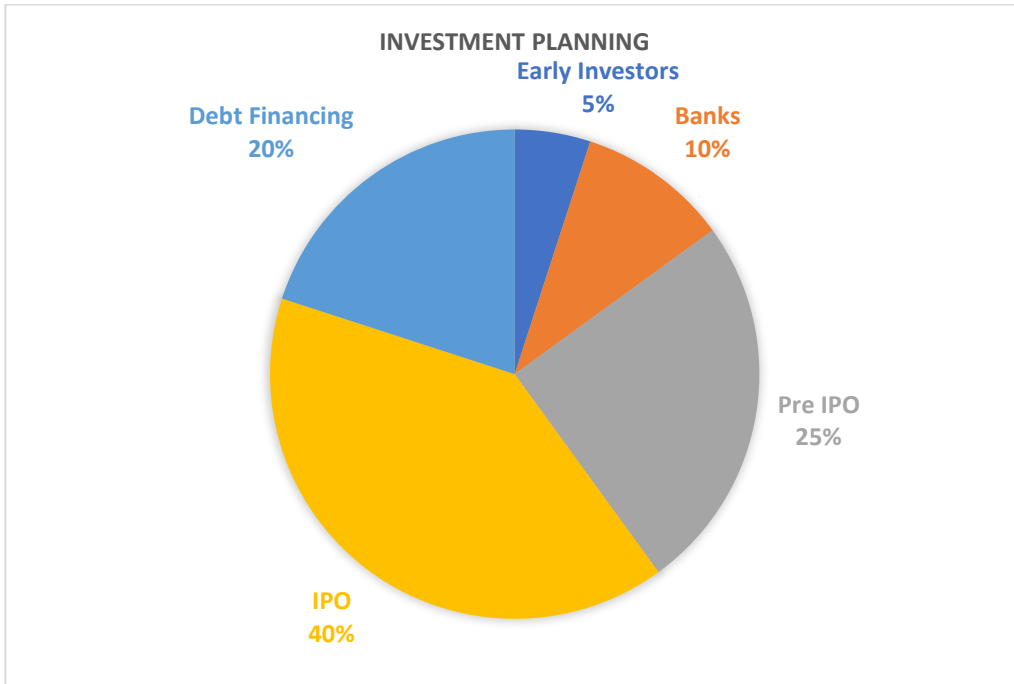


## 8. INVESTMENT FOCUS

### 8.a. Investment implementation & timelines

	2022												2023					
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
ECF Campaign																		
POC implementation				ECF Funds Utilizations														
Network design & planning						ECF Funds Utilization												
SST Concession Signoff						ECF Funds Utilization												
Investments (Private Placement)				Early Investors			Bulk Placements											
IPO Timelines	Application submission			Prospectus			Pre-IPO securing			Listing								
Bank borrowings				Infra, Hardware & Device Financing														
Phase 1 Deployments												Launch		Expand Network & full commercialization				

**8.b. Investment structures**





### 8.c. Early investors term sheets

1. Investor(s)	("Investor") and or its affiliates.
2. Investment Amount	Up to RM25,000,000 herein referred to as the Subscription Price.
3. Payment Terms	<p>The payment terms shall be in the following tranches:</p> <ol style="list-style-type: none"><li>50% of the Subscription Price upon signing of the Term Sheet;</li><li>50% of the Subscription Price upon signing of SSA;</li></ol>
4. Instrument	Up to 25,000,000 (Twenty Five Million) new Redeemable Convertible Preference Share ("RCPS") of RM1.00 (One Ringgit Malaysia) par value each.
5. Coupon	<p>6.0% ("Six Percent") per annum payable pro rata semi-annually. The first payment shall be within 6 months from the Subscription Date and will continue semi-annually until the redemption date.</p>
6. Redemption	<p>The redemption of the RCPS, as decided by the Company, is allowed at any time after 12 months from the Subscription Date.</p> <p>The redemption will be in either of the following options:</p> <ol style="list-style-type: none"><li>By way of cash; or</li><li>By way of conversion into Pre-IPO shares at a discount of 20% to the IPO issue price.</li></ol>

## 8.d. Strategic Acquisitions

### Acquisition Background

Lautan Variasi acquisition strategy involves finding a methodology for the acquisition of a target company or companies that generates value. Instead of simple growth, this cannot be a simplistic determination to combine two businesses, with a generic statement that overlapping costs will be eliminated. The management team have a specific proposition that makes it likely that acquisition transaction benefits and generate value for the shareholders.

### Objective & Goals

In case of Total Communications Sdn Bhd the value propositions (strategies) is the Sabah project rollout and implementation of telecommunications services as an Internet Service Provider, we have limited relatively limited line of expertise for network planning and deployment of commercial services, and wants to reposition to be a full-service provider. This calls for the pursuit of Total Communications Sdn Bhd businesses that can fill in the holes in the Lautan Variasi Sdn Bhd full-service strategy.

### Process

Ongoing

#### Total Comm financials overview

##### REVENUE

ENGINEERING SERVICES	1,900,660.80	2,833,411.82
VOIP RENTAL AND MAINTENANCE	1,337,695.62	1,818,005.74
PROJECT SALES	1,492,981.89	989,364.38
	4,731,338.31	5,640,781.94
<b>SALES ADJUSTMENTS</b>		
DISCOUNT ALLOWED	-	-
RETURN INWARD	-	-
	<b>4,731,338.31</b>	<b>5,640,781.94</b>

##### COST OF SALES AND SERVICES

OPENING INVENTORIES	1,151,207.14	1,008,248.18
PURCHASES	796,694.48	784,138.48
FORWARDING AND FREIGHT CHARGES	118,822.19	83,146.96
HIRE OF CRANE & SKYLIFT & GENSET	15,760.00	33,066.00
MARINE INSURANCE	1,703.72	889.46
SUB-CONTRACT CHARGES	541,221.00	807,009.94
SALES TAX AND DUTIES	44,152.24	31,889.65
SERVICE MAINTENANCE	59,741.02	49,897.57
SITE MAINTENANCE AND GUIDE	2,937.96	324.90
PACKING CHARGES	-	37.66
CLOSING INVENTORIES	(1,134,289.36)	(1,151,207.14)
	<b>1,597,950.39</b>	<b>1,647,441.66</b>

##### GROSS PROFIT/(LOSS)

3,133,387.92      3,993,340.28

##### OTHER INCOMES

GAIN ON EXCHANGE	2,370.21	0.04
INTEREST INCOME	4,245.14	-
GAIN ON DISPOSAL OF PLANT AND EQUIPMENT	-	199,380.00
	<b>6,615.35</b>	<b>199,380.04</b>

3,140,003.27      4,192,720.32

## 8.e. IPO Journey

### Appointments

#### IPO advisory & consultant team



SALIHIN is an established boutique firm with more than 100 professional personnel, drawn from SALIHIN network member firms, specialising in all aspects of corporate finance advisory and investment management, providing services to the Government Ministries, Multinational Companies, Public Listed Companies and Government Linked Institutions, Commercial Banks and Private Companies.

#### Investment Bankers



Kenanga Investment Bank Berhad is the largest independent investment bank\* in Malaysia by equity trading volume and value, as well as, one of the top brokerage houses with the largest network of remisers. Its fast growing client base enjoys convenience through more than 30 locations throughout Malaysia.

#### Company Auditors



Bursa Approved Auditors

#### Company Legal Affairs



Reputed law firm to handle and manage IPO legal





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- **END OF PROPOSAL** -